(13)

YORK REGION CONDOMINIUM CORPORATION NO. 616

BY-LAW NO. 6

BE IT ENACTED as a By-Law of York Region Condominium Corporation No. 616 (hereafter referred to as the "Corporation"), as follows:

By-Laws No. 1 and 2 of the Corporation are hereby repealed and replaced, in their entirety, with the following comprehensive general operating by-law in accordance with the *Condominium Act, 1998*, S.O. 1998 Chapter 19 (hereinafter referred to as the "Act").

ARTICLE I - SEAL

The seal of the Corporation shall be in the form impressed in the margin beside this paragraph.

ARTICLE II - YEAR END

The financial year end of the Corporation shall be the 30th day of April in each year or such other date as the board of directors (the "Board") may by resolution determine.

ARTICLE III - RECORDS OF THE CORPORATION

The Corporation shall maintain the following records:

(i) *Documents as required by Section 43(4) of the Act*

(1) The seal of the Corporation;

(2) The minute book for the Corporation including a copy of the registered declaration, registered by-laws, current rules and minutes of owners' meetings and board meetings;

(3) Copies of all agreements entered into by the Corporation or the declarant or the declarant's representatives on behalf of the Corporation, including management contract, deeds, leases, licences and easements;

(4) Copies of all policies of insurance and the related certificates or memoranda of insurance and all insurance trust agreements;

(5) Bills of sale or transfers for all items that are assets of the Corporation but not part of the property;

(6) As required by subsection 47(2) of the Act; the names and addresses for service of owners and mortgagees who have provided the Corporation in writing with this information;

(7) As required by subsection 83(3) of the Act,

(a) notice delivered by an owner to the Corporation that his/her unit is leased;

(b) the lessee's name, the owner's address and a copy of the lease or renewal or summary of it; and

(c) notice by an owner that a lease of a unit is terminated and not renewed; and

(8) All records that it has related to the units or to employees of the Corporation.

(ii) *Documents as required by Subsection 43(5) of the Act*

(1) The existing warranties and guarantees for all the equipment, fixtures and chattels included in the sale of either the units or common elements that are not protected by warranties and guarantees given directly to a unit purchaser;

(2) The as-built architectural, structural, engineering, mechanical, electrical and plumbing plans;

(3) The as-built specifications, indicating all substantive changes, if any, from the original specifications;

(4) All existing plans for underground site services, site-grading, drainage and landscaping, and television, radio or other communications services;

(5) All other existing plans and information not mentioned in clause (b), (c) or (d) that are relevant to the repair or maintenance of the property;

(6) A table setting out the responsibilities for repair after damage and maintenance and indicating whether the Corporation or the owners are responsible;

(7) All reserve fund studies that have been completed or are required to have been completed; and

(8) The financial statements of Corporation.

(iii) *Documents as required by Subsection 55(1) of the Act*

(1) The financial records of the Corporation, going back at least six years from the end of the last fiscal period to which they relate;

(2) A minute book containing the minutes of owners' meetings and the minutes of board meetings;

(3) A copy of the Declaration, by-laws and rules;

(4) All lists, items, records and other documents mentioned in subsections 43(4) and (5);

(5) The report described in subsection 44(8) that the corporation receives from the person who conducts a performance audit;

(6) The records required under subsection 47(2) and 83(3);

(7) A record of all reserve fund studies and all plans to increase the reserve fund under subsection 94(8);

(8) A copy of all agreements entered into by or on behalf of the corporation;

(9) The report that the corporation receives from an inspector in accordance with subsection 130(5); and

(10) All other records as may be prescribed or specified in the by-laws of the corporation.

(iv) *Other Records*

(1) All plans to increase the reserve fund under subsection 94(8) of the Act;

(2) A copy of all agreements entered into by or on behalf of the Corporation;

(3) Any report that the Corporation receives from an Inspector in accordance with subsection 130(5) of the Act;

(4) A copy of any resolution of the Board changing the address for service or the mailing address of the Corporation as registered;

(5) A copy of all notices sent on behalf of the Corporation;

(6) A copy of all easements, licenses, or leases entered into by the Corporation;

(7) All requests for status certificates and a copy of the certificates issued;

(8) The names of directors and officers, their mailing address and respective terms of office;

(9) Copies of each tenant's executed acknowledgement and agreement with the Corporation as required pursuant to the declaration;

(10) A copy of all annual notices of assessment and any extraordinary assessments;

(11) A copy of all consents for alterations to units and/or the common elements in accordance with the declaration and any by-laws of the Corporation including any agreement entered into with an owner in accordance with section 98 of the Act;

(12) Proxies for meetings to be retained for 90 days;

(13) Tender bids and/or quotations received for major projects undertaken by the corporation; and

(14) Any other information required to be maintained as records by the Act and the Regulations made thereunder.

ARTICLE IV - DUTIES OF THE CORPORATION

(i) *Duties of the Corporation*

The duties of the Corporation shall include, but shall not be limited to the following:

(1) the controlling, managing and administering of the common elements and the assets of the Corporation including but not limited to the operation, care, upkeep, maintenance and repair of the common elements and the maintenance and repair of units when an owner fails to maintain and/or repair as provided for in the Act and in the declaration;

(2) the collection of contributions toward common expenses from the owners;

(3) the arranging for the supply of utilities to the property, except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. If any apparatus or equipment used in effecting the supply of such

heat, hydro or water at any time becomes incapable of fulfilling its function or is damaged or destroyed, the Corporation shall have a reasonable time within which to repair or replace such apparatus and the Corporation shall not be liable for indirect or consequential damage or for damages for personal discomfort or illness by reason of the breach of such duty;

(4) the obtaining and maintaining of insurance for the property as may be required by the Act, the declaration or the by-laws, together with any appraisals of the full replacement cost of the common elements and assets of the Corporation that may be required by the Act, the declaration or the by-laws of the Corporation for the purposes of determining the amount of insurance to be obtained;

(5) the preparation of notices of lien, certificates of lien and status certificates as required by the Act;

(6) the preparation of an estimated budget in accordance with Article X hereof;

(7) the supervision of all public or private service companies which enter upon the common elements and into the units for the purpose of supplying, installing, replacing and servicing Corporation systems;

(8) the employment and dismissal of personnel necessary for the maintenance and operation of the common elements and assets of the Corporation;

(9) the obtaining and maintaining of fidelity bonds where obtainable for any person dealing with Corporation monies and in such amounts as the Board may deem reasonable;

(10) the investment of reserve monies held by the Corporation in accordance with the Act;

(11) the commencement and pursuit of legal proceedings, settling, adjusting or referring to mediation and/or arbitration of any claim or claims which may be made upon or which may be asserted on behalf of the Corporation;

(12) the purchase and maintenance of insurance for the benefit of all directors and officers (including tail pipe insurance in the case of change of insurers to insure that directors actions are protected when the Corporation changes insurers) in respect of anything done or permitted to be done by them in respect of the execution of the duties of their offices except insurance against a liability, cost, charge or expense of such directors or officers incurred as a result of a contravention of the duty imposed by the Act to act honestly and in good faith;

(13) the preparation and maintenance of the records to be kept by the Corporation in accordance with Article III hereof:

(14) the calling and holding of meetings and the delivery of notices, as required;

(15) the consistent and timely enforcement of the provisions of the Act, the declaration, the by-laws and the rules of the Corporation;

(16) establishing and maintaining adequate reserve funds for the major repair or replacement of the common elements and of the assets of the Corporation, including arrangement for the conducting of reserve fund studies, in accordance with the Act;

(17) causing audits to be made after every year-end and making financial statements available to the owners and mortgagees in accordance with the Act and the by-laws; and

(18) the carrying out of the duties of the Corporation and or the Board as required by the Act, the Corporation's declaration and by-laws.

ARTICLE V - POWERS OF THE CORPORATION

(i) *Powers of the Corporation*

The powers of the Corporation shall include, but shall not be limited to the following

(1) entering into of an agreement with a person or corporation to provide professional management for the property. The management agreement shall be in a form acceptable to the Board;

(2) adoption and amendment of rules concerning the operation and use of the property;

(3) entering into of an insurance trust agreement to ensure the disposition of monies in the event of an insurable loss in accordance with the Act and/or the declaration;

(4) authority to make a complaint under Section 40 of the *Assessment Act*, or any successor legislation, on behalf of the owners, provided that the Corporation gives notice of the complaint and objections to the owners, and the authority to defray the costs of such complaint and objections out of common expenses;

(5) commencing and pursuing legal proceedings, settling, adjusting, compromising and/or referring to mediation and/or arbitration of those matters set out in the Act or any contract or agreement to which the Corporation is a party (see Mediation and Arbitration By-Law);

(6) borrowing of money for expenditures not listed in the budget for the current fiscal year subject in each case to the passage of a by-law specifically to authorize the borrowing;

(7) borrowing of such amounts in any fiscal year as the Board determines are necessary or desirable in order to protect, maintain, preserve or ensure the due and continued operation of the property in accordance with the Act, declaration and by-laws of the Corporation, the securing of any loan of any amount by mortgage, pledge or charge of any asset (other that the reserve fund) of the Corporation;

(8) selling, conveying, exchanging, assigning or otherwise dealing with any real or personal property at any time owned by the corporation at such price, on such terms, and in such manner as the Corporation in its sole discretion deems advisable, and to do all things and execute all documents required to give effect to the foregoing;

(9) leasing, granting or transferring an easement or license through any part or parts of the common elements by way of a by-law, except those parts of the common elements over which any owner has the exclusive use;

(10) making additions, alterations, or improvements to the common elements, changes to the assets of the corporation or a change in a service that the corporation provides to the owners, in accordance with subsections 97(2),(3),(4),(5),(6),(7) and (8) of the Act;

(11) entering into agreements allowing owners to make additions, alterations or improvements to the common elements that are not contrary to the Act or declaration, in accordance with subsections 98(1), (2), (3), (4) and (5) of the Act.

(12) conducting periodically, a building and/or operations audit and/or reserve fund study as deemed appropriate by the Board, or required by the Act.

ARTICLE VI - NOTICE

(i) *Notice*

Subject always to any specific provision to the contrary in the Act, any notice, communication or other document, including budgets and notices of assessment required to be given or delivered by the Corporation to any person shall be sufficiently given if:

(1) delivered personally to the person to whom it is to be given; or

(2) sent by prepaid ordinary mail addressed to the person at the address shown on the record of the Corporation; or

(3) sent by facsimile transmission, electronic mail or any other method of electronic communication if the person agrees in writing that the party giving the notice may give the notice in this manner; or

(4) delivered at the person's unit or at the mail box for the unit, unless the party giving the notice has been advised in writing by the person that delivery is not to be effected in this manner or the address for service on the record of the Corporation is not the address of the person.

(ii) *Delivery*

Any notice, communication or other document to be given by the Corporation to any mortgagee will be given or delivered to such person in the manner provided by law.

(iii) *Notice Deemed Received*

Any notice, communication or document shall he deemed to have been received:

(1) when it is delivered personally or delivered to the latest address shown on the record; or

(2) when it has been deposited in a post office or public letter box; or

(3) when it is sent by means of facsimile transmission, electronic mail or any other method of electronic communication.

(iv) *Registration of Ownership*

The Corporation shall not be obliged to give any notice to any owner who has not notified the Corporation that he/she has become an owner or to any mortgagee who has not notified the Corporation that he/she has become a mortgagee and has been authorized or empowered in his/her mortgage to exercise the right of the mortgagor to vote.

(v) *Notice to the Board or Corporation*

Any notice, communication or other document to be given to the Board or Corporation shall be sufficiently given if personally delivered to any Director or Officer of the Corporation, or if sent by ordinary mail addressed to the President or Secretary of the Board or Corporation at the address for service of the Corporation set out in the declaration, or such other address for service that has been amended and registered in accordance with the Act.

(vi) *Omissions And Errors*

The accidental omission to give any notice to anyone entitled thereto or the non-receipt of such notice or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

(vii) *Notices of Owners' Meetings*

At least fifteen (15) days' written notice of each meeting of the owners specifying the place, the date and the hour thereof and the nature of the business to be presented shall be given to each owner and to each mortgagee or chargee entitled to vote who is entered on the register twenty (20) days before the date of the meeting.

ARTICLE VII - BOARD OF DIRECTORS

(i) *Duties*

(1) The affairs of the Corporation shall be managed by the Board; and

(2) The Board shall have the obligation to perform all of the duties of the Corporation; however, the Board may delegate certain specific duties to the manager by duly enacted resolution and/or pursuant to the terms of any management agreement.

(ii) *Quorum*

The number of directors shall be five (5) of whom three (3) shall constitute a quorum for the transaction of business at any meeting of the Board. Notwithstanding vacancies, the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

(iii) *Qualifications*

Qualifications for election to the Board shall be the following:

a) A person is not eligible to be elected or appointed as a director if that person resides in and/or co-owns the same unit as a sitting director. To the same effect, while two or more persons who reside in and/or co-own the same unit are eligible to stand for election to the board of directors, only one may be elected and/or hold the position of director at the same time.

b) Each director shall be eighteen (18) or more years of age and shall be either the legal owner or spouse of the legal owner of a unit within the condominium plan. No undischarged bankrupt nor mentally incompetent person shall be a director, and if a director becomes a bankrupt or mentally incompetent person, or sells, transfers, or is deprived of title to his/her unit, he/she shall there upon cease to be a director.

c) No person whose unit has a certificate of lien registered against his/her unit, pursuant to the Act, shall be elected as a director;

d) Each director shall be the owner of a unit.

e) No person may serve as a member of the board of directors at the same time as their spouse.

f) A person who is elected or appointed a director is not a director unless:

g) He/she was present at the meeting when he/she was elected or appointed and did not refuse at the meeting to act as a director, or

When he/she was not present at the meeting when he/she was elected or appointed, he/she consented to act as a director in writing before his/her election or appointment or within ten (10) days thereafter.

h) Directors are required to comply fully with the Code of Ethics attached to this by-law as Schedule "A".

(iv) *Disqualification*

A person immediately ceases to be a director if:

(1) the person becomes an undischarged bankrupt or a mentally incompetent person;

(2) a certificate of lien has been registered against a unit owned by the person and the person does not obtain a discharge of the lien within 90 days of the registration of the lien;

(3) the director fails to attend 3 regularly scheduled board meetings in any given year and is unable to provide evidence of illness or disability that is satisfactory to the Board acting reasonably.

(4) the director is a party to litigation, mediation and/or arbitration with an interest in opposition to that of the Corporation.

(5) No person may be a member of the board of directors at the same time as their spouse, nor stand for election or appointment to the board of directors where their spouse is a director, nor may a person and their spouse stand as candidates for election or appointment to the board of directors when there is more than one vacancy on the board of directors.

(6) the director does not own a unit in the Corporation.

(v) *Election and Term*

Subject to the Act,

(1) The directors of the Corporation shall be elected in rotation and shall be eligible for re-election. At the first meeting of the owners held to elect directors, two (2) directors were elected to hold office for a term of one (1) year each; two (2) directors were elected to hold office for a term of (2) years each; and one (1) director was elected to hold office for a term of three (3) years. At each annual meeting thereafter, a number of directors equal to the number of directors retiring have been and shall continue to be elected for a term of three (3) years. Such directors may, however, continue to hold office notwithstanding the expiry of their respective terms, until their successors are elected. Subject paragraphs (iii) and (iv) above, nothing shall preclude any retiring director(s) from running for re-election. Those directors who have been elected to office and whose terms have not expired at the meeting of owners at which this By-law is approved by the owners will complete the terms for which they have been elected. If more than one (1) of such directors whose terms are not of equal duration shall leave office prior to the expiration of their respective terms, and shall be replaced at a meeting of owners called for that purpose, the director(s) receiving the greater number of votes shall

complete the longest remaining terms of the resigning directors; and directors shall be elected in the above manner to fill any other vacant term(s) of office.

(2) Where the Board is elected by acclamation, the directors at their first board meeting shall determine the distribution of terms by agreement or failing agreement by the drawing of straws. Directors may be removed before the expiration of their term in accordance with the procedure set forth in the Act; and

(3) Election to the Board shall be by written ballot.

(vi) *Removal of Directors*

A director may be removed before the expiration of his/her term by a vote of owners who together own a majority of the units, and the owners may elect at any annual or special meeting any qualified person in place of any director who has been so removed, or who has died or resigned, for the remainder of his or her term.

(vii) *Filling of Vacancies*

If a vacancy in the membership of the board occurs, other than by way of removal by a vote of the owners or as a result of the number of directors being increased, the majority of the remaining members of the board may appoint any qualified person to be a member of the board to fill such a vacancy until the next annual meeting, at which time the vacancy shall be filled by election by the owners. However, when there is not a quorum of directors in office, the directors then in office shall forthwith call a meeting of owners to fill all the vacancies, and in default thereof, if there are no directors in office, the meeting may be called by any owner.

(viii) *Calling of Meetings of the Board of Directors*

(1) Meetings of the Board shall be held from time to time at such place and at such time and on such day as either the President or Vice-President, who is a director may determine, or any three directors may determine; and the Secretary shall call meetings when directly authorized by the President or by the Vice-President, who is a director, or by any three directors. In addition to any other provision in the by-laws a quorum of directors may, at any time, call a meeting of the directors for the transaction of any business. Unless otherwise provided in the by-laws of the Corporation to the contrary, notice of any meeting so called shall be given personally, by ordinary mail, by telegram, by fax, by e-mail or by telephone, to each director, at the address for service given by each director to the Corporation (or if no such address for service has been given, then to his last known place of residence) not less than forty-eight (48) hours (excluding any part of a Sunday or of a holiday as defined by the Interpretation Act of Canada for the time being in force) before the time when the meeting is to be held, save that no notice of a meeting shall be necessary if all the directors are present and consent to the holding of such meeting, or if those absent waive notice of the meeting or otherwise signify in writing their consent to the holding of such meeting. If any notice of a director's meeting is mailed or sent by telegram, fax or e-mail as aforesaid, then same shall be deemed to have been received and to be effective on the third (3rd) business day following the date on which same was mailed or on the first (1st) day following the date on which same was telephoned, telegrammed, faxed or e-mailed.

(2) The Board may by resolution appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of the resolution of the Board fixing a place and time of regular meetings of the Board shall be sent to each director forthwith by ordinary prepaid post after being passed, but no other notice shall be required for any such regular meeting; and

(3) A meeting of the directors may be held by teleconference or other form of electronic communication that allows the directors to participate concurrently if all the directors agree thereto, and a director so participating in any such meeting held or convened by such means shall be deemed (for the purposes of Act, as amended, and this by-law) to be present at such meeting.

(ix) *Declaration of Interest*

(1) The provisions in the Act relating to the declaration of interest of any director in any contract or arrangement entered into by or on behalf of the Corporation shall be followed and complied with; and

(2) In addition, the Board shall, prior to voting on any contract in which another director is interested, obtain at least two (2) other independent bids from other contractors to supply or provide the same supplies or services to the Corporation.

(x) *Standard of Care*

Every director and every officer of the Corporation in exercising the powers and discharging the duties of office shall:

(1) act honestly and in good faith; and

(2) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(xi) *Protection of Directors and Officers*

No director or officer of the Corporation shall be liable for:

(1) the acts, neglect or default of any other director or officer;

(2) any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation;

(3) the insufficiency or deficiency of any certificate or instrument in or upon which any monies of the Corporation shall be invested, provided always that the investment certificate or instrument conforms with the provisions of the Act;

(4) any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, certificates, term deposits, instruments or effects of the Corporation shall be deposited;

(5) any loss occasioned by an error of judgment or oversight on his/her part provided the Board member has acted in accordance with his/her obligations and duties pursuant to the Act; or

(6) any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his/her office or in relation thereto;

unless the same shall happen through his/her own dishonest or fraudulent act or acts, bad faith, failure to meet the standard of care established in the Act or willful misconduct.

(xii) *Indemnity of Directors and Officers*

Every director or officer of the Corporation and his/her heirs, executors, successors and assigns, respectively, shall from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation from and against:

(1) all costs, charges and expenses whatsoever which such director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him or her for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him or her in or about the execution of the duties of his/her office; and

(2) all other costs, charges and expenses which he/she properly sustains or incurs in or about or in relation to the affairs of the Corporation;

unless the same shall happen through his/her own dishonest or fraudulent act or acts, bad faith, or willful misconduct.

(xiii) *Consents*

Any consent required under the provisions of the Act, the declaration, the by-laws or the rules shall be given by the Board in writing after a resolution for same has been passed.

(xiv) *Execution of Instruments*

(1) Any contract or obligation within the scope of any management agreement entered into by the Corporation may be executed on behalf of the Corporation in accordance with the provisions of such management agreement;

(2) Subject to the Act and the declaration but notwithstanding any provisions to the contrary contained in the by-laws of the Corporation, the Board may by resolution at any time, and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, assignment, contract, cheque or obligation or any class of deed, transfer, assignment, contract, cheque or obligation of the Corporation may or shall be signed;

(3) Any member of the Board, or by resolution of the Board, any authorized agent may execute a status certificate and cause the corporate seal to be affixed thereon provided there is delivered with the certificate a statement under the signature of the authorized agent that he/she has examined the records and confirms that the particulars set out in the certificate are accurate; and

(4) The manager, any two members of the Board or the Corporation's solicitor may execute a Notice of Lien to Owner, Certificate of Lien or Discharge of Certificate of Lien.

(xv) *Banking Arrangements*

The banking business of the Corporation or any part thereof shall be transacted with such bank or trust company as the board may designate or authorize from time to time by resolution, and such banking business, or any part thereof, shall be transacted on the Corporation's behalf by any one or more officers, or other persons, as the board may designate or authorize from time to time by resolution and to the extent therein provided, including, without restricting the generality of the foregoing, the operation of the Corporation's accounts, the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange or orders relating to any property of the Corporation; the execution of any

agreement relating to any such banking business, and the defining of the rights and powers of the parties to any such banking business, and the authorizing of any officer of such bank or trust company to do any act or thing on the Corporation's behalf to facilitate such banking business.

ARTICLE VIII - OFFICERS

(i) *Election of President*

At the first meeting of the Board after each election of directors the Board shall elect from among its members a President. In default of such election the then incumbent President, if a member of the Board, shall hold office until his/her successor is elected. A vacancy occurring from time to time in such office may be filled by the Board from among its members.

(ii) *Appointment of Officers*

From time to time the Board shall appoint a Secretary and may appoint one or more Vice-Presidents, a General Manager, a Treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. The officer so appointed may but need not be a member of the Board.

(iii) *Terms of Office*

In the absence of written agreement to the contrary, officers shall hold office until removed by the Board. Officers of the Board or Corporation shall adhere to and be governed by the same qualifications and disqualifications as hereinbefore applied to directors pursuant to By-law No. 2 and paragraphs VII (iii) and (iv) above. Officers shall have such authority and perform such duties as the Board may from time to time determine are consistent with the Act, the declaration and by-laws of the Corporation.

(iv) *President*

The President, when present, shall:

(1) be charged with the general supervision of the business and affairs of the Corporation;

(2) be the chairperson at all meetings of the Board and of the owners or (subject to a decision of the board) designate the chairperson at all such meetings;

(3) have one vote (only) at all meetings of the Board;

(4) co-ordinate the Activities of the remaining members of the Board and officers;

(5) in the absence of a resolution of the Board specifying another officer, deal directly with the property manager and Corporation solicitor in all areas of concern; and

(6) direct the enforcement of the Act, the declaration, the by-laws and the rules and regulations of the Corporation by all lawful means at the Board's disposal.

(v) *Vice-President*

During the absence of the President, his/her duties may be performed and his/her powers may be exercised by the Vice-President, or if there are more than one, by the Vice-Presidents in order of seniority (as determined by the Board), save that no Vice-President shall preside at a meeting of the Board or at a meeting of owners who is not qualified to attend such a meeting as a director or owner, as the case may be. If a Vice-President

exercises any such duty or power, the absence of the President shall be presumed with reference thereto. A Vice-President shall also perform such duties and exercise such powers as the Board may prescribe from time to time.

(vi) *Secretary*

The Secretary shall:

(1) give or cause to be given all notices required to be given to the owners, directors, mortgagees and all others entitled thereto pursuant to the Act or the declaration, by-laws or rules or any contracts to which the Corporation is a party;

(2) attend all meetings of the directors and of the owners;

(3) enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings;

(4) be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation. This does not require the Secretary to keep these documents in his/her personal custody;

(5) cause to have the by-laws registered and notice of the by-laws and of the rules and regulations to be sent to all owners and mortgagees as required by the Act; and

(6) perform such duties and exercise such powers as the Board may prescribe from time to time.

(vii) *Treasurer*

The Treasurer shall:

(1) prepare, in consultation with the property manager, the annual budget together with the annual financial statements to be presented to the owners at the annual general meeting;

(2) prepare, in consultation with the property manager and others as selected by the Board, a Reserve Fund Plan, if required;

(3) prepare, in consultation with those selected by the Board, an investment plan for the Corporation's funds;

(4) keep or cause to be kept full and accurate books of accounts in which shall be recorded all receipts and disbursements of the Corporation and under the direction of the Board;

(5) control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation;

(6) render to the Board at a meeting thereof or whenever required of him/her an account of all his/her transactions as Treasurer and of the financial position of the Corporation; and

(7) perform such duties and exercise such powers as the Board may prescribe from time to time.

(viii) *Other Officers*

The duties of all other officers of the Corporation shall be such as the terms of their engagement call for, or as the Board may require. Any of the powers and duties of an

officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the Board otherwise directs.

(*ix*) *Committees:*

(1) In order to assist the Board in managing the affairs of the Corporation, the Board may from time to time constitute advisory committees to advise and make recommendations to the Board in connection with the activities of residents, management, budgets, house rules, or any other matter related to the property and/or Corporation affairs.

(2) The members of such committees shall be appointed by the Board to hold office and may be removed at any time by resolution of the Board.

(*x*) *Agents and Attorneys:*

The board shall have the power to appoint, form time to time, agents or attorneys of the Corporation who shall have such powers of management or otherwise (including the power to delegate) as the board may think fit in its sole discretion.

ARTICLE IX - MEETINGS OF THE OWNERS

(i) *Annual Meetings*

(1) The annual meeting of the owners shall be held within the Municipality of York Region at such time and on such day in each year as the Board may determine, for the purpose of hearing and receiving the reports and statements required to be read at and laid before the owners at an annual meeting; electing directors; and for the transaction of such other business as may properly be brought before the meeting;

(2) The Corporation shall attach to the notice of the Annual General Meeting a copy of the financial statements and the auditor's report; and

(3) The annual meeting is to take place no later than six (6) months following the end of the Corporations' fiscal year.

(ii) *Special Meetings*

The Board shall have the power at any time to call a special meeting of the owners for the transaction of any business, the nature of which shall be specified in the notice calling the meeting.

(iii) *Persons Entitled to be Present*

The only persons entitled to attend a meeting of owners shall be:

(1) the owners and mortgagees entered on the record and who are entitled to receive notice of and entitled to vote at the meeting in accordance with the Act;

(2) any other person entitled to vote thereat;

(3) any other person who, although not entitled to vote, are entitled or required under the provision of the Act or the by-laws of the Corporation to be present at the meeting; and

(4) any other person on the invitation of the Chairperson of the meeting or with the consent of the meeting.

(iv) *Quorum*

A quorum for the transaction of business at a meeting of the unit owners is those owners who own together at least 25% of the units. If a quorum is not present within a reasonable time after the time appointed for the holding of any meeting of the owners (such reasonable time to be determined by the Chairperson of the Meeting) the meeting shall be adjourned and the Board may call a new meeting of the owners, and shall call a new meeting of owners if the meeting adjourned is the Annual General Meeting.

(v) *Voting*

(1) At each meeting of owners, subject to the provisions of the Act, every owner shall be entitled to vote who is entitled to receive notice of the meeting and is not in arrears of common expenses for thirty (30) days or more at the time of the meeting;

(2) If the unit has been mortgaged and the right to vote has been given to the mortgagee, the owner (or his proxy) may nevertheless represent such unit at meetings and vote in respect thereof;

(3) In the event the mortgagee has notified the Corporation and the owner of the mortgagee's intention to exercise such right at least four (4) days before the date specified in the notice of meeting, the mortgagee or the mortgagee's proxy may exercise the right to vote;

(4) Any dispute over the right to vote shall be resolved by the Chairperson of the meeting upon such evidence as he/she may deem sufficient;

(5) The Chairperson shall not, in the case of a tie, cast a deciding vote; and

(6) Unless otherwise provided by the Act, the declaration or the by-laws, any vote shall be decided by a majority vote of those owners present in person or by proxy at a meeting called for the purpose of holding such vote.

(vi) *Method of Voting*

(1) At any annual or special meeting any question may be decided by a show of hands. A declaration by the Chairperson that such question has by a show of hands been carried, is prime facie proof of that fact without further proof of the number of votes cast in favour of such question;

(2) A vote for the election or removal of directors shall be by ballot only;

(3) Anyone who has a right to vote may demand a vote by ballot, and upon such demand the vote shall be a ballot vote unless the demand is withdrawn before the ballots are distributed;

(4) All voting by owners shall be on the basis of and in accordance with the Act; and

(5) When all ballots have been deposited into the ballot box the scrutineers shall then tabulate the votes for and against the motion being voted upon. In the event of a tie vote for and against the motion, the motion is defeated.

(vii) *Proxies*

Every owner or mortgagee entitled to vote at meetings of owners may by instrument in writing (a proxy form) appoint a proxy, who need not be an owner or mortgagee, to attend a meeting on his/her behalf and vote on any matter before the meeting in accordance with any instruction that may be given in the written instrument. No person may be appointed a

proxy who has, as an owner, otherwise forfeited his/her right to vote at a meeting. The instrument appointing a proxy shall be in writing and signed by the owner or mortgagee or his/her attorney authorized in writing, and the instructions on the proxy form, including without limitation, the names of candidates for election as directors, or the names of directors to be removed from office, shall be initialed and printed or legibly written by the hand of the owner granting the proxy by the appointer. The instrument appointing a proxy may be deposited in accordance with procedures established by resolution of the Board.

(viii) *Representatives*

An executor, administrator, committee of a mentally incompetent person, guardian, trustee or representative of a Corporation, upon filing with the Secretary of the meeting sufficient proof of his/her appointment shall represent the owner or mortgagee at all meetings of the owners and may vote in the same manner and to the same extent as such owner or mortgagee. If there be more than one executor, administrator, committee, guardian or trustee, the provisions relating to co-owners shall apply.

(ix) *Co-owners*

If a unit or a mortgage on a unit is owned by two (2) or more persons, any one (1) of them present or represented by proxy may in the absence of the other or others vote, but if more than one (1) of them are present or represented by proxy, they shall vote in the same way, failing which the vote for such unit shall not be counted. Where a unit is owned by more than two (2) persons, any one (1) owner may vote, but if there is a dispute, the majority of the owners shall decide how the vote is to be exercised.

ARTICLE X - ASSESSMENT AND COLLECTION OF COMMON EXPENSES

(i) *Assessment of Common Expenses*

(1) All expenses, charges and costs of maintenance, repair or replacement of the common elements and the assets of the Corporation and any other expenses, charges or costs which the Board may incur or expend pursuant to its duties shall be assessed by the Board and levied against the owners in the proportions in which they are required to contribute to the common expenses as set forth in the declaration or in accordance with the provisions of the Act and/or the declaration.

(2) The Board shall from time to time and at least once annually prepare a budget for the operation of the Corporation and determine by estimate the amount of common expenses for the next ensuing fiscal year or remainder of the current fiscal year as the case may be. The Board shall allocate and assess such common expenses as set out in the budget for such period among the owners, according to the proportion in which they are required to contribute to the common expenses as set forth in the declaration.

(ii) *Reserve Fund*

(1) The Board shall establish and maintain a reserve fund(s) in accordance with the Act; and

(2) The reserve fund(s) shall be kept in a separate interest bearing trust account with any Province of Ontario Savings Office or any chartered bank or trust company branch or any other institution in accordance with the Act, until invested pursuant to subsections 115(7) and (8) of the Act.

(iii) *Special Assessments*

Any expenditure not contemplated in the budget and for which the Board shall not have sufficient funds may be assessed at any time during the fiscal year in addition to the annual assessment, by the Board serving notices of such further assessment on all owners which shall include a written statement setting out the reasons for the special assessment.

(iv) *Delivery of Assessments*

(1) The Board shall give notice to all owners of the amount of common expenses payable by each of them respectively determined as aforesaid, and shall deliver copies of each budget on which such common expenses are based, to all owners and mortgagees entered on the record.

(2) Special assessments shall be payable by each owner within ten (10) days after the delivery of notice thereof to such owner, unless a further period of time has been determined by resolution of the Board and set out in such notice.

(v) *Owner's Obligations to pay Assessments*

(1) Each owner shall be obliged to pay to the Corporation the full amount of such annual assessment within ten (10) days after the delivery or mailing of the notice of the annual assessment to the owner. Notwithstanding that common expenses are payable annually, the Board may by resolution permit owners to make their common expense payments in twelve (12) equal monthly installments, on the first day of every month. The Board may adopt, by resolution, a pre-authorized payment or similar plan for the convenience of the owners, provided always that upon cancellation of the plan or any default occurring on the part of the owner, the balance of the annual assessment together with interest accruing thereon from the date of default at the rate specified in this by-law shall, in the discretion of the Board, become immediately due and payable to the Corporation.

(2) If the Board of Directors enacts a resolution requiring owners to pay their common expense payments either by pre-authorized chequing or by post-dated cheques, the owners shall arrange for the payment of their proportionate shares of the common expense by means of a pre-authorized chequing or other similar plan approved by the Board. Where the Board approves a pre-authorized chequing plan the Corporation shall be entitled to debit the bank account of the owner on the first day of each month to collect one-twelfth (1/12) of the annual assessment. The acceptance by the Board of this alternate method of payment by the owner does not constitute a waiver of the owner's obligation to pay his/her proportionate share of the annual assessment as hereinbefore provided and, where the owner fails to ensure that the Corporation is able to make automatic monthly deductions from the owner's bank account or where the owner terminates the plan or there are insufficient funds in the account to cover the automatic deduction, the then unpaid balance of the owner's assessment for the fiscal year shall, in the discretion of the Board, become immediately due and payable together with interest thereon calculated in accordance with this by-law until paid. The Board may, by resolution, authorize such alternate methods of payment as the Board may reasonably determine provided always that any such method of payment shall apply consistently to and for the convenience of all owners.

(vi) *Default in Payment of Assessment*

(1) Arrears of payments required to be made under the provisions of this Article X shall bear interest at the rate of twelve (12%) percent per annum calculated and compounded monthly, not in advance, until paid, and shall be deemed to constitute a reasonable charge incurred by the Corporation in collecting the unpaid amounts

within the meaning of the Act. Interest at the aforesaid rate shall be charged from time to time on the unpaid balance of common expenses plus unpaid interest and any legal costs incurred by the Corporation in the collection or attempted collection of the unpaid amount and interest shall be charged upon the aggregate total amount monthly and shall be compounded monthly until paid.

(2) In any collection or attempted collection proceedings, including lien notice, registration and enforcement proceedings and/or sale or other court proceeding instituted by the Corporation to collect common expenses or other amounts deemed to be common expenses from the owner, there shall be added to any amount found due all legal costs as between a solicitor and his/her own client on a substantial indemnity basis and any disbursements incurred in such proceedings.

ARTICLE XI - MISCELLANEOUS

(i) *Invalidity*

The invalidity of any part of this by-law shall not impair or affect in any manner the validity and enforceability of the balance thereof.

(ii) *Waiver*

No restriction, condition, obligation or provision contained in this by-law shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

(iii) *Headings*

The headings in the body of this by-law form no part thereof but shall be deemed to be inserted for convenience of reference only.

(iv) *Amendments*

This by-law or any part hereof may be varied, altered or repealed by a by-law passed in accordance with the provisions of the Act and the declaration.

(v) *Conflicts*

In the case of a conflict between the provisions of the Act and any provision in the declaration, by-laws or rules and regulations, the Act shall prevail. In case of a conflict between the provisions in the declaration and any provision in the by-laws or rules and regulations, the declaration shall prevail, unless the by-law or rule has been amended after the registration of the declaration as provided for in the Act. In the event the provisions of the Act or in the declaration are silent the provisions of the by-law shall prevail.

The foregoing By-Law is hereby passed by the Directors and confirmed by the owners pursuant to the Act.

PASSED by the Board of Directors of YORK REGION CONDOMINIUM CORPORATION NO. 616 on the 28th day of February , 2012.

Steffen Hermsdorf,
President

Lois Kay,
Secretary

We have authority to bind the Corporation

CONFIRMED by a vote of the majority of owners in accordance with the *Condominium Act, 1998* on the 1st day of November, 2012.

Lois Kay,
Secretary

I have authority to bind the Corporation

Schedule "A"

DIRECTORS' CODE OF ETHICS

YORK REGION CONDOMINIUM CORPORATION NO. 616

Honesty and Good Faith – I will act honestly and in good faith. I will do nothing to violate the trust of the unit owners I serve.

Authority will always act within the scope of my authority as a director/officer and in the best interests of the Corporation. I understand that no officer or director has any authority to act independently and that all Condominium Corporation responsibilities are carried out through the approval of the Board of Directors.

Care, Diligence and Skill– I will exercise the degree of care, diligence and skill of a reasonably prudent person in comparable circumstances. I recognize that I am a fiduciary on behalf of all owners and in all decision-making by the Board I will attempt to use sound business judgment. I will make a concerted effort to attend all Board and owners' meetings and prepare in advance by reviewing all materials. I will act responsibly and with due diligence to become familiar with the affairs of the Corporation and to uphold its Declaration, By-Laws, Rules, Resolutions, Policies, Agreements and requirements of the Condominium Act and other legislation.

Conflict of Interest – I am not currently aware of any actual or potential conflict of interest with respect to any contract, transaction, building deficiency claim, warranty claim, legal action, proceedings or any matter detrimental to the Corporation. If I become aware of any conflict, I will immediately disclose it to the Board. I will not promote my own interests or those of any owner, resident, family member, friend or contractor to the detriment of the Corporation. I will not seek any special benefits or privileges as a Director or Officer or accept any compensation either personally or on behalf of any other person except as permitted by a By-Law. I will act only in the best interests of the Condominium Corporation as a whole and I will not favor the interests of any individual or group of owners or residents.

Confidentiality – I will not disclose to any person information decided by the Board to be confidential or privileged, is specified by subsection 55(4) of the *Condominium Act* to be confidential or privileged, or which reasonably ought to be deemed confidential. When in doubt, I will request determination by a resolution of the Board.

Good Conduct– At all times, I will conduct myself in a professional and businesslike manner at meetings of Directors or Owners. I will approach all Board issues with an open mind, preparing to make the best decisions on behalf of the Corporation. I will act ethically with integrity and in accordance with legal criteria. I will comply with rules of good conduct and will deal with others in a respectful manner. I will comply with principles of good governance and procedural rules of order.

Support – I will abide by decisions of the majority of the Directors even though I may disagree, but I reserve the right to express my own views to owners upon non-confidential issues. I shall at all times obey the rules of the Corporation, even if I disagree with them, and shall remain current in the payment of all common expense contributions, fees and expenses charged by the Corporation. I will not make public statements relating to Corporation affairs without the express authority of the Board.

Defamation – I will not make erroneous or defamatory statements about the Corporation or any owner, resident, director, officer, manager, staff or contractor of the Corporation.

Minimize Conflict - I will be sensitive to individual differences, respectful of dissenting opinions and cooperative in implementing the will of the majority of the Board. I will attempt to prevent or minimize conflict and disruption and will promote good relations amongst persons involved in our Condominium Community. I will promote a first class image for our Corporation, its units, owners and residents.

Education - Recognizing that governance of a Condominium Corporation involves complex and changing requirements, I will continue to educate myself by reading relevant literature. I will support attendance by one or more Board members at worthwhile condominium seminars at the cost of the Corporation.

Agreement – I agree to comply with the provisions set out in this Directors' Code of Ethics. In the event that I cannot faithfully fulfill my duties as a director or officer, I shall submit my resignation from the Board. In the event I violate any of these provisions of my oath of office, I understand that I may be suspended or removed by the Board from my duties as a director and/or officer.