Province of Ontario

Document General

Form 4 — Land Registration Reform Act, 1984

D

FOR OFFICE USE ONLY

Number 760560 CERTIFICATE OF RECEIPT

1990 AUG 17 P 1:11

YORK REGION No. 65 NEWMARKET

REGI. DEP. LAND Registrar

(1) Registry ☐ Land Titles ☒

(2) Page 1 of 3 pages

(3) Property Identifier(s) Block Property

Additional: See Schedule ☐

(4) Nature of Document

BY-LAW NO. 2 (CONDOMINIUM ACT, SECTION 28)

(5) Consideration

Dollars $

(6) Description

All Units and Common Elements comprising the property included in York Region Condominium Plan No. 741 , Town of Richmond Hill, Regional Municipality of York, Land Titles Division of York North

New Property Identifiers

Additional: See Schedule ☐

Executions

Additional: See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:

See Schedule for By-law and Certificate.

Continued on Schedule ☐

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y	M	D
YORK REGION CONDOMINIUM CORPORATION NO. 741	Per: Howard Meyer - President	1990	08	17
	Per: Irving Bart - Secretary	1990	08	17

(11) Address for Service #1100-22 St. Clair Avenue East, Toronto, Ontario, M4T 2Z6

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y	M	D

(13) Address for Service

(14) Municipal Address of Property

30 Harding Blvd.
Richmond Hill, Ontario

(15) Document Prepared by:

FARANO, GREEN
Attn: Victoria M.F. Stuart
Suite 1100
22 St. Clair Avenue East
Toronto, Ontario
M4T 2Z6

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

YORK REGION CONDOMINIUM CORPORATION NO. 741

BY-LAW NO. 2

A By-Law respecting the borrowing of money, the issue of securities and the securing of liabilities by the Corporation.

BE IT ENACTED as a By-Law of York Region Condominium Corporation No. 741 (hereinafter referred to as the "Corporation") as follows:

1. That the directors of the Corporation may from time to time, in order to protect, maintain, preserve or ensure the due and continued operation of the property in accordance with the Declaration and By-laws:

(a) borrow money on the credit of the Corporation;

(b) charge, mortgage, hypothecate or pledge all or any of the real and personal property of the Corporation, including book debts and unpaid calls, rights, power, franchises and undertakings, to secure any such securities or other monies borrowed, or other debts or any other obligation or liability of the Corporation;

(c) delegate to such one or more officers and directors of the Corporation as may be designated by the directors all or any of the powers conferred by the foregoing clauses of this By-Law to such extent and in such manner as the directors shall determine at the time of such delegation;

(d) give indemnities to any director or other person who has undertaken, or is about to undertake, any liabilities on behalf of the Corporation or any corporation controlled by it, and secure any such director or other person against loss by giving him by way of security a mortgage or charge upon the whole or any part of the real and personal property, undertaking and rights of the Corporation; and

provided that any borrowing of money in excess of the sum of Seventeen Thousand Three Hundred ($17,300.00) Dollars for any one occurrence shall require the approval of the owners owning a majority of the Units, at a duly called meeting.

The foregoing By-Law No. 2 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of the President and Secretary of the Corporation.

DATED this 17th day of August, 1990.

Howie Meyer - President c/s

Irving Bart - Secretary

The foregoing By-law No. 2 is hereby confirmed by the sole owner of the units as evidenced by the signatures of its duly authorized officers in that behalf.

DATED this 17th day of August, 1990.

HARDING ADDISON PROPERTIES LTD.

By: _____
Michael Finkelstein c/s

THE CONDOMINIUM ACT, 1980

CERTIFICATE

YORK REGION CONDOMINIUM CORPORATION NO. 741 hereby certifies that By-law No. 2 attached hereto was made in accordance with the Condominium Act, 1980 being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-laws of the Corporation, and that the said By-law No. 2 has not been amended and is in full force and effect.

DATED at the City of Toronto in the Municipality of Metropolitan Toronto, this 17th day of August, 1990.

YORK REGION CONDOMINIUM
CORPORATION NO. 741

Per: _____ c/s
Secretary - Irving Bart

Province of Ontario

Document General

Form 4 — Land Registration Reform Act, 1984

D

FOR OFFICE USE ONLY

Number 769856

CERTIFICATE OF RECEIPT

1990 AUG 17 P 1:11

YORK REGION
No. 65
NEWMARKET

Asst. Dep. Land Registrar

(1) Registry ☐ Land Titles ☒

(2) Page 1 of 3 pages

(3) Property Identifier(s) Block Property

Additional See Schedule ☐

(4) Nature of Document

BY-LAW NO. 3 (CONDOMINIUM ACT, SECTION 28)

(5) Consideration

Dollars $

(6) Description

All Units and Common Elements comprising the property included in York Region Condominium Plan No. 741 , Town of Richmond Hill, Regional Municipality of York, Land Titles Division of York North

New Property Identifiers

Additional See Schedule ☐

Executions

Additional See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:

See Schedule for By-law and Certificate.

Continued on Schedule ☐

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
YORK REGION CONDOMINIUM CORPORATION NO. 741	Per: Howard Meyer - President	1990 08 17
	Per: Irving Bart - Secretary	1990 08 17

(11) Address for Service #1100-22 St. Clair Avenue East, Toronto, Ontario, M4T 2Z6

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property

30 Harding Blvd.
Richmond Hill, Ontario

(15) Document Prepared by:

FARANO, GREEN
Attn: Victoria M.F. Stuart
Suite 1100
22 St. Clair Avenue East
Toronto, Ontario
M4T 2Z6

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

Newsome and Gilbert, Limited
Form LF1333 (1/85)

April, 1985

THE CONDOMINIUM ACT, 1980

CERTIFICATE

YORK REGION CONDOMINIUM CORPORATION NO. 741 hereby certifies that By-law No. 3 attached hereto was made in accordance with the Condominium Act, 1980 being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-laws of the Corporation, and that the said By-law No. 3 has not been amended and is in full force and effect.

DATED at the City of Toronto in the Municipality of Metropolitan Toronto, this 17th day of August, 1990.

YORK REGION CONDOMINIUM
CORPORATION NO. 741

Per: _____ c/s
Secretary - Irving Bart

YORK REGION CONDOMINIUM CORPORATION NO. 741

BY-LAW NO. 3

A By-Law respecting the entering into of a Management Agreement.

BE IT ENACTED as a By-Law of York Region Condominium Corporation No. 741 (hereinafter referred to as the "Corporation") as follows:

That the President or Secretary may from time to time enter into an agreement with any person or corporation respecting the management of the Corporation's property, or any part thereof, in such form as the directors of the Corporation may approve.

The foregoing By-Law No. 3 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of the President and Secretary of the Corporation.

DATED this 17th day of August, 1990.

Howie Meyer - President

c/s

Irving Bart - Secretary

The foregoing By-Law No. 3 is hereby confirmed by the sole owner of the units as evidenced by the signatures of its duly authorized officers in that behalf.

DATED this 17th day of August, 1990.

HARDING ADDISON PROPERTIES LTD.

By:

Michael Finkelstein

c/s

Province of Ontario

Document General

Form 4 — Land Registration Reform Act, 1984

D

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Number LT 962568

CERTIFICATE OF RECEIPT

1990 AUG 17 P 1:11

YORK REGION No. 65 NEWMARKET

Regist. Div. Land Registrar

(1) Registry ☐ Land Titles ☒ (2) Page 1 of 3 pages

(3) Property Identifier(s) Block Property

Additional See Schedule ☐

(4) Nature of Document

BY-LAW NO. 4 (CONDOMINIUM ACT, SECTION 28)

(5) Consideration

Dollars $

(6) Description

All Units and Common Elements comprising the property included in York Region Condominium Plan No. 741 , Town of Richmond Hill, Regional Municipality of York, Land Titles Division of York North

New Property Identifiers

Additional See Schedule ☐

Executions

Additional See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:

See Schedule for By-law and Certificate.

Continued on Schedule ☐

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
YORK REGION CONDOMINIUM CORPORATION NO. 741	Per: Howard Meyer - President	1990 08 17
	Per: Irving Bart - Secretary	1990 08 17

(11) Address for Service #1100-22 St. Clair Avenue East, Toronto, Ontario, M4T 2Z6

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property

30 Harding Blvd.
Richmond Hill, Ontario

(15) Document Prepared by:

FARANO, GREEN
Attn: Victoria M.F. Stuart
Suite 1100
22 St. Clair Avenue East
Toronto, Ontario
M4T 2Z6

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

Newsome and Gilbert, Limited
Form LF1333 (1 85)

April, 1987

THE CONDOMINIUM ACT, 1980

CERTIFICATE

YORK REGION CONDOMINIUM CORPORATION NO. 741 hereby certifies that By-law No. 4 attached hereto was made in accordance with the Condominium Act, 1980 being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-laws of the Corporation, and that the said By-law No. 4 has not been amended and is in full force and effect.

DATED at the City of Toronto in the Municipality of Metropolitan Toronto, this 17th day of August, 1990.

YORK REGION CONDOMINIUM
CORPORATION NO. 741

Per: _____ c/s
Secretary - Irving Bart

YORK REGION CONDOMINIUM CORPORATION NO. 741

BY-LAW NO. 4

A By-Law respecting the entering into of an Insurance Trust Agreement.

BE IT ENACTED as a By-Law of York Region Condominium Corporation No. 741 hereinafter referred to as the "Corporation") as follows:

1. That the President or Secretary may from time to time execute and deliver on behalf of the Corporation an agreement with an insurance trustee and any other person having an interest in the Project (as defined in the Declaration of the Corporation) respecting insurance for the Corporation and the Project (as defined in such Declaration) in such form as the directors of the Corporation may approve, with such changes as the President or Secretary may approve; execution and delivery of such agreement by either the President or Secretary shall be conclusive proof that the agreement so executed is the agreement hereby authorized.

The foregoing By-Law No. 4 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of the President and Secretary of the Corporation.

DATED this 17th day of August, 1990.

Howie Meyer - President

c/s

Irving Bart - Secretary

The foregoing By-Law No. 4 is hereby confirmed by the sole owner of the units as evidenced by the signatures of its duly authorized officers in that behalf.

HARDING ADDISON PROPERTIES LTD.

By:

Michael Finkelstein

c/s

Province of Ontario

Document General

Form 4 — Land Registration Reform Act, 1984

D

LT 103563

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Number CERTIFICATE OF RECEIPT

1990 MAY 17 P 1:11

YORK REGION No. 65 NEWMARKET

Regist. Div. Land Registrar

(1) Registry ☐ Land Titles ☒ (2) Page 1 of 4 pages

(3) Property Identifier(s) Block Property Additional See Schedule ☐

(4) Nature of Document

BY-LAW NO. 5 (CONDOMINIUM ACT, SECTION 28)

(5) Consideration

Dollars $

(6) Description

All Units and Common Elements comprising the property included in York Region Condominium Plan No. 741 , Town of Richmond Hill, Regional Municipality of York, Land Titles Division of York North

New Property Identifiers Additional: See Schedule ☐

Executions Additional: See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:

See Schedule for By-law and Certificate.

Continued on Schedule ☐

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
YORK REGION CONDOMINIUM CORPORATION NO. 741	Per: Howard Meyer - President	1990 05 17
	Per: Irving Bart - Secretary	1990 05 17

(11) Address for Service #1100-22 St. Clair Avenue East, Toronto, Ontario, M4T 2Z6

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property

30 Harding Blvd.
Richmond Hill, Ontario

(15) Document Prepared by:

FARANO, GREEN
Attn: Victoria M.F. Stuart
Suite 1100
22 St. Clair Avenue East
Toronto, Ontario
M4T 2Z6

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

THE CONDOMINIUM ACT, 1980

CERTIFICATE

YORK REGION CONDOMINIUM CORPORATION NO. 741 hereby certifies that By-law No. 5 attached hereto was made in accordance with the Condominium Act, 1980 being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-laws of the Corporation, and that the said By-law No. 5 has not been amended and is in full force and effect.

DATED at the City of Toronto in the Municipality of Metropolitan Toronto, this 17th day of August, 1990.

YORK REGION CONDOMINIUM
CORPORATION NO. 741

Per: _____ c/s
Secretary - Irving Bart

YORK REGION CONDOMINIUM CORPORATION NO. 741

BY- LAW NO. 5

A by-law respecting the entering into of the Reciprocal Agreement.

WHEREAS the buildings comprise Phase I of a development, of which it is proposed there will be Phases II and III;

AND WHEREAS it is necessary that the Corporation enter into an agreement or, possibly, agreements (the "Reciprocal Agreement") with those persons have an interest in Phase II and Phase III or any portion thereof;

AND WHEREAS words which are capitalized herein shall have the same meaning as in the Declaration of the Corporation;

BE IT ENACTED as a By-law of York Region Condominium Corporation No. 741 (referred to herein as the "Corporation") as follows:

1. That the Corporation do enter into one or more Reciprocal Agreements, which shall include, without limitation, provision for:

   (a) the construction of Phase II of creation of condominium corporations with respect to Phases II and III; all easements necessary for the construction of Phases II and III and for the integrated use, operation, maintenance, repair and, reconstruction, if necessary, of those facilities and areas of the Project to be used in common by more than one of the phases of the Project.

   (b) dealing with certain aspects of interdependency of the various phases of the Project and without limiting the generality of the foregoing, such agreement will provide for:

      (i) use of a common property management firm for the management of the Phase I Corporation as well as the Phase II and III condominium corporations,

      (ii) the shared use of the landscaped areas, parking facilities, access routes and ramps, driveways and walkways, Gatehouse Security Unit, Recreational Unit and certain outdoor recreational amenities,

      (iii) the placement of property insurance on the Project by one or more common insurers, sharing the cost of insurance and the use of a common insurance trustee to receive and disburse insurance proceeds,

      (iv) easements, rights of way and licences for utilities and shared facilities or services

      (v) the method of allocation and sharing between the Phase I, II and III condominium corporations of the costs of the operation, maintenance, repair and reconstruction, if necessary, of those shared areas, facilities and services listed above

(vi) prohibition of the transfer, encumbering or other disposition of the Recreational Unit or the Gatehouse Security Unit in Phase I without the written consent of all parties to such agreement.

(c) providing that if any party defaults in its performance of its obligations under the Reciprocal Agreement, then the party or parties affected by such default may take steps to cure the default, including the performance of any repair or replacement work, and will be entitled to reimbursement of all costs incurred in connection therewith and that if any party fails to make a payment under the Reciprocal Agreement, the other parties affected shall have a lien on the interest of the defaulting party;

(d) dealing with the interdependency of all phases of the Project attributable to the fact that all phases are regulated by the same zoning by-law, of the Town of Richmond Hill, and the same subdivision, development and site plan agreement and to ensure continued compliance by all phases of the Project with the said zoning by-law, subdivision, development and site plan agreements.

and contain such other terms and conditions as may be approved by the President or the Secretary of the Corporation who shall execute such other documents, agreements, transfer and grants and shall pass such other By-laws as may be requisite or desirable for the purpose of giving effect to the Reciprocal Agreement.

2. That the Corporation take all actions and do all things contemplated by the Reciprocal Agreement.

The foregoing By-Law No. 5 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of the President and Secretary of the Corporation.

DATED this 17th day of August, 1990.

Howie Meyer - President

c/s

Irving Bart - Secretary

The foregoing By-Law No. 5 is hereby confirmed by the sole owner of the units as evidenced by the signatures of its duly authorized officers in that behalf.

HARDING ADDISON PROPERTIES LTD.

By: Michael Finkelstein

c/s

Province of Ontario

Document General

Form 4 — Land Registration Reform Act, 1984

D

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Number LT 103564 CERTIFICATE OF RECEIPT

1990 AUG 17 P 1:11

YORK REGION No. 65 NEWMARKET

Reg. Div. Land Registrar

(1) Registry ☐ Land Titles ☒

(2) Page 1 of 3 pages

(3) Property Identifier(s) Block Property

Additional: See Schedule ☐

(4) Nature of Document

BY-LAW NO. 6 (CONDOMINIUM ACT, SECTION 28)

(5) Consideration

Dollars $

(6) Description

All Units and Common Elements comprising the property included in York Region Condominium Plan No. 741 , Town of Richmond Hill, Regional Municipality of York, Land Titles Division of York North

New Property Identifiers

Additional: See Schedule ☐

Executions

Additional: See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:

See Schedule for By-law and Certificate.

Continued on Schedule ☐

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y	M	D
YORK REGION CONDOMINIUM CORPORATION NO. 741	Per: Howard Meyer - President	1990	08	17
	Per: Irving Bart - Secretary	1990	08	17

(11) Address for Service #1100-22 St. Clair Avenue East, Toronto, Ontario, M4T 2Z6

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y	M	D

(13) Address for Service

(14) Municipal Address of Property

30 Harding Blvd.
Richmond Hill, Ontario

(15) Document Prepared by:

FARANO, GREEN
Attn: Victoria M.F. Stuart
Suite 1100
22 St. Clair Avenue East
Toronto, Ontario
M4T 2Z6

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

THE CONDOMINIUM ACT, 1980

CERTIFICATE

YORK REGION CONDOMINIUM CORPORATION NO. 741 hereby certifies that By-law No. 6 attached hereto was made in accordance with the Condominium Act, 1980 being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-laws of the Corporation, and that the said By-law No. 6 has not been amended and is in full force and effect.

DATED at the City of Toronto, in the Municipality of Metropolitan Toronto, this 17th day of August, 1990.

YORK REGION CONDOMINIUM
CORPORATION NO. 741

Per: _____ c/s
Secretary - Irving Bart

YORK REGION CONDOMINIUM CORPORATION. 741

BY-LAW NO. 6

Be it enacted as By-law No. 6 of YORK REGION CONDOMINIUM CORPORATION NO. 741 (hereinafter referred to as the "Corporation") as follows:

1. that the President or Secretary may execute and deliver on behalf of the Corporation such easement as is required by the Richmond Hill Hydro-Electric Commission for the purpose of installation, maintenance, replacement and repair of electric conduits and transformers situated upon the Corporation's Property; execution and delivery of such easement by either the President or Secretary shall be conclusive proof that the easement so executed is the easement hereby authorized.

The President or Secretary may do, sign and execute all things, deeds and documents necessary for the purpose of effecting registration of the said easement.

The foregoing By-Law No. 6 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of the President and Secretary of the Corporation.

DATED this 17th day of August, 1990.

Howie Meyer - President

c/s

Irving Bart - Secretary

The foregoing By-Law No. 6 is hereby confirmed by the sole owner of the units as evidenced by the signatures of its duly authorized officers in that behalf.

DATED this 17th day of August, 1990.

HARDING ADDISON PROPERTIES LTD.

Per: _____
Michael Finkelstein

c/s

Per: _____

vicki\harding\bylaw.6

Ontario

Form 4 — Land Registration Reform Act

(1) Registry ☐ Land Titles ☒ (2) Page 1 of 63 pages

(3) Property Identifier(s) Block 29872 29872 Property 0001 to 0444 inclusive. Additional: See Schedule ☐

(4) Nature of Document
COMPREHENSIVE GENERAL BY-LAW NO. 7
(Condominium Act - Section 56)

(5) Consideration
Dollars $

(6) Description
All units and common elements comprising the property included in
York Region Condominium Plan No. 741
Town of Richmond Hill
Regional Municipality of York Region
Land Titles Office for the Land Titles Division of York Region

FOR OFFICE USE ONLY

Number YR 958106
CERTIFICATE OF RECEIPT
MAR 12 2007 9:54
YORK REGION No. 65 NEWMARKET
Land Registrar

New Property Identifiers Additional: See Schedule ☐

Executions Additional: See Schedule ☐

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch ☐ (b) Schedule for: Description ☐ Additional Parties ☐ Other ☒

(8) This Document provides as follows:
The attached Comprehensive General By-law repeals certain pre-existing by-laws and establishes a new Comprehensive General By-law.

See Schedule for By-law and Certificate

Continued on Schedule ☒

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
YORK REGION CONDOMINIUM CORPORATION NO. 741	President - Maureen Kelly	2007 02 02
	Secretary - Stan Svetoch	2007 03 02
	We have authority to bind the Corporation	

(11) Address for Service Management Office, 30 Harding Boulevard West, Richmond Hill, Ontario L4C 9M3

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property
Multiple

(15) Document Prepared by:
J. Robert Gardiner
Gardiner Miller Arnold LLP
390 Bay Street
Suite 1202
Toronto, Ontario
M5H 2Y2

FOR OFFICE USE ONLY

Fees and Tax	
Registration Fee	
Total	

Document prepared using The Conveyancer

CERTIFICATE IN RESPECT OF A BY-LAW
(under subsection 56 (9) of the *Condominium Act, 1998*)

YORK REGION CONDOMINIUM CORPORATION NO. 741 (known as the "Corporation") certifies that:

1. The copy of Comprehensive General By-law No. 7 attached as Schedule A, is a true copy of the By-law.

2. The By-law was made in accordance with the *Condominium Act, 1998* (the "Act").

3. The owners of a majority of the units of the Corporation have voted in favour of confirming the By-law.

DATED this 5th day of March, 2007.

YORK REGION
CONDOMINIUM CORPORATION NO. 741

Per: _____ c/s
Secretary - Stan Svetoch
I have authority to bind the Corporation

GENERAL BY-LAW #7

of

YORK REGION CONDOMINIUM CORPORATION # 741

GENERAL BY-LAW # 7

TABLE OF CONTENTS

1.00 DEFINITIONS
- 1.01 Definitions
- 1.02 Rectification

2.00 REPEAL OF PRIOR BY-LAWS
- 2.01 (a) Repealed By-laws
- 2.01 (b) Continuing By-laws
- 2.02 Continuing Declaration & Rules

3.00 SEAL
- 3.01 Form of Seal
- 3.02 Use of Seal

4.00 YEAR-END
- 4.01 Fiscal Year-End

5.00 RECORDS
- 5.01 Types of Records
- 5.02 Records Retention
- 5.03 Examination of Records
- 5.04 Exception
- 5.05 Unit Files
- 5.06 Copies of Records

6.00 OWNERS' MEETINGS
- 6.01 Annual Meetings
- 6.02 Special Meetings
- 6.03 Requisition Meetings
- 6.04 Meeting Notice
- 6.05 Quorum
- 6.06 Adjournment
- 6.07 Persons Entitled to be Present
- 6.08 Registration
- 6.09 Meeting Chair
- 6.10 Chair's Final Decisions
- 6.11 Rules of Order
- 6.12 Rules of Conduct
- 6.13 Voting
- 6.14 Voting Methods, Ballots and Results
- 6.15 Proxies
- 6.16 Owners' Code of Ethics

7.00 ELECTION OF DIRECTORS
- 7.01 Directors' Qualifications
- 7.02 Directors' Code of Ethics
- 7.03 Election and Term
- 7.04 Election Procedures
- 7.05 Consent
- 7.06 Validity of Acts
- 7.07 Removal
- 7.08 Filling of Vacancies

8.00 DIRECTORS' MEETINGS
- 8.01 Calling of Board Meetings
- 8.02 Notice of Board Meetings
- 8.03 Regular Meetings
- 8.04 Teleconference
- 8.05 Quorum

9.00 DIRECTORS' DUTIES & INDEMNITIES
- 9.01 Directors' Duties
- 9.02 Standard of Care
- 9.03 Disclosure By Director
- 9.04 Indemnity of Directors and Officers
- 9.05 Protection of Directors and Officers
- 9.06 Directors and Officer's Insurance
- 9.07 No Remuneration

10.00 OFFICERS
- 10.01 Election of President
- 10.02 Appointed Officers
- 10.03 Term of Office
- 10.04 President
- 10.05 Vice-President
- 10.06 Secretary
- 10.07 Treasurer
- 10.08 Property Manager
- 10.09 Other Officers
- 10.10 Committees
- 10.11 Agents and Attorneys
- 10.12 Disclosure by Officer
- 10.13 Nominating Committee

11.00 CORPORATION'S DUTIES & POWERS
- 11.01 Duties
- 11.02 Powers

12.00 BANKING
- 12.01 General
- 12.02 Corporation's Funds
- 12.03 Corporation's Accounts
- 12.04 Investments

13.00 BORROWING
- 13.01 Borrowing Criteria

14.00 EXECUTION OF AGREEMENTS
- 14.01 Execution of Instruments

15.00 ASSESSMENT AND COLLECTION OF COMMON EXPENSES
- 15.01 Assessment of Common Expense
- 15.02 Reserve Fund and Reserve Fund Study
- 15.03 Additional Expenditures and Assessments
- 15.04 Delivery of Assessments
- 15.05 Owners' Obligations to Pay
- 15.06 Default in Payment of Assessment

16.00 DEFAULT & LIABILITY FOR COSTS
- 16.01 Liability for Costs

17.00 INSURANCE DEDUCTIBLE RESPONSIBILITY
- 17.01 Deductible

18.00 TAX ASSESSMENT APPEALS
- 18.01 Tax Assessment Appeals

19.00 RESTRICTIONS AFFECTING NON-RESIDENTS
- 19.01 Access to Recreational Facilities
- 19.02 Trespass Prohibition
- 19.03 Ensure Compliance By Visitors

20.00 OCCUPANCY STANDARDS
- 20.01 Occupancy Standards
- 20.02 Contravention
- 20.03 Commercial Use
- 20.04 Partitions and Alterations
- 20.05 Maintain Safety Devices

21.00 MEDIATION
- 21.01 Negotiated Solution
- 21.02 Compliance Demand Notice
- 21.03 Justification Response Notice
- 21.04 Notices
- 21.05 Cessation of Complaint

21.06 Interim Payment
21.07 Agreements Contain Provision
21.08 Compliance Enforcement
21.09 Mediation
21.10 Mediation Notice
21.11 Mediation Response Notice
21.12 Mediation Reply
21.13 Choice of Mediator
21.14 Mediator's Qualifications
21.15 Mediation Fees & Expenses
21.16 Agreement to Mediate
21.17 Mediation Procedure
21.18 Mediation Brief
21.19 Hearing Date
21.20 Mediation Hearing
21.21 Confidentiality
21.22 Settlement Record
21.23 Mediation Failure
21.24 Failed Mediation Notice

22.00 ARBITRATION
22.01 Arbitration
22.02 Arbitration Notice
22.03 Arbitration Response Notice
22.04 Arbitration Reply
22.05 Choice of Arbitrator
22.06 Arbitrator's Qualifications
22.07 Legal Issues
22.08 Arbitrator's Fees
22.09 Arbitration Agreement
22.10 Arbitration Procedure
22.11 Arbitration Brief
22.12 Evidence
22.13 Hearing Date
22.14 Arbitration Hearing
22.15 Confidentiality
22.16 Arbitration Award
22.17 Arbitration Final
22.18 Resort to Court
22.19 Compliance Order
22.20 Court Ordered Damages & Costs

23.00 EASEMENTS, LEASES AND LICENCES
23.01 General

24.00 INSURANCE TRUST AGREEMENT
24.01 Insurance Trust Agreement

25.00 NOTICE
25.01 By the Corporation
25.02 Notice to the Corporation
25.03 Omissions and Errors
25.04 Notices of Meetings
25.05 Record Date

26.00 MISCELLANEOUS
26.01 Invalidity
26.02 Waiver
26.03 Headings
26.04 Amendment
26.05 Conflicts

27.00 ENACTMENT

Schedule "A" RECORD ACKNOWLEDGMENT
Schedule "B" MEETING RULES OF CONDUCT
Schedule "C" OWNERS' CODE OF ETHICS
Schedule "D" DIRECTORS' CODE OF ETHICS

GENERAL BY-LAW

BY-LAW #7
York Region Condominium Corporation #741

BE IT ENACTED as a By-law of York Region Condominium Corporation #741 (the "**Corporation**") as follows:

1.00 DEFINITIONS

1.01 Definitions
Any provisions stated herein which are defined in the *Condominium Act*, S.O., 1998, c.19 (the "Act") and Ontario Regulations 48/01 and 49/01, and all amendments thereto, shall have ascribed to them the meanings set out therein and in the declaration of the Corporation.

1.02 Rectification
All provisions stated herein shall automatically be deemed to be amended in accordance with any amendments to the corresponding sections of the Act, Regulations or any applicable common law decision, and the board shall be entitled to authorize the Corporation's solicitor to rectify any of the provisions stated herein in order to properly reflect the revised statutory or common law wording or altered section numbers or any error or omission from time to time, but only to the extent necessary to ensure this General By-Law remains accurate, up-to-date and consistent with the provisions contained in the Act, Regulations and applicable common law decisions, or to avoid any other error or omission, without the requirement of a vote by owners when any rectification is undertaken only for such limited purpose.

2.00 REPEAL OF PRIOR BY-LAWS

2.01 Repealed and Continuing By-laws

(a) The Corporation hereby repeals the following pre-existing by-laws of the Corporation and hereby substitutes and supplements them with the superseding provisions set out in this General By-law:

i) By-law No. 1 (the original general by-law of the Corporation);
ii) By-law No. 2 (original borrowing by-law);
iii) By-law No. 3 (Management Agreement)
iv) By-law No. 4 (Insurance Trust Agreement)

(b) The following by-laws of the Corporation shall continue in full force and effect:

i) By-law No. 5 (Reciprocal Agreement)
ii) By-law No. 6 (Hydro Easement)

2.02 Continuing Declaration and Rules
The declaration and rules of the Corporation currently in effect immediately prior to enactment of this By-law are continued as a valid and subsisting declaration and rules of the Corporation in good standing. The declaration and rules shall be enforceable in accordance with their terms and the provisions of the Act.

3.00 SEAL

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

C/S *

3.02 Use of Seal
The board shall be entitled to alter the existing seal and adopt a new seal at any time in its discretion. The secretary shall control the seal, provided that the board may resolve to allow the Corporation's property management company or solicitor to possess and use the seal during the term either of their

services are retained by the Corporation, or from time to time. The Corporation's seal shall be affixed to major documents in accordance with the proper execution criteria referred to in this General By-law. The name of the Corporation shall appear in legible characters on the seal.

4.00 YEAR-END

4.01 Fiscal Year-End

The financial year end of the Corporation shall be the 31st day of July in each year or such other date as the board may by resolution determine from time to time.

5.00 RECORDS

5.01 Types of Records

The Corporation or its duly appointed property management company shall keep adequate records as required by s. 55 of the Act, including, without restriction:

(a) All financial books, records, reports, audited and unaudited financial statements, budgets, assessments and expenditures of common expenses or special assessments, invoices, cheques, receipts, deposits, banking documents and any other financial documents referred to in the Act, declaration or by-laws of the Corporation for at least its past 6 financial years;

(b) One or more minute books containing the minutes of all meetings of owners, the board or any committee thereof, including all notices, requisitions, agendas, records of attendance, motions, resolutions, a record of any votes tabulated, any proxies or ballots until properly destroyed and any written consents of owners;

(c) A copy of the declaration, description, by-laws, rules, regulations and policies;

(d) All turnover lists, items, records, as-built plans and specifications and other documents mentioned in s. 43 (4) and (5) of the Act;

(e) The disclosure statement, first year budget and all other lists, items, records and documents mentioned in s. 72 of the Act;

(f) Any performance audit report, technical audit report, records pertaining to building deficiencies, damage or repair reports and all other existing evidence relating to any potential legal or insurance claim affecting the Corporation;

(g) A record of all reserve fund studies, updates, Form 15 reserve fund notices, reserve fund summaries, funding plans, statements of differences and investment plans of the Corporation;

(h) A copy of all agreements, including, without restriction, a management agreement, mutual use agreement, insurance trust agreement, telecommunications agreement, owners' alterations agreement and any other agreements with any other contractor or agent for the provision of facilities, goods or services, any easements, leases, licences, deeds, transfers, mortgages or security agreements entered into by or on behalf of the Corporation and all documents arising in connection therewith;

(i) All plans, specifications, quotes, reports, statements, invoices and documents applicable to any materials or services supplied to the Corporation;

(j) Any report or opinion received from an inspector, administrator, mediator, arbitrator, appraiser, lawyer, auditor, engineer, contractor or agent, and any court order;

(k) The record of names and addresses of owners and mortgagees [s. 47], lease record [s. 83], the names and addresses for service of the directors and officers, property manager and status certificate provider, as well as their respective terms of office;

(l) A copy of all notices sent or received on behalf of the Corporation;

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the president or secretary of the board at the current address disclosed in the Corporation's records, or deposited at the address for service of the Corporation (determined by reviewing the Notice of Address for Service registered on title). Requisitionists' signatures shall only be validated to the extent of one owner's signature per unit, with such unit owner's name and unit number legibly printed or written beside such signature, set out on a numbered signature page which contains a brief summary identifying the requisition business which may be disclosed in greater detail on the first page of the requisition.

c) If the nature of the business to be presented at the meeting includes the removal of one or more of the directors, the requisition shall state, for each director who is proposed to be removed, the name of the director, the reasons for the removal and whether the director is a standard director or occupies a position on the board that under s. 51 (6) of the Act is reserved for voting by owners of owner-occupied units. The specific reasons for removal must be clearly detailed in order to provide owners and each director who is proposed to be removed with a clear understanding of the particulars upon which any allegations justifying removal are founded. Generally stated reasons for removal of one or more directors shall not suffice.

d) Pursuant to s. 33 of the Act, a standard director may be removed before the expiration of the director's term of office by a vote of the owners at a meeting duly called for the purpose where the owners of more than 50% of all of the units in the Corporation vote in favour of removal. The owner-occupied director may be removed before the expiration of his/her term of office by a vote of the owners at a meeting duly called for the purpose, where the owners of more than 50% of all of the owner-occupied units in the Corporation vote in favour of removal. No persons other than the owners of owner-occupied units may vote to remove the owner-occupied director from the board. The owners may, at that meeting, elect any person qualified to be a member of the board for the remainder of the term of a director who has been removed.

e) If the requisition is worded to request the requisition business be conducted at the Corporation's next annual general meeting, or if the requisitionists so consent in writing, the board shall add the business to be presented to the agenda of items for the next annual general meeting. Otherwise, the board shall call and hold a meeting of owners within 35 days.

f) In the event the requisition fails to comply with any of the requirements set out in Article 6.03, the requisition may be rejected by the board whereupon written reasons for the rejection shall be mailed to each of the identifiable requisitionists within 20 days after receipt by the Corporation of the requisition.

g) If the board does not comply, a requisitionist may call a meeting of owners which shall be held within 45 days of the day on which the meeting is called. Upon request, the Corporation shall reimburse a requisitionist who calls a meeting for the reasonable costs incurred in calling the meeting.

h) Persons who make any oral or written statements during proxy solicitations, in newsletters or at a requisition meeting shall conduct themselves with decorum and integrity, exercising due diligence to ascertain the accuracy of their statements and avoiding defamation, while complying with the criteria set out in the Owners' Code of Ethics attached hereto as Schedule "C".

6.04 Meeting Notice

a) A notice of a meeting of owners shall be in writing, and shall be given at least 15 clear days before the date of the meeting to each owner who has notified the Corporation in writing of the owner's name and address for service and to each mortgagee of the unit who, under the terms of the mortgage, has the right to vote at a meeting of owners in the place of the unit owner or to consent in writing in place of the unit owner, as long as the mortgagee has notified the Corporation in writing of such right, as well as the mortgagee's name and address for service. The Corporation shall not be obligated to give notice to any owner or mortgagee who has failed to comply with these requirements.

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b) The Corporation shall maintain a record of the names and addresses for service that it receives from owners and mortgagees. A person whose name is in the record shall notify the Corporation in writing of all changes in his, her or its address for service. Persons whose names appear in the record 20 days before the date of a meeting of owners shall be deemed to be the only persons to whom the notice is required to be given. The Corporation and all others shall only use the record for the purposes of the Act, and for no other purpose.

c) A notice that is required to be given to an owner or a mortgagee shall be delivered to the person personally or sent by pre-paid mail addressed at the person's address for service that appears in the record. Notice may instead be 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 that manner. Notice may also be given to an owner by delivering the notice to the owner's unit or at the mailbox for the unit, unless the party giving the notice has received a written request from the owner that the notice shall not be given in that manner, or unless the address for service that appears in the record is not the address of the owner's unit.

d) A notice of a meeting of owners shall specify the place, the date and the hour of the meeting, as well as the nature of the business to be presented at the meeting. Such a notice shall be accompanied by an agenda for the meeting listing items of business determined by the board. A copy of any proposed change to the declaration, by-laws, rules or any agreement that is to be discussed at the meeting shall accompany the notice, together with a copy of any requisition (if applicable) and any other documents as determined by the board. The notice for an annual general meeting shall be accompanied by a copy of the financial statements signed by 2 directors on behalf of the board, the auditor's report for the past fiscal year and a copy of the draft minutes of the last meeting of owners.

e) The notice of a meeting to elect one or more directors shall include the name and address of each individual who has notified the board in writing of the individual's intention to be a candidate in the election as of the 4th day before the notice is sent by the Corporation to the owners. With respect to the position on the board reserved for voting by the owners of owner-occupied units, the notice of meeting in a year when such position must be filled shall include a statement that one position on the board is reserved for voting by owners of owner-occupied units, together with a statement indicating the name and address of each person who has notified the Corporation in writing of his or her intention to be a candidate for such position as of the day before the notice is sent by the Corporation to the owners.

f) A certificate by the property management company's staff or any director or officer confirming that notice was duly given in accordance with all requirements shall *prima facie* constitute due notice of the meeting, whether or not such notice was received by any owner or mortgagee of record, unless the contrary is proved. An owner or mortgagee who attends a meeting or who is represented by proxy at a meeting shall be deemed to have waived the right to object to a failure to give the required notice, unless that person expressly objects to the failure at the meeting. After hearing any relevant evidence, the chair shall determine whether, on a balance of probabilities, the appropriate notice was given, failing which, the chair shall determine whether the failure to give appropriate notice was or would be likely, on a balance of probabilities, to significantly affect the outcome of any business conducted at the meeting in a manner which would justify termination or adjournment of the meeting.

6.05 Quorum

At any meeting of owners, a quorum for the transaction of business shall be constituted when owners or mortgagees entitled to receive notice and to vote, who own not less than 25 per cent of the units of the Corporation (other than a unit used for parking, storage, services, facilities or mechanical purposes) are present in person or represented by proxy, as confirmed by the registrar of the meeting.

6.06 Adjournment

a) If 30 minutes after the time appointed for the holding of any annual general meeting or business meeting of owners (except a requisition meeting) has elapsed and a quorum is not present, the meeting shall be dissolved and shall stand adjourned to a date and time within 120 days thereafter and at such meeting place as the board shall determine. Notice of the time, date and place of such adjourned meeting shall be given at least 15 clear days prior to the convening of such meeting.

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b) In the event that at any annual general meeting or business meeting of owners (other than a requisition meeting) there is an insufficient quorum of owners present in person or by proxy in order to achieve the voting criteria required to approve any business which must be approved by an extraordinary vote, the chair may adjourn that specific portion of the meeting business to be conducted in person or by proxy at an adjourned meeting of owners to be called and held by the board on a selected date thereafter in accordance with all notice and meeting requirements, in which event any executed proxies (which identify the unit number of the proxy grantor) and any ballots (having the unit number written thereon, signed by the owner or mortgagee thereof) which were provided at the original meeting shall be held in safekeeping by the secretary or property manager and shall not be tabulated until the final vote with respect to such adjourned business is held.

6.07 Persons Entitled to be Present

The only persons entitled to attend a meeting of owners shall be the owners and their respective spouses, mortgagees entered on the record, the auditor, directors, officers, security personnel and property manager of the Corporation. If requested by the board or chair of the meeting, the Corporation's solicitor, engineer or any other contractor, agent, employee or designated presenter at the meeting shall be entitled to attend. On the invitation of the chair of the meeting, any other person may be entitled to attend, but the chair may exclude from the meeting any unauthorized person. The proceedings and business of the Corporation conducted at a meeting of owners is private and confidential for the benefit of the condominium owners and mortgagees only. Information and reports arising at a meeting of owners shall not be communicated or repeated in any public media or utilized in any manner which may result in devaluation of the units of the Corporation, provided that the board, in its discretion, shall be entitled to provide statements or reports to third parties, any media or the public.

6.08 Registration

The registrar appointed by the board or chair of the meeting shall check off on the register for the meeting the names of all owners and mortgagees entitled to form part of the quorum of any owners' meeting, based upon the record of owners and mortgagees, excluding owners and mortgagees whose contributions payable in respect to the owner's unit have been in arrears for 30 days or more at the time of the meeting. The registrar shall record separately on the register the names of those persons attending the meeting in person and those represented by proxy. At any meeting of owners where one or more of the positions on the board is to be filled by the owners of owner-occupied units, the register for the meeting shall designate the units entitled to vote for that position and a separate coloured ballot shall be issued to the owners of owner-occupied units or their proxies for that purpose. The registrar shall confirm the entitlement of one owner from each unit to vote at the meeting and shall issue one or more voting ballots as may be required for such purposes. The registrar shall receive, validate and record all proxies and shall be entitled to utilize and safeguard all proxies as voting ballots. The registrar shall be responsible for all registration issues, subject to appeal to the chair of the meeting.

6.09 Meeting Chair

The President of the Corporation shall act as chair of all meetings, but in the event the President is unable or unwilling to do so, any Vice-President in order of seniority shall chair any such meeting, failing which the board shall be entitled to appoint the chair of all meetings of directors and owners. The chair shall act impartially and in the best interests of the Corporation as a whole to ensure the meeting is duly constituted and carries on business on a relevant, orderly and timely basis in accordance with the agenda and the powers, rights and duties set out in the Act and the Corporation's declaration, by-laws and rules of order. A person wishing to be a candidate as a director shall not chair a portion of a meeting of owners during which an election of directors will be held.

6.10 Chair's Final Decisions

The chair shall appoint the recording secretary who shall record the minutes of the meeting and the scrutineers who shall act impartially and fairly to collect, tabulate and report to the chair the results of any election vote or such other vote results as may be requested by the chair. The decision of the chair is final and binding with respect to determination of the right of persons to attend a meeting of owners, registration requirements, attainment of quorum, proper notice, whether the meeting is duly constituted, rulings on procedural matters, rules of order, relevancy, timing, the validity of proxies, ballots, votes, scrutineers' reports and the conduct of the meeting, subject to legal requirements of administrative fairness.

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6.11 Rules of Order

In the event that any owner, director or the chair of a meeting raises an issue related to the procedural conduct of the meeting which is not otherwise provided for in this by-law or the Act, then Wainberg's *Society Meetings and Rules of Order* may be referred to, in order to determine the applicable procedure or rule of order, subject to established procedural practices generally applicable in the condominium industry. The chair shall rule on any such procedural issue, subject to a right of appeal to the owners exercised by a raised hand vote before commencement of any other business, provided that no appeal to the owners shall be made with respect to any final and binding decision of the chair referred to in the preceding Article.

6.12 Rules of Conduct

Any Meeting Rules of Conduct issued by the Corporation (including those contained in Schedule "B" attached hereto or otherwise required by the chair to maintain order) shall be followed by all participants at the Corporation's meetings of owners, subject to such alterations as may be made by the board from time to time. Persons who make any oral or written statements during proxy solicitations, in newsletters or at a requisition meeting shall conduct themselves with decorum, integrity and respect for others, exercising due diligence to ascertain the accuracy of their statements and avoiding defamation.

6.13 Voting

a) Unless the Act requires an extraordinary vote or the written consent of owners, all questions proposed for the consideration of the owners shall be determined by a majority of the votes cast by owners present in person or by proxy at a meeting of owners duly called and held for that purpose.

b) No vote shall be taken at a meeting of owners on any matter other than routine procedure unless that matter was clearly disclosed in the notice or agenda of the meeting, provided that no vote shall be taken at a meeting designated as an Information Meeting.

c) An owner is not entitled to vote at any owners' meeting if any contributions payable in respect of the owner's unit have been in arrears for more than 30 days prior to the meeting. The unit owner's right to vote shall be reinstated in the event said unit owner pays all arrears of common expenses and other amounts owed to the Corporation pursuant to the Act prior to the time the Chair calls the meeting to order. During the day of the meeting, the Corporation's representatives may refuse to accept payment other than by a proper certified cheque or money order in accordance with any criteria as may then be applicable. Payment of arrears otherwise or thereafter shall disentitle an owner to vote at the meeting.

d) All voting by owners shall be on the basis of one vote per dwelling unit. At each meeting of owners, any person registered on title as an owner of a unit (other than a unit used for parking or storage purposes or for the purpose of housing services, facilities or mechanical installations) shall be entitled to exercise the vote for the unit if such person is entered on the Corporation's register as an owner.

e) If a unit or a mortgage on a unit is owned or held by 2 or more persons, any one of them present or represented by proxy may vote in the absence of the other or others. The majority of owners of a unit may exercise the right to vote in respect of a unit, but the vote shall not be counted if there are 2 or more owners of the unit and they are evenly divided on how to exercise the vote.

f) If the unit has been mortgaged and the right to exercise the owner's vote or provide the owner's written consent has been given to a mortgagee, the owner (or the owner's proxy) may nevertheless represent such unit at any meeting of owners and vote with respect thereto, unless the mortgagee exercises its right to do so. In the event a mortgagee of a unit wishes to attend a meeting of owners or vote or provide any requested written consent in place of the owner, the mortgagee must be a mortgagee of record of the Corporation who is entitled to receive notices of meetings of owners. The mortgagee must provide a copy of the mortgage to the Corporation, demonstrating the mortgagee's right to vote in lieu of the owner. The mortgagee must notify the Corporation and the owner of the mortgagee's intention to exercise the owner's right to vote or to provide the owner's written consent at least 4 days before the meeting date specified in the notice of the meeting. A mortgagee who has such a right to vote or to provide a written consent and who has first priority as a mortgagee may

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14

exercise the right in lieu of the owner or any other mortgagee, but if the mortgagee having first priority fails to exercise the right, such mortgagee who is next in priority and wishes to exercise the right may do so in lieu of the owner or any other mortgagee.

g) An estate trustee, committee of a mentally incompetent person, guardian or trustee (and where a corporation acts in such capacity, any person duly appointed as the proxy for such corporation), upon filing with the secretary or registrar sufficient proof of such representative's 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 unless and until the corporation has been notified that such representative's appointment has been revoked. If there is more than one such representative, the provisions of subparagraph (f) of this Article shall apply.

h) On a vote to elect or remove a member of the board, all owners entitled to vote may vote for each member of the board.

i) The chair shall not, in the case of a tie, cast a deciding vote, but shall be entitled to a vote in the normal course as the owner of a unit or as the proxy appointed pursuant to a proxy instrument.

j) Any dispute over issues relating to registration, proxies, the right to vote or any ballot shall be resolved by the chair of the meeting.

6.14 Voting Methods, Ballots and Results

a) At any meeting of owners, any question may be decided by a show of ballots or hands, or by a recorded vote. A declaration by the chair of the meeting that such question has been carried by a show of ballots or hands is *prima facie* proof of the fact without further proof of the number of votes cast in favour of or opposed to such question. Notwithstanding the foregoing, a vote for the election of directors shall be by ballot only. Any person having a right to vote may request that a recorded vote be held on any item scheduled for a vote, either before or promptly after the vote, in which event the chair may call for a vote of owners in favour of or opposed to such request, or may elect to proceed with a recorded vote, either by role call or ballot.

b) When all ballots have been deposited into the ballot box, the scrutineers shall privately tabulate the votes for and against the matter being voted on. The chair shall announce the result of the vote at the meeting after the report of the scrutineers has been finalized and agreed to by the scrutineers, but the chair need not reveal the specific tabulated count of votes in any such matter.

c) Unless there is a vote to destroy ballots at the meeting, ballots shall be retained for at least 90 days after the meeting was held, after which time the ballots and proxies may be destroyed by order of the board unless recount proceedings, legal proceedings or notice thereof has been given to the Corporation which then remain in effect. No recount of a vote shall be called for after ten days after the date of the meeting, provided that no recount shall occur if there was a vote to destroy ballots at the meeting.

6.15 Proxies

a) Every owner or mortgagee entitled to vote at meetings of owners may by instrument in writing appoint a proxy or substitute therefor (neither of whom need to be an owner, mortgagee or resident) to attend, act and vote at the meeting in the same manner, to the same extent and with the same power as if the owner or mortgagee were present at the meeting.

b) Owners are encouraged to attend meetings of owners instead of pre-judging events and decisions by transferring their vote to an appointed proxy by means of a proxy instrument. Owners are encouraged to handwrite on their proxy instrument their specific instructions to vote in favour of or opposed to any specified agenda item; alternatively, owners may wish to handwrite on their proxy instrument: "For Quorum Purposes Only", in which event the proxy instrument shall be used for that purpose only.

c) An instrument appointing a proxy may, but need not be in a form prescribed by the regulations to the Act. The instrument appointing a proxy shall be in writing signed and

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dated by the appointor or his attorney authorized in writing and shall be for a particular meeting of owners or any adjournment thereof. The instrument appointing a proxy shall be deposited with the registrar of the meeting before any vote.

d) The proxy instrument may be designated by the registrar of the meeting for use as a voting ballot in lieu of any substitute voting ballot. Proxies shall be held in safekeeping by the registrar until delivered to the scrutineers for tabulation; thereafter proxies shall be held in safekeeping by the secretary or manager of the Corporation as a record for a period of at least 90 days following the date of the meeting, subject to destruction thereafter pursuant to a motion of owners to destroy such proxies or by order of the board, unless recount proceedings, legal proceedings or notice thereof has been given to the Corporation which then remains in effect.

e) An instrument appointing a proxy for the election or removal of a director shall state the name of each director to be elected and/or the name of each director to be removed, printed or legibly written by the hand of the owner granting the proxy instrument.

f) Proxies shall not be made irrevocable. The owner signing a proxy shall date the proxy as of the date of the owner's signature; a later date will be deemed fraudulent and invalid. A later-dated proxy shall supersede an earlier proxy. A proxy instrument showing the latest or only date and time of signing shall supersede an earlier proxy or an undated/untimed proxy instrument. Only a proxy instrument signed by the owner, a mortgagee of the unit or an attorney pursuant to a valid, written power of attorney, will be deemed valid.

6.16 Owners' Code of Ethics

Owners are encouraged to participate democratically and ethically in the affairs of the Corporation, according to the criteria set out in the Owners' Code of Ethics attached to this By-Law as Schedule "C".

7.00 ELECTION OF DIRECTORS

7.01 Directors' Qualifications

Qualification for election to the board shall be governed by the following:

a) each director shall be at least 18 years of age;

b) a person who is a property manager or staff member of the Corporation or its property management company or any contractor or agent thereof shall not qualify to become a director of the Corporation, and in the event a director enters into such a role, such director thereupon shall cease to be a director and shall be deemed to have tendered his/her resignation upon written notice given by the board to such person;

c) no undischarged bankrupt, mentally incompetent person, person convicted of a crime under the *Criminal Code* within the past 6 years, or a person with respect to whom the Corporation's insurer declines to provide errors and omissions insurance or fidelity bonding shall be a director and if a director becomes disqualified for any of those reasons, the person thereupon shall cease to be a director and shall be deemed to have tendered his/her resignation upon written notice given by the board to such person;

d) no person shall be elected as a director if another resident of such person's unit is at that time a director or officer of the Corporation;

e) in the event a certificate of lien has been registered against a unit owned by a director or candidate to become a director and the person does not obtain a discharge of the lien within 90 days after registration of the lien, such person thereupon shall cease to be a director and shall be deemed to have tendered his/her resignation upon receipt of written notice given by the board to such person;

f) in the event a director fails to attend 3 consecutive directors' meetings or a minimum of 2/3 of all directors' meetings properly called and held during any 12 month period, or if a director becomes involved as a party in any litigation or arbitration in opposition to the Corporation, or in the event it is determined by an order of an arbitrator or court that a director has breached his/her duty of honesty and good faith or has failed to declare a conflict of interest,

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the remaining directors by a vote of 2/3 thereof shall be entitled to disqualify such person as a director, whereupon such person shall cease to be a director and shall be deemed to have tendered his/her resignation upon receipt of written notice given by the board to such person;

g) a candidate as a director need not be an owner or resident of a unit of the Corporation at the time of election or during the director's term of office, provided that a majority of the directors remaining in office at the time of the candidate's election are resident owners of a unit; and

h) a director who has resigned or whose term has expired is eligible for re-election, if in compliance with the directors' qualifications as set out herein.

7.02 Directors' Code of Ethics

Any owner shall be entitled to ask a directorial candidate whether the candidate agrees to comply with the provisions set out in the Directors' Code of Ethics attached hereto as Schedule "D" and forming part hereof. A signed Directors' Code of Ethics shall be deemed to be binding upon such candidate unless the candidate identifies any specific provisions contained therein by which the candidate disagrees to be bound, in which event the candidate shall inform the board and owners accordingly, either at the election meeting or prior thereto in writing.

7.03 Election and Term

a) The owners shall elect 5 directors to the board in accordance with the Act and the by-laws. All but one of the directors shall be designated as standard directors, and one of the directors shall fill the position of the owner-occupied director. A separate election shall be held for the position of owner-occupied director and only a person who has been nominated for that position shall be entitled to be elected as the owner-occupied director or as a replacement thereof. Election of a qualified director to the board shall be by written ballot.

b) The directors of the Corporation shall be elected in rotation, having terms of 3 years each falling due on a staggered basis. At each annual general meeting or other meeting of owners to elect directors, a number of directors equal to the number of directors whose term of office has expired or who are being replaced at that time shall be elected. Existing directors shall be eligible for re-election. Directors shall continue to act until their successors are elected. The director or directors receiving the greater number of votes shall complete the longest remaining term or terms of office of any retiring or replacement director(s).

c) If the number of candidates nominated is equal to the number of vacant director positions, and if nominations have been properly closed, the chair may declare that the candidates so nominated shall be elected to the office directly by acclamation. Where more than one candidate is elected by acclamation, and the terms of office to be filled are unequal, the directors at their next meeting thereafter shall determine the distribution of terms by drawing lots amongst the newly-elected directors, or by agreement.

7.04 Election Procedures

Election of directors shall be an agenda item for each Annual General Meeting of owners (an "AGM"). In the event the Corporation gives a preliminary notice to owners of an upcoming AGM, persons who wish to be a candidate as a director shall be entitled to notify the Corporation of such candidacy in order that such person's name and address may be added into the Corporation's notice to the owners of the Annual General Meeting, upon compliance with the requirements stated in Article 6.04 (e). Such a notice candidate, a proxy candidate or any other person meeting the qualifications for election to the board shall each be nominated from the floor of the AGM by the motion of a single nominator. The chair shall announce the number of positions to be filled as a director and the terms of office. Once the owners do not wish to nominate any further candidates, the chair shall call for a motion to be brought, seconded and carried to close nominations. The names of the nominees shall be prominently displayed. Each nominee, if he or she so requests, shall have equal time during a time period set by the Chair to explain the reasons why he or she should be elected as a director. Election shall be by written ballot provided by the registrar. Proxies for the election of directors may be used as a voting ballot with the concurrence of the registrar. The scrutineers shall collect ballots and proxy ballots and shall retire to privately tabulate the election results. The scrutineers shall file an election report with the chair reporting on the number of votes cast for each nominee in person and by proxy. The chair shall promptly notify owners at the meeting of the results of the election, indicating the persons elected and their respective terms of office. In

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the event election of the owner-occupied director is required, only the owners of owner-occupied units shall be entitled to nominate and elect a person to fill the position as the owner-occupied director pursuant to separate ballots or proxy forms designating the owner-occupied director position.

7.05 Consent

A person who is elected or appointed a director shall not be a director unless the person consents to act as a director. A person shall be deemed to consent if the person was present at the meeting when elected or appointed and did not refuse to act as a director. If the person was not present at the meeting when elected or appointed, the person may consent to act as a director in writing before the person's election or appointment or within 10 days thereafter. The election or appointment of a person as a director contrary to this Article is ineffective.

7.06 Validity of Acts

The acts of a director or officer and of the board are valid despite any defect that may afterwards be discovered in a person's election, appointment or qualifications.

7.07 Removal

A director may be removed before the expiry of the director's term of office pursuant to a valid requisition by a vote of the owners at a requisition meeting in accordance with the criteria referred to in Article 6.03 hereof. A director may also be removed by the remaining directors in accordance with Article 7.01 hereof.

7.08 Filling of Vacancies

a) If a vacancy arises in the board, the remaining directors may exercise all the powers of the board as long as a quorum of the board remains in office.

b) If a vacancy in the membership of the board occurs, other than by way of removal by 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 person qualified to be a member of the board to fill the vacancy until the next annual general meeting. If the vacancy pertains to the position of the owner-occupied director, the majority of the remaining members of the board may appoint any owner qualified to be a member of the board to fill the vacancy until the next annual general meeting. At the next annual general meeting, the vacancy shall be filled by election of the owners and the person elected to fill the vacancy shall hold office for the remainder of the term of the director whose position became vacant, provided that if a vacancy applied to the position of the director elected by the owners of occupied units, no persons other than the owners of owner-occupied units may elect a person to fill that position on the board at the next annual general meeting.

c) Where the number of directors is increased, any vacancy resulting from such increase shall only be filled by election at a meeting of the owners duly called for that purpose and any director so elected shall not act until the by-law increasing the number of directors is registered on title under s. 56 (9) of the Act. The Corporation may, by by-law, increase or decrease the number of directors, provided that the board shall consist of at least 3 persons, or such greater number as the by-laws may provide.

d) If a vacancy arises in the board and there are not enough directors remaining in office to constitute a quorum, the remaining directors shall, within 30 days of losing the quorum, call and hold a meeting of owners to fill all vacancies and, in default thereof, or if there are no directors then in office, the meeting may be called by an owner. Upon request, the Corporation shall reimburse the owner for the reasonable costs incurred in calling the meeting.

8.00 DIRECTORS' MEETINGS

8.01 Calling of Board Meetings

Meetings of the board shall be held at such place, at such time and on such day for the transaction of any business as either the president or any two directors may determine, and the secretary or property manager shall call meetings when directly authorized by the president or by any two directors.

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18

8.02 Notice of Board Meetings

The person calling a meeting of directors shall give written notice of the meeting to every director of the Corporation stating the date, time and place of the meeting and the general nature of the business to be discussed at the meeting. Written notice shall be given to each director personally or by sending it by pre-paid mail or courier delivery to the latest address as shown on the record of the Corporation, or by electronic communication addressed to the e-mail address or fax address of the director, or by telephone if each director notified by telephone specifically agrees at that time to that form of notice in that case, if the board or the director has not previously prohibited in writing any such means of notice. Notice shall be given not less than 48 hours (excluding any part of a Sunday or 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 any absent director waives notice of or otherwise signifies in writing his/her consent to the holding of such meeting, or if all of the directors are present and waive notice. A director who attends the meeting shall be deemed to have waived the right to object to a failure to give the required notice, unless the director expressly objects to the failure at the meeting. In the event of an emergency, if it is necessary to meet expeditiously to avoid an imminent loss, damage or a significant unforeseen problem, the board may convene a special emergency board meeting upon proper notice given to each director at a date and time less than 48 hours before the time when the meeting is to be held. Notwithstanding the foregoing, the board may, without written notice, hold its first meeting after each election for the purpose of organization and the election and appointment of officers immediately following such meeting of members, provided all directors are present and consent to so doing.

8.03 Regular Meetings

The board may appoint one or more days in any months for regular meetings of the directors at a place and hour to be named, in which event, no notice of the usual general business of the Corporation need be given to each director. A resolution of the board fixing a place, date and time of regular meetings of the board shall be provided to or acknowledged by each of the then current directors, which shall constitute proper notice of any such regular meeting. No other notice shall be required for any such regular meeting. In the event that any budget or financial statements are to be approved, or if any contract, expense or liability for an amount in excess of one month's common expenses is to be executed or incurred, or if any unusual or controversial business is intended to be conducted at the board meeting, written notice of the nature of that business and any supporting documentation shall first be delivered to each director, failing which any director may require such item of business to be deferred to a subsequent board meeting duly called and held.

8.04 Teleconference

A meeting of the directors may be held by teleconference or another form of communications system that allows the directors to participate concurrently, if all of the directors of the Corporation consent to such means used for holding the meeting. The directors' consent may be evidenced by a unanimous resolution of the board or by the individual written consent of all of the directors, either with respect to a specific occasion or with respect to all board meetings thereafter until revoked by any director.

8.05 Quorum

A quorum of directors for the transaction of business at any meeting of the board shall be a majority of the directors. The board shall not transact any business of the Corporation except at a meeting of directors at which a quorum of the board is present. Notwithstanding vacancies, the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office and attends a directors' meeting where business is transacted.

9.00 DIRECTORS' DUTIES AND INDEMNITIES

9.01 Directors' Duties

The affairs of the Corporation shall be managed by the board. The board shall have the obligation to perform all of the duties, powers and objects of the Corporation other than those specifically allocated to the owners or others in accordance with the provisions set out in the Act, declaration, by-laws and rules of the Corporation. The board may delegate specified duties and powers to the manager, a director, officer or agent by a duly enacted resolution and pursuant to the provisions of any applicable agreement. The board shall control, manage and administer the common elements, assets and property of the Corporation on behalf of the owners. The board shall take all reasonable

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steps to ensure that the owners, the occupiers of units, the lessees of the common elements and the agents and employees of the Corporation comply with the Act, declaration, by-laws and rules.

9.02 Standard of Care

Every director and officer shall exercise the powers and discharge the duties of his/her office acting honestly and in good faith, and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. A director shall not be found liable for a breach of duty if the breach arises as a result of the director's relying in good faith upon:

(a) financial statements of the Corporation that the auditor in a written report, an officer of the Corporation or the property management company or its employee represents to the director as presenting fairly the financial position of the Corporation in accordance with generally accepted accounting principles; or

(b) a report or opinion of a lawyer, public accountant, engineer, appraiser or other person whose profession lends credibility to the report or opinion. Directors shall be entitled to rely upon the report or opinion of the Corporation's property manager, superintendent, security officials and other contractors and agents of the Corporation acting within the scope and limits of their expertise and duties provided they do not render any professional opinion and provided the board exercises due diligence in any case where controversy arises, a major financial decision is made, or if concerns are expressed by any director, in which event the board shall determine whether independent opinions or reports shall be obtained.

9.03 Disclosure By Director

a) A director of a Corporation who has, directly or indirectly, an interest in a contract or transaction to which the Corporation is a party, or a proposed contract or transaction to which the Corporation will be a party, shall disclose in writing to the Corporation the nature and extent of the interest. Such disclosure shall not apply to a contract or transaction or a proposed contract or transaction unless both it and the director's interest in it are material.

b) If the contract or transaction or the proposed contract or transaction involves the purchase or sale of real or personal property by the Corporation that the seller acquired within 5 years before the date of the contract or transaction or the proposed contract or transaction, the director shall disclose the cost of the property to the seller, to the extent to which that information is within the director's knowledge or control.

c) The disclosure required by this Article shall be made at the meeting of the board at which the existing or proposed contract or transaction is first considered; or, if the director is not as of the date of the meeting interested in the proposed or existing contract or transaction, at the next meeting of the directors held after the director becomes so interested; or, if the proposed or existing contract or transaction is one that in the ordinary course of the Corporation's business would not require approval by the directors or owners, at the first meeting of the directors held after the director becomes aware of the proposed or existing contract or transaction.

d) The board shall enter the disclosure required to be made by a director in the minutes of the meeting of the board at which the disclosure was made. In addition, the board shall, prior to voting on any contract or transaction for an amount in excess of $2,000.00 in which another director is interested, obtain at least 2 other independent bids from other contractors to supply or provide the same supplies or services to the Corporation.

e) The director shall not be present during the discussion at a meeting, vote or be counted in the quorum on a vote with respect to such a proposed or existing contract or transaction, unless the director's interest in it is or would be limited solely to directors' and officers' errors and omissions insurance or remuneration as a director, officer or employee of the Corporation.

f) A director who has complied with the requirements of this Article and who was acting honestly and in good faith at the time the contract or transaction was entered into is not, by reason only of holding the office of director, accountable to the Corporation or its owners for any profit or gain realized from the contract or transaction, and the contract or transaction is not voidable by reason only of the director's interest in it. A director who has failed to comply with the requirements set out in this Article shall be accountable to the Corporation

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20

for any profit or gain realized thereby and the contract or transaction shall be voidable as a result thereof, in the event the Corporation elects to hold the director or officer accountable and to terminate the contract or transaction by a vote of the majority of the remaining directors.

g) Despite anything in this Article, a director who has acted honestly and in good faith is not accountable to the Corporation or to the owners for any profit or gain realized from the contract or transaction by reason only of holding the office of director. The contract or transaction is not voidable by reason only of the director's interest in it if the contract or transaction is confirmed or approved by at least 2/3 of the votes cast at a meeting of owners duly called for that purpose, if the nature and extent of the director's interest in the contract or transaction are declared and disclosed in reasonable detail in the notice calling the meeting.

9.04 Indemnity of Directors and Officers

a) Subject to each director's and officer's duty to act honestly and in good faith, every director and every officer of the Corporation and the person's heirs, estate trustees and other legal personal representatives shall from time to time be indemnified and saved harmless by the Corporation from and against:

i) any liability and all costs, charges and expenses that the director or officer sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against the person for or in respect of the execution of the duties of office; and

ii) all other costs, charges and expenses that the person sustains or incurs in respect of the affairs of the Corporation.

b) The Corporation shall be given the opportunity and right to join in the defense of any such action, suit or proceeding, and to dispute any such cost, charge or expense referred to in Article 9.04 (a) hereof. The Corporation reserves the right to refrain from indemnifying such an officer or director who becomes aware of any such liability, cost, charge or expense but fails to promptly advise the Corporation after the director or officer receives notice thereof or notice of any such action, suit or proceeding, or if the officer or director fails to promptly advise the Corporation of all relevant particulars required to enable the Corporation to protect its interests, in the event the Corporation elects to hold the director or officer accountable and to terminate the contract or transaction by a vote of a majority of the remaining directors.

c) No director or officer of the Corporation shall be indemnified by the Corporation in respect of any liability, costs, charges or expenses that the person sustains or incurs in or about an action, suit or other proceeding as a result of which the person is adjudged to be in breach of the duty to act honestly and in good faith.

9.05 Protection of Directors and Officers

Subject to the provisions of the Act, any other legislation and the foregoing Article, directors and officers of the Corporation are specifically absolved from liability for:

a) any loss, damage, expense or misfortune occasioned by a lack of care, diligence or skill, or an error of judgment or oversight on the director's or officer's part;

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

c) any loss, damage, expense or misfortune which happens to the Corporation through the insufficiency or deficiency of any eligible security or title to any property acquired by order of the board for or on behalf of the Corporation;

d) any loss, damage, expense or misfortune occasioned by the bankruptcy, insolvency, breach of contract, breach of legislation, breach of any fiduciary or agency duty, or any criminal or tortious act by any person with whom any of the monies, eligible securities, bank accounts, instruments or effects of the Corporation shall be deposited or managed; or

e) any other loss, damage, expense or misfortune whatever which shall happen in the execution of the duties of the officer or director's office or in relation thereto;

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unless the same shall happen through the director's or officer's own criminal, dishonest or bad faith act or participation.

9.06 Directors and Officer's Insurance

If the insurance is reasonably available, the Corporation shall purchase and maintain insurance for the benefit of its directors and officers against any action, suit or proceeding and all other liabilities, costs, charges and expenses in respect of which the director or officer may be indemnified by the Corporation as set out above, except insurance against a liability, cost, charge or expense of the director or officer incurred as a result of a breach of the duty to act honestly and in good faith.

9.07 No Remuneration

No director, officer, manager or employee of the Corporation shall be paid any remuneration by the Corporation or by any agent or contractor thereof, nor shall any director, officer, manager or employee of the Corporation receive any personal benefit or give to any person or take any personal advantage with respect to any property, funds, advantage or opportunity of the Corporation, unless such director, officer, manager or employee discloses to the board at the first opportunity the nature and extent of such remuneration, benefit or advantage, and unless such director, officer, manager or employee obtains the prior written consent of the board. No director shall receive any remuneration unless the Corporation enacts a by-law fixing the amount of remuneration and the period for which it is to be paid, for a term not exceeding three years. Notwithstanding the foregoing, no such disclosure or by-law shall be required with respect to any reimbursement of reasonable and appropriate expenditures made by any director, officer, manager or employee on behalf of the Corporation pursuant to any paid invoice or receipt in a reasonable amount for an appropriate expenditure or with respect to any reasonable meal expenses incurred during board meetings or while conducting the business of the Corporation or with respect to any seasonal or special party for the directors, employees, agents, contractors, owners or residents of the Corporation, provided that expenses shall be restricted to appropriate occasions and reasonable amounts which are not excessive.

10.00 OFFICERS

10.01 Election of President

At the first meeting of the board after each election of directors or whenever a vacancy in the office occurs, 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.

10.02 Appointed Officers

From time to time the board shall appoint a secretary and may appoint one or more vice-presidents, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The president, secretary and treasurer shall be directors; any other appointed officer may, but need not be a member of the board. One person, other than the president, may hold more than one office and if the same person holds both the office of secretary and the office of treasurer he/she may be known as secretary-treasurer.

10.03 Term of Office

Officers shall hold office once elected or appointed for a term of one year, provided that such persons shall continue in office thereafter subject to any elections or appointments by the board and subject to resignation, disability, death, disqualification or removal of an officer by the board at its pleasure at any time. Officers shall adhere to and be governed by the same qualifications as apply to directors. Officers shall have such authority and perform such duties as the board may from time to time determine that are consistent with the declaration and by-laws of the Corporation.

10.04 President

The president shall chair all meetings of the board and meetings of owners, unless the board designates some other person to do so. The president shall, *ex officio* be a member of each committee of the board, except the nominating committee. The president shall be charged with the general supervision of the business and affairs of the Corporation and shall report to the board for instructions. In the absence of a resolution of the board specifying another officer, the president shall deal directly with the property manager and corporate solicitor in all areas of concern. The president

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shall exercise one vote (only) at all meetings of the board in his/her capacity as a director. The president shall not have any additional tie-breaking vote when acting as chair of any meeting.

10.05 Vice-President

During the absence of the president, the president's powers and duties may be performed and exercised by the vice-president, if any, 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 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.

10.06 Secretary

The secretary shall give or cause to be given all required notices to the owners, directors, auditors, mortgagees and all others entitled thereto. The secretary shall attend all meetings of the directors and of the owners and shall enter or cause to be entered in books kept for that purpose, minutes of all proceedings at such meetings. The property manager shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation, subject to the supervision and control by the secretary. The secretary shall control use of the corporate seal. The secretary shall cause the by-laws to be registered and shall ensure that notice of the by-laws, rules and regulations are sent to all owners and mortgagees of record. The secretary shall sign all certificates as may be requisite, provided that status certificates and other documents shall be executed in accordance with the provisions applicable to execution of agreements as referred to in Article 14.00 of this by-law. The secretary shall perform such other duties as may, from time to time, be prescribed by the board. The board may delegate any of the secretary's duties from time to time to the property manager or any other designated person pursuant to revocable written instructions, subject to the supervision and control of the secretary.

10.07 Treasurer

The treasurer shall be a director. The treasurer shall keep or cause to be kept full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation. Under the direction of the board, the treasurer shall control the deposit of money, the safekeeping of securities and accounts, and the disbursement of the Corporation's funds. The treasurer shall prepare the annual budget in consultation with the property manager and the board, and shall review and comment upon all financial systems of the Corporation, its internal financial statements and the annual audited financial statements and auditor's report. The treasurer shall generally supervise and review all financial functions of the Corporation. The treasurer shall render to the board, whenever required, an account of all the Corporation's financial transactions and its financial position. The treasurer shall perform such other duties as may from time to time be prescribed by the board. The offices of secretary and treasurer may be combined. The board may delegate any of the treasurer's duties from time to time to the property manager or any other designated person pursuant to revocable written instructions, subject to the supervision and control of the treasurer.

10.08 Property Manager

A qualified property manager shall be appointed by the board of directors from time to time. The property manager shall be responsible for the general management and direction of the Corporation's business affairs, subject to the overriding authority of the board and supervision by the president. The duties, services, remuneration and any contractual provisions applicable to the property manager shall be specified in writing as determined from time to time by the board. The board may permit the property manager to exercise some or all of the specified services normally provided by a property manager, subject to any appropriate adjustments to any property management agreement currently in effect as may be mutually agreed with the property manager. The services rendered by the property manager shall be specified in writing and shall be exclusive of the services rendered by the directors.

10.09 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 requires of them. Any of the powers and duties of an officer may be exercised and performed by an appointed assistant, unless the board otherwise directs.

10.10 Committees

In order to assist the board in managing the affairs of the Corporation, the board may from time to time constitute one or more advisory committees to advise and make recommendations to the board

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in connection with the financial, budgeting, management, recreational or communication activities, nominations, by-laws and rules or any other matter or activities related to the common elements, assets or affairs of the Corporation, other than the duties of an audit committee, which shall be fulfilled by the board, unless the board consists of more than 6 directors, in which event the directors may annually elect from among their number a committee to be known as the audit committee in accordance with the criteria set out in s. 68 of the Act. The members of any committees shall be appointed by the board to hold office as committee officers and may be removed at any time by resolution of the board. The board shall not be obligated to accept and adopt any recommendations put forward by any such committee, but shall give due consideration to all such recommendations. The board may require any committee to provide to the board written minutes of the committee's meetings and written reports with respect to any of the committee's recommendations or permitted actions.

10.11 Agents and Attorneys

The board shall have the authority from time to time to appoint in writing any agent, contractor, property manager or attorney for the Corporation with such specified powers of management or otherwise (including the power to sub-delegate) in accordance with such contractual provisions as the board may deem appropriate.

10.12 Disclosure by Officer

An officer of the Corporation who is not a director and who has, directly or indirectly, an interest in a contract or transaction to which the Corporation is a party or a proposed contract or transaction to which the Corporation will be a party, shall disclose in writing to the Corporation the nature and extent of the interest. Such officer shall make the disclosure at the first meeting of the board after the officer becomes aware of the proposed or existing contract or transaction. The officer is not required to disclose the nature and extent of the interest with respect to a proposed or existing contract or transaction, unless both it and the officer's interest in it is material. If such a contract or transaction involves the purchase or sale of real or personal property by the Corporation that the seller acquired within 5 years before the date of the said contract or transaction, the officer shall disclose the cost of the property to the seller, to the extent to which that information is within the officer's knowledge or control. The board shall enter the disclosure made by an officer in the minutes of the board meeting at which the disclosure was made. An officer who has complied with these requirements and who was acting honestly and in good faith at the time the contract or transaction was entered into, is not, by reason only of being an officer, accountable to the Corporation or to its owners for any profit or gain realized from the contract or transaction, and the contract or transaction is not voidable by reason only of the officer's interest in it. Despite the foregoing provisions, an officer who has acted honestly and in good faith is not accountable to the Corporation or to the owners for any profit or gain realized from the contract or transaction by reason only of being an officer of the Corporation and the contract or transaction is not voidable by reason only of the officer's interest in it, if the contract or transaction is confirmed or approved by at least 2/3 of the votes cast at a meeting of owners duly called for that purpose, if the nature and extent of the officer's interest in the contract or transaction are declared and disclosed in reasonable detail in the notice calling the meeting.

10.13 Nominating Committee

The board may appoint in any year a Nominating Committee consisting of persons who are not candidates for election in that year, who shall request nominations of directors and may propose such names of qualified candidates as directors as the Nominating Committee deems appropriate, provided that such nominations shall not preclude the nomination by any owner of a qualified person to be nominated as a director in accordance with the election criteria and procedures set out in Articles 7.01, 7.02, 7.03 and 7.04.

11.00 CORPORATION'S DUTIES AND POWERS

11.01 Duties

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

a) the operation, care, upkeep, maintenance, replacement and repair after damage or failure of the common elements and assets of the Corporation and the repair after damage or failure of the units and their pre-registration improvements in accordance with the requirements

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24

provided for in the Act and in the declaration and any reasonable and consistent requirements as may be set out in any standard unit by-law of the Corporation;

b) the employment, supervision and dismissal of all personnel, employees, contractors, service companies and materials suppliers and agents who enter upon or provide services or materials to the Corporation for the purpose of supplying, installing, maintaining, repairing and operating the materials, facilities, equipment, systems, services, common elements, assets and units of the Corporation, subject to Article 10.08;

c) establishing and maintaining one or more adequate reserve funds for the major repair or replacement of the common elements and assets of the Corporation and assessing owners for their appropriate contributions thereto in accordance with a comprehensive reserve fund study when required, updates thereto, the funding plan, a Form 15 notice of reserve fund summary and the investment plan in accordance with the Act;

d) the arranging for the supply of, and collection of charges related to any required electricity, gas, water, and any other utilities, services and expenditures which form part of the common expenses of the Corporation except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. If any facility, equipment, system, amenity, asset or service used in effecting the supply of heat, hydro, water or any other service for which the Corporation is responsible at any time becomes wholly or partially incapable of fulfilling its function or operation, or is damaged or destroyed, or if the Corporation is not capable of providing any such item or service, the Corporation shall have reasonable time within which to repair or replace such facility, equipment, system, amenity, asset or service and the Corporation shall not be liable for any direct, indirect or consequential damage, loss, personal discomfort, illness, accident or death by reason of the breach of such duty;

e) the preparation of an estimated budget, the collection of owner's contributions toward common expenses (including special assessments) in accordance with their proportionate shares and, if necessary, the giving of a Notice of Lien to Owner, registration of a Certificate of Lien on title to the unit of a defaulting owner and sale of the unit pursuant to a Notice of Power of Sale in accordance with the requirements of the Act, to ensure each owner contributes the owner's proportionate share of the common expenses on a timely basis, and in pursuance thereof, the Corporation's property manager and lawyer are hereby authorized and directed to proceed expeditiously to collect any arrears of common expenses and to execute and register such documents as may be necessary to do so;

f) the preparation and maintenance of the records to be kept by the Corporation in accordance with the Act and this by-law;

g) the preparation of Status Certificates as required by the Act and in pursuance thereof, the Corporation's property manager is hereby authorized and directed to update, execute and issue Status Certificates from time to time;

h) the causing of audits to be made after every year-end and making financial statements and any pertinent information available to the auditor, board, owners and mortgagees in accordance with the Act and the by-laws;

i) the development of an investment plan, based on the anticipated cash requirements of the reserve fund, as set out in the most recent reserve fund study and the investment of reserve monies in eligible securities in accordance with s. 115 of the Act;

j) commencing, responding to, settling, adjusting or referring to mediation, arbitration or litigation, any claim or claims which may be made against or which may be asserted by the Corporation, subject to notice given to owners when required by s. 23 of the Act;

k) if the insurance is reasonably available, the purchase and maintenance of insurance against any liability and all costs, charges and expenses that a director or officer may sustain or incur as permitted by the Act;

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l) obtaining and maintaining insurance for damage to the common elements, units and those pre-registration improvements to units as described in the declaration or a standard unit by-law, insurance against its liability resulting from a breach of duty as occupier of the common elements or land that the Corporation holds as an asset, insurance against liability arising from the ownership, use or operation by or on its behalf of boilers, machinery, pressure vessels and motor vehicles as may be required by the Act, declaration or by-laws, together with any required insurance appraisal of the full replacement cost of the common elements and assets of the Corporation, the units and any pre-registration improvements made to units for which the Corporation is responsible;

m) the entering into of an insurance trust agreement, if thought advisable by the board, to ensure the disposition of monies in the event of an insurable loss in accordance with the declaration;

n) the consistent, timely and non-discriminatory enforcement of the provisions of the Act, declaration, by-laws and rules of the Corporation;

o) the calling and holding of meetings and the delivery of notices, agendas and other documents as required;

p) ensuring that the Corporation complies with any pre-existing or future agreement entered into or on behalf of the Corporation, including, without restriction, any site plan agreement, agreement granting the declarant a license to enter upon the common elements for the purpose of fulfilling its obligations with the municipality, or any mutual use agreement, joint by-law or joint rule;

q) subject to any amendment to the Corporation's declaration as may be required, the Corporation shall be entitled to specify one or more Individual Consumption Expenses applicable to any energy savings program, consumption of utilities, provision of television, internet or other communication services or any tier thereof on an individual billing basis, or any other differential services or facilities which may be provided to the Corporation's residents measured or billed on an individual consumption and user-pay basis. In the event the board determines by resolution that any such expense shall constitute an Individual Consumption Expense, it shall be a duty of the Corporation to charge the users of any such service with respect to any Individual Consumption Expense incurred by such user. Any such Individual Consumption Expense shall constitute a common expense of the Corporation and shall be jointly and severally payable by each resident and owner of a unit which consumes any such Individual Consumption Service, based upon the consumption of such Individual Consumption Service at the unit, in addition to the unit owner's proportionate share of the common expenses as set out in the Corporation's declaration. Any such Individual Consumption Expense shall be billed, collected and enforced as a common expense, after notice given to the resident consumer and unit owner. Any applicable Individual Consumption Expense may be collected by the Corporation by registration of a lien against the applicable unit or otherwise, in accordance with the requirements of s. 84 - 87 of the Act;

r) an owner's obligation to maintain an exclusive use balcony as referred to in the Corporation's declaration, shall mean that the owner has a duty to maintain, clean, wash, tidy and protect the surfaces of the balcony floor, partitions, ceiling and railings at the owner's expense to a high quality standard at all times, but only the Corporation shall undertake the painting of such surfaces and all other maintenance and repairs to the concrete and metal balcony structure, partitions, ceiling, railing and other balcony components as a common expense of the Corporation.

11.02 Powers

The Corporation shall have all the powers necessary to carry out all of its duties and obligations. Such powers shall include, but shall not be limited to the following:

a) the hiring or entering into of an agreement with any one or more persons or corporations with respect to the services or products of a provider of property management, maintenance, contracting, telecommunications, insurance, security, landscaping, superintendent, cleaning, administrative, audit, legal, engineering and all other services as may be required by the Corporation, or as may be rendered by the Corporation on behalf of all unit owners or with

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respect to all units, subject to such compensation, provisions and term as the board may authorize, subject to Article 10.08;

a) the selling, conveying, exchanging, assigning or otherwise dealing with any real property or personal property at any time owned by the Corporation, at any price, on such terms, and in such manner as the board may in its sole discretion deem advisable, subject to compliance with s. 97 and 124 of the Act, and any consent to severance with respect to real estate as may be required by the applicable approval authority;

b) the obtaining and maintaining of fidelity bonds, where appropriate, for any person dealing with the Corporation's monies and in such amounts as the board may deem reasonable;

c) the right, but not the obligation to lease or grant a licence, easement or access rights in favour of any telecommunications or utility provider which provides services to the owners and residents of the units, with respect to any part of the common elements and assets of the Corporation (except such common elements over which an owner has the exclusive use), for such consideration, during such term and upon such provisions and conditions as the board may determine to be in the best interests of the owners from time to time;

e) the right, but not the obligation to enter into a bulk telecommunications agreement with a telecommunications provider who shall provide telecommunication services to the owners and residents of units for such consideration, during such term and upon such provisions and conditions as the board may determine to be in the best interests of the owners from time to time, in which event the Corporation shall have a duty to pay the bulk telecommunications fee and any related expense which it contracts to incur, which amounts shall constitute a common expense of the Corporation;

f) the right, but not the obligation to enter into a lease or licence of any superintendent's suite (but only to a superintendent), guest suite (but only to a guest of a resident of a unit of the Corporation on a short term, non-commercial basis), a party room, TV room or meeting room (but only to a resident, the board or a committee thereof for a period not exceeding 24 hours), a storage locker or parking space (subject to priority given to owners, residents and the superintendent), a service elevator (but only to an owner, resident, employee, agent or contractor of the Corporation for a brief hourly period as required) or the laundry room (but only to a provider of laundry facilities) for such rents, fees and deposits and upon such provisions and conditions pursuant to any form of agreement, lease or licence and subject to such regulations as the board may establish from time to time and for such limited term as the board may deem reasonable and in the best interests of the owners;

g) the retaining and holding of any securities or other property received by the Corporation, other than as a result of an investment decision by the Corporation, whether or not any such security or other property is real or personal property, or an eligible security, and whether or not the same is authorized by any law, present or future, provided that upon disposition of any such security (but not necessarily other assets) the proceeds thereof shall be held in the form of an eligible security or as a contribution to the operating account or reserve fund account of the Corporation.

12.00 BANKING

12.01 General

Each of the Corporation's accounts shall be located in Ontario at an authorized banking institution consisting of a bank listed under Schedule I or II to the *Bank Act (Canada)*, a trust corporation, a loan corporation, a credit union authorized by law to receive money on deposit, or a Province of Ontario Savings Office. All banking business of the Corporation shall be transacted with such authorized banking institution as the board may designate or appoint from time to time by resolution, and all such banking business shall be transacted on the Corporation's behalf by such 2 officers or such other persons as the board may designate, direct or authorize from time to time by resolution to the extent therein provided. Such banking business shall include, without restriction, 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 and orders relating to any property of the Corporation; the execution of any agreement

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

12.02 Corporation's Funds

A person who receives money on behalf of or for the benefit of the Corporation, including money received from owners as contributions to the common expenses or the reserve fund, interest and other proceeds earned from investing it, shall hold the money in trust for the performance by the Corporation of its duties and obligations. The person shall keep records relating to the receipt and disposition of all such money and shall, upon reasonable notice and at all reasonable times, make the records available for examination by the Corporation, an owner or a mortgagee. The person shall pay such money to the Corporation or as it directs forthwith upon demand.

12.03 Corporation's Accounts

a) The Corporation shall maintain one or more accounts in its name designated as general accounts and one or more accounts in its name designated as reserve fund accounts at an authorized banking institution. No person shall operate an account on behalf of the Corporation under a name other than the sole name of the Corporation. No person operating an account on behalf of the Corporation shall deduct or pay out of such account any amount after receiving written notice from the board to refrain from doing so, other than a specifically authorized amount.

b) Subject to the board's right to invest all or any part of the Corporation's money in the Corporation's general account(s) or reserve fund account(s) in eligible securities in accordance with the restrictions set out in s. 115 of the Act, a person who receives money on behalf of or for the benefit of the Corporation shall pay the money, together with interest and other proceeds earned from investing it, into a general account of the Corporation; provided that any money received as contributions from owners to the reserve fund shall be deposited into the Corporation's reserve fund account.

12.04 Investments

The board may invest all or any part of the Corporation's money in the Corporation's general account(s) or reserve fund account(s) only in an "eligible security" as defined in s. 115 (5) of the Act, subject to the investment criteria referred to therein, and in accordance with the investment plan developed by the board based on the anticipated cash requirements of the reserve fund as set out in the most recent reserve fund study.

13.00 BORROWING CRITERIA AND BY-LAW

13.01 Borrowing Criteria

The Corporation shall be entitled to borrow such amounts as in the board's discretion are deemed necessary or desirable in order to carry out the objects and duties of the Corporation in accordance with the Act, declaration and by-laws of the Corporation, to a maximum sum equivalent to 25% of the annual estimated budget for the current fiscal year of the Corporation for any one occurrence, upon the credit of the Corporation and subject to such security to be given by the Corporation (including accounts receivable arising out of any existing or future common expense assessments or a special assessment, but excluding security over the reserve fund or any eligible investments in respect thereof) as may be approved by the board; provided however, the Corporation shall not borrow money for expenditures not listed in the budget for the current fiscal year unless it has passed a separate by-law specifically authorizing such borrowing pursuant to a vote of the owners at a meeting duly called and held for that purpose. Based upon this Borrowing By-law and subject to compliance with the provisions set out in this Article, the board is hereby fully empowered, authorized and directed on behalf of the Corporation to execute the standard form of borrowing by-law required by any lender to the Corporation, subject to such financing agreements, security documentation, terms, provisions, interest rates and security as may be approved by a resolution of the board from time to time, whereupon such lender's standard form of borrowing by-law shall be a duly authorized, valid and binding by-law and the lender shall be entitled to rely upon execution thereof by the Corporation's president and secretary or any two directors under corporate seal as a fully authorized and enforceable By-law of the Corporation.

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29

14.00 EXECUTION OF AGREEMENTS

14.01 Execution of Instruments

a) By-laws, rules, certificates, statutory forms, deeds, transfers, assignments, leases, licenses, easements, mortgages, security agreements and any other agreement, or obligation of the Corporation shall be signed when duly authorized to do so, by the president and secretary of the Corporation or by any two directors who may, but need not be, officers of the Corporation, or as the board may from time to time by resolution prescribe.

b) 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 document or obligation of the Corporation may or shall be signed, whereupon any such person shall be deemed to be an authorized signing officer of the Corporation and shall be entitled to bind the Corporation.

c) Any duly authorized person executing a document intended to bind the Corporation shall date the document as of the date of signing it, shall state the full legal name of the Corporation, shall sign the document by using the person's usual signature, indicating the person's office as a director, officer, property manager or authorized signing officer and shall bind the Corporation either by affixing the Corporation's seal, or by using the words, "I have authority to bind the Corporation."

d) Any contract or obligation within the scope of any management agreement entered into by the Corporation may be executed by the property manager on behalf of the Corporation in accordance with the provisions set out in such management agreement.

e) Any member of the board, designated officer or the property manager may execute a status certificate and cause the corporate seal to be affixed thereon provided the property manager or treasurer has examined the records and confirmed that the particulars set out in the status certificate are accurate.

f) Any two members of the board, the property manager or a lawyer appointed by the board may execute and issue a Notice of Lien to Owner, a Certificate of Lien, a Discharge of Lien or Notice of Power of Sale, together with any other applicable letters, documents or further assurances arising in connection therewith.

15.00 ASSESSMENT AND COLLECTION OF COMMON EXPENSES

15.01 Assessment of Common Expenses

a) All expenses, charges and costs of maintenance, repair or replacement of the common elements and 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 (subject to individual billing on a consumption basis as may be permitted by s. 22 of the Act or by Article 11.01 (q) hereof as an Individual Consumption Expense, which may be billed, collected and enforced as a common expense payable by an individual consumer on a user-basis).

b) The board shall from time to time and at least annually prepare a budget for the affairs 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 should allocate and assess such common expenses as set out in the budget for such period among the owners, according to the proportions in which they are required to contribute to the common expenses as set forth in the declaration (subject to individual billing on a consumption basis as may be permitted by s. 22 of the Act or by Article 11.01 (q) hereof as an Individual Consumption Expense, which may be billed, collected and enforced as a common expense payable by an individual consumer on a user-basis).

15.02 Reserve Fund and Reserve Fund Study

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(a) The board shall make provision for a reserve fund in the Corporation's annual budget. The Corporation shall establish and maintain one or more such reserve funds which shall be used solely for the purpose of major repair and replacement of the common elements and assets of the Corporation. The board shall collect from the owners as part of their contribution toward the common expenses, amounts that the board determines are reasonably expected to provide sufficient funds for the major repair and replacement of the common elements and assets of the Corporation, calculated on the basis of the expected repair and replacement costs and the life expectancy of the common elements and assets of the Corporation. Interest and other income earned from the investment of money in the reserve fund shall form part of the reserve fund.

(b) The Corporation shall conduct its comprehensive reserve fund study, together with on-site and off-site updates alternating at least each 3 years thereafter to determine whether the amount of money in the reserve fund and the amount of contributions collected by the Corporation are expected to be adequate, in accordance with s. 94 of the Act, the board's funding plan and the requirements of O.Reg. 48/01, s. 27 - 33 and Form 15 thereof. The board shall ensure the reserve fund is fully funded and topped-up no later than 10 years after delivery to the board of the comprehensive reserve fund study so that the Corporation's reserve fund contributions can be expected to be equalized by regular annual or monthly contributions thereafter, adjusted for inflation. The reserve funds shall constitute an asset of the Corporation and shall not be distributed to the mortgagees of the units or, except on termination of the Corporation, to the owners of the units. The board shall not require the consent of the owners to make an expenditure out of a reserve fund.

15.03 Additional Expenditures and Assessments

Any expenditures not contemplated in the budget or for which the board shall not have sufficient funds may be assessed at any time during the year in addition to the annual assessment, by the board serving a notice of such further assessment on all owners, which notice shall include a written statement setting out the reasons for the additional assessment. Additional assessments shall be payable by each owner within 30 days after the delivery thereof to such owner, unless a further period of time has been determined by the board and set out in such notice.

15.04 Delivery of Assessments

The board shall advise all owners promptly in writing of the amount of common expenses payable by each of them respectively, determined as aforesaid, and shall deliver copies of each budget upon which such common expenses are based to all owners and mortgagees entered on the Corporation's record.

15.05 Owners' Obligations to Pay Assessments

a) Each owner shall be obliged to pay to the Corporation the full amount of such annual assessment within 30 days after the delivery or mailing of the notice of the annual assessment to the owner, provided that, while not in default, each owner may pay to the Corporation or as it may direct the amount of such assessment in equal monthly payments on the first day of each and every month next following notice of such assessment, by way of 12 postdated cheques or by execution of a pre-authorized payment plan whereby the Corporation shall be entitled to debit the bank account of the owner each month to collect 1/12 of the annual assessment, until such time as a new assessment has been provided to such owner.

b) The acceptance by the board of post-dated cheques or a pre-authorized payment plan does not constitute a waiver of the owner's obligation to pay his/her proportionate share of the annual assessment as hereinbefore provided. Where the owner fails to provide post-dated cheques or 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 pre-authorized payment plan or cancels any post-dated cheques or where there are insufficient funds in the account to cover the automatic deduction or any post-dated cheque, the board shall be entitled to deliver written notice to the owner requiring the then unpaid balance of the owner's assessment for the year to become immediately due and payable together with interest thereon calculated in accordance with Article 15.06 (d) until paid. The board may, by resolution, authorize such alternate methods of payment as it may reasonably determine, provided always that any such method of payment shall apply consistently to and for the convenience of all interested owners.

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32

Corporation shall be entitled to enforce compliance on the basis and in accordance with the lien enforcement procedures set out in the Act.

c) The violation of any provision of the Act, any other legislation, regulation, by-law or public edict or the Corporation's declaration, by-laws, or rules shall give the board the right, in addition to any other rights set forth in this by-law:

i) to enter the unit in respect of which such violation or breach exists and to summarily abate, remove, rectify, maintain, replace or repair at the expense of the defaulting owner, any thing, structure, installation, fixture, portion of the unit or common elements, event or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and neither the Corporation, its directors, officers, manager, employees, authorized agents, contractors or authorized representatives shall by reason thereof be guilty in any manner with respect to any trespass, break and enter, theft, loss, damage, assault, tort or crime by reason of the performance of the Corporation's duties, as long as the Corporation's representatives have substantially complied with normal industry standards;

ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, including without limiting the generality of the foregoing, an application for an order for compliance or proceedings by way of mediation or arbitration pursuant to the Act; and

iii) the Corporation shall have all of its rights and remedies referred to in s. 92 of the Act when an owner is in breach of the owner's obligations to maintain or repair after damage the owner's unit or the common elements as set out in the Corporation's declaration, whereupon the owner shall be deemed to have consented to the work done by the Corporation and the cost of the work shall be added to the owner's contribution to the common expenses. The Corporation may specify a time of payment by the owner, and in the event of non-payment within 15 days after written request therefor, the Corporation shall be entitled to enforce compliance on the basis and in accordance with the lien enforcement procedures set out in the Act and this By-law.

17.00 INSURANCE DEDUCTIBLE RESPONSIBILITY

17.01 Deductible

The Corporation's insurance shall provide full replacement value for each component and peril required to be insured by the Corporation, subject to a deductible that in the opinion of the Corporation and its insurance representative is reasonable in the circumstances applicable to the Corporation. If damage to the unit is caused by an act or omission of the Corporation or its directors, officers, agents, contractors or employees, the deductible amount shall be a common expense. Pursuant to s. 105 (2) and (3) of the Act, if an owner, lessee of an owner, a person residing in the owner's unit or any employee, agent, contractor, visitor or guest thereof, whether or not with the permission or knowledge of the owner, and whether or not through any act or omission, causes any damage whatsoever and howsoever arising in connection with damage to the owner's unit, involving any damage, loss, injury or death to any person, to the unit, to any pre-registration improvements to the owner's unit as may be insured by the Corporation, to any portion of the common elements or assets of the Corporation or any facilities or installations thereon, to any other unit, its pre-registration improvements or any other improvements or betterments thereto, or to contents located in any other unit or on the common elements, the amount that is the lesser of the cost of repairing the damage, and the deductible limit of the insurance policy obtained by the Corporation shall be added to the common expenses payable for the owner's unit. In the event the owner fails to reimburse the Corporation within 30 days after the Corporation has provided written notice requiring reimbursement together with copies of any applicable invoices, a default giving rise to a lien shall occur and the Corporation shall be entitled to enforce payment in accordance with all of the provisions set out in s. 84 - 87 of the Act and in this By-law.

18.00 TAX ASSESSMENT APPEALS

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18.01 Tax Assessment Appeals

The Corporation is authorized but not obligated to object on behalf of owners to assessments of realty taxes arising under the *Assessment Act* against owners' units and their appurtenant common interests. If the Corporation chooses to object in any year, it shall give notice of the objection to the owners in accordance with the notice requirements set out in Article 25.00. The Corporation is authorized to defray the costs of objections out of the common expenses. The Corporation shall have the capacity and authority to make a complaint under s. 40 of the *Assessment Act* on behalf of owners, but shall not be liable for an alteration in the assessment of a unit or for any other matter relating to the complaint, except for the costs of the complaint. Any reduction in the realty tax assessment applicable to any units and reduced municipal taxes shall accrue to the benefit of the owners of such units. An owner shall be entitled to withdraw a complaint that the Corporation has made on the owner's behalf by giving written notice to the Corporation's board and to the Assessment Review Board before the hearing of a complaint under s. 40 of the *Assessment Act*. Upon receipt of such notice from the owner, the Corporation shall take all reasonable steps without delay to withdraw any appeal filed on behalf of the owner in respect of the unit assessment. The Corporation shall not appeal any unsuccessful complaint pertaining to an assessment without first giving prior notice to the owners, and subject to such criteria as the board may establish in its discretion.

19.00 RESTRICTIONS AFFECTING NON-RESIDENTS

19.01 Access to Recreational Facilities

Only occupants of the units may use and enjoy the common elements, assets and recreational facilities of the Corporation, subject to the provisions of any agreement governing the use and maintenance of shared facilities and services. A non-resident owner who leases his or her unit shall not be permitted to use and enjoy the common elements, assets and recreational facilities of the Corporation. Persons who are not occupants of a unit may not use any recreational facilities unless accompanied at all times by an adult occupant of a unit and in compliance with the Corporation's Rules. The board may restrict the number, age and rights of guests to use and enjoy any of the common elements and recreational facilities of the Corporation as governed by the Rules from time to time. The board may further clarify the parts of the common elements, assets and recreational facilities from which persons other than occupants are restricted. Further provisions and restrictions applicable to the use and enjoyment of the common elements, assets and recreational facilities of the Corporation may be contained in the Corporation's existing Rules or any Rules proposed hereafter from time to time, as determined by the board.

19.02 Trespass Prohibition

Any person who loiters upon, litters or damages the common elements, shared facilities or assets of the Corporation or any other person's unit, improvements or contents; or who blocks, hinders or interferes with the lawful use and enjoyment of the common elements by others; or who creates or undertakes any excessive noise, nuisance, disturbance, harassment or criminal act; or who otherwise breaches any provisions of the declaration, by-laws or rules of the Corporation, shall forthwith cease and desist from doing so and upon being requested to cease doing so by the police or a security officer, property manager, director or officer of the Corporation, such person shall immediately leave the common elements of the Corporation, failing which such person shall be deemed to be a trespasser and shall be subject to all of the requirements, obligations, prosecution, fines and penalties set out in the *Trespass to Property Act* of Ontario. An owner or occupier of a unit of the Corporation shall, after leaving the common elements, thereafter be entitled to use the common elements while in compliance with these requirements. This provision shall be deemed to constitute notice to each owner and occupant of a unit and each of their employees, contractors, agents, visitors and guests, in accordance with the requirements of the *Trespass to Property Act*.

19.03 Ensure Compliance By Visitors

Owners, tenants and occupants of units of the Corporation shall be responsible to ensure compliance with the Act, the *Trespass to Property Act*, and the Corporation's declaration, by-laws and rules by their employees, agents, contractors, visitors and guests and shall personally bear the consequences of any such non-compliance, including the obligation to pay all expenses, damages, fines, penalties and legal costs on a full solicitor and client basis which shall be added to the common expenses payable by the owner of the applicable unit.

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34

20.00 OCCUPANCY STANDARDS

20.01 Occupancy Standards

The Corporation's occupancy standard shall consist of the requirement that no more persons shall reside in a dwelling unit within the Corporation's building in excess of the maximum number of persons entitled to occupy each such dwelling unit, based upon the maximum occupancy for which the Corporation's building was designed, as determined by the registered Description for the Corporation and by the "occupancy load" established in the *Ontario Building Code* (O. Reg. 403/97, s. 3.1.16.1 (1) or as amended hereafter) which requires that no more than two persons per sleeping room or sleeping area shall reside in a dwelling unit. A sleeping room or sleeping area shall consist of any bedroom, study, den, family room or other room designated as a sleeping room or sleeping area by the board of directors of the Corporation from time to time in a dwelling unit in accordance with the architectural plans forming part of the Corporation's registered Description, but shall exclude a kitchen, dining room, living room, solarium, bathroom, foyer, lobby, closet, laundry room, utility room, pantry and balcony, unless any such excluded room is designated as a sleeping room or sleeping area by the board of directors from time to time. No person shall reside in a dwelling unit within the Corporation's building in excess of the maximum occupancy permitted for each unit.

20.02 Contravention

a) If a person contravenes the standards for the occupancy of a unit set out in this Article 20.00, the board may apply and enforce compliance with the appropriate occupancy standard in accordance with s. 57 of the Act, by giving written notice to the owner(s) of the unit requiring them to remove any persons in excess of the occupancy load from the premises within 15 days, and may, during the entire period of excess occupancy, by resolution, levy against the unit an assessment that reasonably reflects the amount by which the contravention increases the cost of maintaining the common elements and repairing them after damage, and the amount by which the contravention increases the cost of using the utilities that form part of the common expenses. Any such assessment shall form part of the contribution to the common expenses payable for the unit.

b) Where the precise costs of contravention are unknown, the board shall be entitled to exercise its discretion to determine the amount that reasonably reflects the increased costs arising from the contravention, including such of the following criteria as may be applicable. For each extra unauthorized person occupying a unit in excess of the occupancy standard applicable to such unit, the board may assess additional common expenses applicable to that unit in an amount calculated by allocating an additional amount to that unit, equal to the same total annual common expense contribution to the Corporation's common expenses as applies to the unit, multiplied by the number of excess occupants and multiplied by a fraction, whereby the numerator shall consist of the sum of the total common expenses incurred by the Corporation to maintain and repair after damage the common elements and assets of the Corporation for the current fiscal year and the total common expenses incurred by the Corporation for all utilities for the current fiscal year, and whereby the denominator shall consist of the total of all budgeted common expenses of the Corporation for the current fiscal year. The board shall be entitled to determine otherwise the amount that reasonably reflects the amount by which the contravention increases such costs.

20.03 Commercial Use

No commercial use shall be permitted in or with respect to any dwelling unit including, without limitation, the carrying on of a business or the operation of a business or professional office, provided that an incidental home-based office for private use ancillary to the main private, single family residential use of the unit shall be permitted on condition that such incidental use utilizes no more than one room of the unit, does not involve reception, manufacturing or processing facilities, delivery or shipping of goods for manufacturing, processing or sale, recurring visits by employees, customers or business visitors, agents or contractors, or use of any parking space for such incidental use, and the permitted incidental use shall not give rise to any noise, nuisance, disturbance, maintenance, repair of the common elements or consumption of utilities in excess of normal residential use, any of which prohibitions may be determined in the sole discretion of the Board acting reasonably.

20.04 Partitions and Alterations

No partition, hardwood floors or structural alteration shall be installed, permitted or made to a unit, and no alteration, addition or improvement shall be made to an exclusive use common area or any

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installation upon any portion of the common elements without the prior written consent of the board and compliance with all requirements of the Act, the *Building Code*, *Fire Code* and all other legislation and municipal by-laws or standards, and the declaration, by-laws and rules of the Corporation, provided that owners shall be entitled to undertake other non-structural renovations, maintenance and repair of their units, improvements and betterments of a decorative nature, without the board's prior written consent.

20.05 Maintain Safety Devices

(a) No resident or owner shall disconnect, damage or remove any Safety Device or any portion thereof contained in a unit. Each owner and resident shall diligently and expeditiously maintain and repair in good working condition all Safety Devices located within the boundaries of the unit owned or occupied by such person, unless the Corporation's declaration specifically requires the Corporation to do so.

(b) Safety Devices shall include any appliance, equipment, device or any other system, facility or component designated as a Safety Device by the board from time to time.

(c) The occupant shall inspect, test, maintain, and when necessary or when required, shall repair and replace all such Safety Devices at least semi-annually and shall replace any batteries or malfunctioning parts at least semi-annually with the appropriate fully-charged batteries, or at such earlier time as may be required to render any Safety Device fully operational at all times and safe from any potential health, safety or security hazard, loss, damage or harm which may be caused to any person or property.

(d) The owner shall indemnify the Corporation and its representatives and save them harmless with respect to any claim, action, proceedings, damages, loss, injury, death, costs, fine or penalty claimed by any person, firm, corporation or public authority, whether arising pursuant to the *Fire Code, Building Code*, municipal property standards by-law, any other legislation, regulation, by-law, public edict or otherwise as a result of the owner's or resident's failure to comply with any such requirement.

(e) The Corporation shall have the right, but not the obligation, to undertake the inspection, maintenance, repair or replacement of any Safety Device or other component (whether with respect to an individual unit or on a building-wide basis) for which any one or more owners may be responsible or for which the Corporation may be held liable, located in any unit or upon a portion of the common elements which one or more owners have a duty to maintain or repair, where the owner fails to carry out such obligation within a reasonable time, as referred to in s. 92 of the Act.

(f) The Corporation's authorized representative(s) shall be entitled to enter any unit upon reasonable prior written notice to the resident in order to inspect , test, maintain, repair or replace any Safety Device or other component, and in the event the owner or resident has failed to maintain any Safety Device or component in the appropriate condition, the Corporation's representatives shall be entitled to do so at or after the time of entry in order to preserve the health, safety or security of any person and to prevent any hazard, loss, damage or harm which may be caused to any person or property.

(g) The cost thereof shall be borne by the unit owner as a common expense contribution, in accordance with s. 92 of the Act. If the board in its sole discretion passes a resolution to undertake any such inspection, maintenance, repair or replacement on a building-wide basis as a duty of the Corporation to protect its residents and property, such cost shall become a common expense of the Corporation.

(h) Owners of units shall remain liable to carry out their obligations to maintain and/or repair their units in accordance with the provision set out in the Corporation's declaration and any maintenance or repair carried on by the Corporation as referred to in this paragraph shall not create a precedent or give rise to a claim by any owner or resident of waiver, acquiescence, laches, estoppel or detrimental reliance, or obligate the Corporation to do so thereafter or in any other case, nor shall the Corporation be held liable for any loss or damage occasioned by undertaking any such work, unless the Corporation or its representatives were grossly negligent in doing so.

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36

21.00 MEDIATION

21.01 Negotiated Solution
The Corporation and owners shall use their best efforts to resolve any disputes which may arise between them, through good faith negotiations (subject to compliance with the provisions of the Act, declaration, by-laws and rules) and shall resort to mediation, arbitration or legal proceedings only after attempts fail to clarify, resolve and minimize the scope of any issues in dispute.

21.02 Compliance Demand Notice
If the Corporation or any owner requires any owner, occupant of a unit, the Corporation or any other person referred to in s. 17 (3), 119, 132, 134 or 135 of the Act to comply with any provisions set out in the Act, declaration, by-laws or rules, the Corporation or owner shall deliver a Compliance Demand Notice to the other party(ies) by regular mail stating:

(a) Particulars of the conduct at issue;
(b) The provision of the Act, declaration, by-law or rules claimed to have been breached;
(c) Any conduct required to be taken by the other party(ies) and/or any other person for whom any such party is responsible in order to comply with the provision being breached;
(d) The time within which compliance is required;
(e) Any other matters or materials as the party may deem appropriate.

21.03 Justification Response Notice
The party(ies) receiving the Compliance Demand Notice shall either comply with the requirements set out within the time specified or shall provide detailed justification particulars for the action or conduct in a written Justification Response Notice delivered to the other party(ies) within the time specified in the Compliance Demand Notice.

21.04 Notices
All notices referred to in Article 21.00 and 22.00 shall comply with the notice requirements set out in Article 25.00.

21.05 Cessation of Complaint
Where a Compliance Demand Notice concerns a complaint of nuisance, excessive noise, or potential danger or harm to persons or property determined by the board to constitute breach of the Act or the Corporation's declaration, by-laws or rules, then the person alleged to be responsible shall, upon receipt of a Compliance Demand Notice from the Corporation, take all reasonable measures to ensure that no such nuisance, excessive noise, potential danger or harm shall occur or continue pending resolution of the dispute.

21.06 Interim Payment
When any disagreement between the Corporation and an owner engaged in mediation, arbitration or legal proceedings concerns the payment of any damages, retainer, fee, expense, costs or assessment, all amounts to be paid as required or permitted by the Act or the Corporation's declaration, by-laws or rules, including any amount in dispute, shall be paid to the Corporation within 15 days after written demand by the Corporation, provided that the Corporation shall be entitled to designate a law firm or the mediator or arbitrator to act as the Escrow Agent impartially on behalf of both parties. The Escrow Agent shall hold any such amounts in trust on behalf of both parties and such amount or any part thereof shall be paid by the Escrow Agent to such party or other person as the parties may direct by mutual agreement or pursuant to the decision or order of an arbitrator or court of law. The parties shall be equally liable to pay the Escrow Agent's fees. An owner shall not be exempt from the obligation to contribute to the common expenses of the Corporation or any special assessment even if the owner is making a claim against the Corporation, or if the owner has waived or abandoned the right to use any part of the common elements, or if the declaration, by-laws or rules restrict the owner from using any part of the common elements. The Corporation shall have the right to register a lien against an owner's unit when permitted to do so as a result of breach of any of the provisions set out in the Act, including s. 85 - 87 thereof.

21.07 Agreements Contain Provision
Every agreement between the Corporation and another party, including the declarant, another corporation, an owner or a property manager shall be deemed to contain a provision requiring the

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parties to submit a disagreement between them with respect to any such agreement to mediation by a person selected by the parties (unless they have previously submitted the disagreement to mediation).

21.08 Compliance Enforcement
The Corporation's declaration shall be deemed to contain a provision that the Corporation and the owners agree to submit a disagreement between the parties with respect to the declaration, by-laws or rules to mediation, and if necessary, arbitration, in accordance with s. 132 of the Act. In the event one of the parties to the disagreement is a tenant, resident, visitor or guest of a unit, or in the event any such person or an owner of the unit breaches a section of the Act, the Corporation shall be entitled to enforce compliance by an order of the Superior Court of Justice pursuant to s. 134 of the Act against any of them with respect to any provision contained in the Act, or the Corporation's declaration, by-laws or rules, or an agreement with another Corporation for the mutual use, provision or maintenance or cost-sharing of facilities or services. The Corporation and any other party shall not be obligated to mediate or arbitrate any disagreement which is not specifically required by s. 132 of the Act, except upon mutual agreement or as required by law, recognizing that other enforcement remedies are permitted by the Act.

21.09 Mediation
If after using their best efforts, the parties are unable to resolve the disagreement, then any party may submit the disagreement to mediation by a qualified mediator who shall confer with all parties concerned and endeavor to obtain a settlement with respect to the disagreement.

21.10 Mediation Notice
Any party to a disagreement (the "Initiator") may submit the disagreement to mediation by giving to the other party(ies) a written Mediation Notice. The Mediation Notice shall define each issue with sufficient particularity to allow the other party(ies) to understand the nature and scope of the disagreement, including specification of the facts and arguments upon which the Initiator intends to rely at the Mediation Hearing. The Mediation Notice shall contain

(a) a specific description of the matter in dispute,
(b) a statement of the party's claims,
(c) a statement of the remedy sought, and
(d) the party's nomination of three qualified mediators.

The mediation shall be deemed to commence on the date that the Initiator delivers the Mediation Notice to the other party(ies) to the disagreement.

21.11 Mediation Response Notice
Within 15 days after the Mediation Notice is delivered, the other party(ies) (the "Respondent(s)") shall deliver a written Mediation Response to the Initiator stating:

1) the Respondent's reply to the disagreement as set out in the Mediation Notice; and
2) the Respondent's choice of mediator from the list provided by the Initiator.

The Mediation Response Notice shall reply to each issue in the disagreement with sufficient particularity to allow the other party(ies) to understand the Respondent's position, including the facts and arguments upon which the Respondent(s) intends to rely at the Mediation Hearing.

21.12 Mediation Reply
Within 10 days after a Respondent's Mediation Response Notice is delivered, the Initiator may deliver a Reply Notice to the Respondent stating the Initiator's position to any new issue raised in the Mediation Response.

21.13 Choice of Mediator
The Initiator shall state in the Mediation Notice the names of 3 qualified mediators acceptable to the Initiator. The other party(ies) shall choose one of those names to be appointed as the mediator within 15 days after receiving the Mediation Notice by including the name in the Mediation Response, failing which the Initiator shall choose any one of the names to be the mediator. The Initiator shall notify the mediator and each of the other parties of the appointment of the mediator by delivering a Choice of Mediator Notice at any time within 10 days thereafter. The mediator shall be deemed to be selected when so appointed. The Initiator shall not name any person as a mediator unless the named mediator is qualified pursuant to Article 21.14, is willing to act as the mediator of such

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difference, agrees to the provisions set out in Article 21 and has not previously rendered professional or other services directly to either the Corporation or the other party(ies) to the mediation. The Initiator shall deliver to the mediator a copy of the Compliance Demand Notice, Compliance Response Notice, Mediation Notice, Mediation Response Notice and Mediation Reply Notice (or such of those documents as may then be available) within seven days after the date that the mediator is deemed to be selected.

21.14 Mediator's Qualifications

Any mediator named by the Initiator shall be knowledgeable about condominium issues in general (preferably confirmed by a designation as an Associate of the Canadian Condominium Institute or a Registered Condominium Manager) and shall be knowledgeable in the area in dispute. The mediator shall be qualified by education and experience to assist the parties to mediate resolution of the dispute. The mediator shall act impartially, fairly and diligently on a non-judgmental basis to assist the parties to resolve their differences.

21.15 Mediation Fees and Expenses

Within 10 days after a written request for payment, each party shall pay ½ of the Mediator's Fee consisting of any retainer, and the balance of any of the mediator's fees and expenses, when determined from time to time, including any amounts for the facilities or services of any alternate dispute resolution organization, and any time for the mediator's preparation, review of documents, attendances, travel, the fees and expenses of any expert retained by the mediator, the preparation and finalization of any mediation agreement, settlement agreement, settlement report and any other legitimate mediation fees and expenses. If a settlement is obtained, each party shall promptly pay the mediator any other share of the Mediator's Fee that the settlement agreement specifies. If the mediation fails, each party shall pay whatever share of the Mediator's Fee that the mediator specifies in a Failed Mediation Notice delivered to each of the parties stating that the mediation has failed, in which event the mediator shall have the discretion to allocate or reallocate the Mediator's Fee between the parties, taking into consideration the behaviour of the parties, any belligerence or inappropriate conduct, abuse of proceedings, unnecessary delay or the causing of any unnecessary fees or expenses, any responsibility for causing the mediation to fail and an allocation of fault as the mediator may deem to be applicable as between the parties. If either party fails to pay its share of the Mediator's Fee on time, the other party shall be entitled to pay such amount and recover it at any time thereafter from the other party or, the other party shall be entitled to require the mediator to deliver a Failed Mediation Notice in accordance with Article 21.23 and shall be entitled to elect to proceed directly to arbitration. If the parties agree, the Corporation may pay all or any part of any other party's share of the Mediator's Fee. The Corporation shall then have the right to add such amount to the common expense contributions payable for the unit, which amount shall be collectible in accordance with s. 84 - 87 of the Act, whether by registration of a Certificate of Lien against title to the unit or otherwise.

21.16 Agreement to Mediate

The parties shall each sign the mediator's form of Mediation Agreement, subject to such modifications to which the parties and mediator mutually agree, within 15 days after the mediator has forwarded the form of Mediation Agreement to the parties.

21.17 Mediation Procedure

Subject to the provisions set out herein and any modifications agreed to by all parties concerned, the mediation shall be conducted pursuant to the guidance provided by the mediator and generally in accordance with such Mediation Rules of Procedure as may be delivered by the mediator to the parties, subject to such Mediation Rules of Procedure as may be agreed by the parties. If any situation is not governed by a Mediation Rule of Procedure, the mediator shall determine the applicable Rule of Procedure if the parties can not mutually resolve the procedural issue.

21.18 Mediation Brief

Each party shall, not later than 10 days prior to the mediation hearing, provide to each of the other parties and the mediator a Mediation Brief to include copies of any documents, including, but not limited to, provisions of the Act, other legislation, regulations, the declaration, description, by-laws or rules, or any contract, photograph, report, opinion, statement, financial statement, letter or evidence relevant to the matter in dispute, upon which such party may rely or raise in furtherance of such party's position during the Mediation Hearing.

21.19 Hearing Date

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The Mediation Hearing shall take place at the Condominium Corporation, at the mediator's office or at such other convenient location as the mediator may designate, commencing at 10:00 a.m. on the morning of the Hearing Date, subject to such arrangements to which the parties may mutually agree. The Hearing Date shall be a mutually agreed date. The Mediation Hearing shall take place not later than 60 days after the date the Mediation Notice was delivered. If the parties cannot mutually agree upon the Hearing Date within 30 days after the date the Mediation Notice was delivered, either party may propose three Hearing Dates acceptable to the mediator to each of the other parties who shall select one of the three days and notify the mediator and the other parties accordingly. The Hearing Date may be postponed for up to 30 days upon the consent of each of the parties and the mediator.

21.20 Mediation Hearing

Subject to such superseding provisions as may be contained in the Mediation Agreement, the mediator shall afford an equal opportunity and time for each party to promote its case. Any party may be represented by legal counsel or any other representative. Any party may lead the evidence of any witness or expert in order to induce the other party to accept its position, provided that such party shall notify all other parties and the mediator of its intention to do so and shall provide any expert reports at least 10 days before the Hearing Date. Any person who is disruptive or unreasonably belligerent may be excluded from the Mediation Hearing. The parties attending the mediation shall work diligently and with a *bona fide* intent to mutually resolve any disagreement, taking a flexible and co-operative approach, while avoiding rancorous statements or conduct intended to exacerbate the dispute. A representative of each party shall be in attendance who has the authority and flexibility to finalize any settlement solution to the disagreement as the parties present at the mediation may deem appropriate.

21.21 Confidentiality

Subject to such superseding provisions as may be contained in the Mediation Agreement, the mediation proceedings and any element thereof shall be kept confidential, including, but not limited to, any documents, evidence, testimony, submissions or statements of any party or witness, or the settlement or the record of settlement if they do not constitute public knowledge. Such proceedings shall not be disclosed to any person, firm or corporation except the mediator, the parties and their professional advisors, except as may be required by law. However, the Corporation shall be entitled to disclose in its financial statements the total amount paid with respect to all mediations occurring during the fiscal year, without disclosing the particulars of any particular settlement. None of the parties to the mediation shall disclose to anyone else the outcome or financial particulars of any settlement, except with the prior written consent of the other party, provided that the Settlement Record itself may be disclosed by the Corporation on a restricted basis to any one or more persons deemed to be in breach of the same provision or another provision involving the same criteria, as a means of minimizing further disputes.

21.22 Settlement Record

Subject to such superseding provisions as may be contained in the Mediation Agreement, upon obtaining a settlement between the parties with respect to the disagreement, the mediator shall make a written Settlement Record of the agreement between the parties which shall form part of the disagreement that was the subject of the mediation. The mediator shall forward a copy of the Settlement Record to each party within 10 days after the Mediation Hearing. Each of the parties shall duly sign the Settlement Record within 10 days thereafter to confirm their agreement to the Settlement Record. The Settlement Record may be signed by each of the parties in counterpart or by fax. The Settlement Record shall be delivered by each party to each of the other parties and the mediator within 10 days after receipt of the Settlement Record. The parties shall each comply with the Settlement Record thereafter with respect to each of the issues forming part of the disagreement. If a party fails to comply with any provision set out in the Settlement Record at any time after the party has signed it, any other party who has signed the Settlement Record shall be entitled to proceed to enforce compliance by means of an order of the Ontario Superior Court of Justice, pursuant to s. 134 of the Act. Nothing contained in the Settlement Record shall create a precedent or be binding upon either party with respect to any such disagreement affecting any other party.

21.23 Mediation Failure

The mediation shall be deemed to have failed upon the occurrence of any of the following events:

a) A party fails to respond within the time and as required in the Mediation Notice or Mediation Response Notice;

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b) No qualified mediator is selected by the parties or consents to act within 60 days after the parties submit the disagreement to mediation pursuant to a Mediation Notice;

c) Any party fails to define the disagreement(s) and specify the facts and arguments upon which that party intends to rely within 5 days after a written request for such information from any other party, if any notice period applicable to such party has passed at the time of any such request;

d) Any party fails to sign and deliver a Mediation Agreement within 5 days after a written request to finalize all provisions, sign and deliver the Mediation Agreement to the other party(ies) and the mediator, if the 10 day period has passed at the time of any such request;

e) A party fails to comply with the Mediation Agreement;

f) A party fails to pay the Mediator's Fee within 10 days after the mediator's initial request for payment or if the party fails to pay the balance of the Mediator's Fee within 30 days after the mediator's written request for payment;

g) If a party fails to attend the Mediation;

h) If a party fails to sign and deliver to each of the other parties and the mediator a copy of the Settlement Record within 10 days after receipt of the Settlement Record, or if the mediator fails to deliver the Settlement Record to each party;

i) If the parties fail to agree upon a Hearing Date within 45 days after the date the Mediation Notice was given.

21.24 Failed Mediation Notice

In the event that the mediation has failed as set out in Article 21.23, any party shall be entitled to require the mediator to deliver a Failed Mediation Notice to all parties within 5 days thereafter. Unless the parties have previously agreed to the contrary, the Failed Mediation Notice shall state that the mediation has failed, and shall include an order as to payment of the Mediator's Fee allocated among the parties in such manner and to such extent as the mediator in his or her sole discretion may deem appropriate, taking into account any of the failed mediation events set out in Article 21.23.

22.00 ARBITRATION

22.01 Arbitration

In the event the parties have failed to select a mediator within 60 days after the parties have submitted the disagreement to mediation pursuant to a Mediation Notice, or 30 days after the mediator delivers a notice stating that the mediation has failed, in accordance with Article 21.00 hereof, either party may commence arbitration proceedings as contemplated by s. 132 of the Act.

22.02 Arbitration Notice

Any party to a disagreement referred to in s. 132 of the Act (the "Initiator") may submit the disagreement to arbitration by delivering a written Arbitration Notice to the other party(ies) requiring arbitration. The Arbitration Notice shall define each issue in dispute with sufficient particularity to allow the other party(ies) to understand the disagreement, including specification of the facts and arguments upon which the Initiator intends to rely at the arbitration. The Arbitration Notice shall contain:

(a) a specific description of the matter in dispute,
(b) a statement of the party's claims,
(c) a statement of the remedy sought, and
(d) the Initiator's nomination of three qualified arbitrators.

The arbitration shall be deemed to commence on the date that the Initiator delivered the Arbitration Notice to any of the other party(ies) to the disagreement.

22.03 Arbitration Response Notice

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Within 15 days after the Arbitration Notice is delivered, the other party(ies) (the "Respondent(s)") shall deliver a written Arbitration Response to the Initiator identifying:

(a) the Respondent's reply to the disagreement as set out in the Arbitration Notice, and
(b) the Respondent's choice of arbitrator from the list provided by the Initiator.

The Arbitration Response shall reply to each issue in the disagreement with sufficient particularity to allow the other party(ies) to understand the Respondent's position, including the facts and arguments upon which the Respondent(s) intends to rely at the Arbitration Hearing.

22.04 Arbitration Reply

Within 10 days after the Arbitration Response is delivered, the Initiator may deliver a Reply Notice to the Respondent stating the Initiator's position with respect to any new issue raised in the Arbitration Response.

22.05 Choice of Arbitrator

The disagreement shall be submitted for resolution to a single arbitrator. The Initiator shall state in the Arbitration Notice the names of 3 qualified arbitrators acceptable to the Initiator, and the other party(ies) shall choose one of those names to be appointed as the arbitrator within 15 days after receiving the Arbitration Notice by including the name in the Arbitration Response, failing which the Initiator shall choose any one of the named persons to be the arbitrator. The Initiator shall notify the arbitrator and each of the other parties by delivering a Choice of Arbitrator Notice within 10 days thereafter. The arbitrator shall be deemed to be selected when so appointed. The Initiator shall deliver to the arbitrator a copy of any Compliance Demand Notice, Compliance Response Notice, Arbitration Notice, Arbitration Response and Arbitration Reply Notice (or such of those documents as may then be available) within seven days after the date that the arbitrator is deemed to be selected.

22.06 Arbitrator's Qualifications

Any arbitrator named by the Initiator shall be willing to act as the arbitrator of such difference, shall agree to the provisions set out herein, and shall not previously have rendered professional or other services directly to either the Corporation or the other party(ies) to the arbitration. The arbitrator shall be knowledgeable about condominium issues in general (preferably confirmed by an ACCI or RCM designation) and shall be knowledgeable in the area in dispute. The arbitrator shall be qualified by education and experience to act impartially, with administrative fairness and diligence to conduct an arbitration hearing and to render a final and binding decision in accordance with all legal requirements.

22.07 Legal Issues

In the event that any notice pertaining to arbitration proceedings invokes a legal interpretation of or determination of rights and obligations under the Act, declaration, by-laws or rules, any party may, before the arbitrator is deemed to be selected, require that the arbitrator shall either hold a law degree or be entitled to receive independent legal advice with respect to the applicable provision(s) and any relevant legislation or case law. Where no binding legal precedent exists with respect to the disagreement, standard practices in the industry shall be accorded substantial weight.

22.08 Arbitrator's Fees

Within 10 days after a written request for payment, each party shall pay ½ of the Arbitrator's Fees, consisting of the arbitrator's retainer, the balance of any of the arbitrator's fees and expenses, including any amounts for the facilities or services of the alternate dispute resolution organization to which the arbitrator belongs, any time for the arbitrator's preparation, review of documents, attendance, travel, the fees and expenses of any expert retained by the arbitrator, the preparation and finalization of the Arbitration Agreement, Arbitration Final Award and such other share of the arbitrator's retainer, fees and expenses that the arbitrator imposes or the Arbitration Agreement may specify. Subject to the superceding provisions set out in the Arbitration Agreement, the arbitrator shall be entitled to exercise his/her discretion as to the awarding of damages, costs and each party's share of the Arbitrator's Fee, having regard to any finding of fault, breach of agreement, breach of any provision of the Act, declaration, by-laws or rules of the Corporation, delay or non-participation in the negotiations, mediation or arbitration, or for such other reason as the arbitrator may specify in the arbitrator's final award. The arbitrator's decision and order as to payment of any amounts may be filed in the Ontario Superior Court of Justice and enforced in accordance with the *Arbitrations Act, 1991* or pursuant to a compliance order in accordance with s. 134 of the Act. If the Corporation and the other party(ies) agree, or if the Arbitrator's Final Award requires the Corporation to do so, or if the Corporation is awarded any legal costs or damages, the Corporation shall pay all or any part of

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another party's share of the Arbitrator's Fee, whereupon any and all such amounts shall form part of the contribution to the common expenses payable for the unit and shall be collectible in accordance with the provisions set out in s. 84 - 87 of the Act, whether by registration of a Certificate of Lien against title to the unit or otherwise.

22.09 Arbitration Agreement
The parties shall each sign the arbitrator's form of Arbitration Agreement, subject to such modifications to which the parties agree, within 15 days after the arbitrator has forwarded the form of Arbitration Agreement to the parties, failing which a party who is not in default of those requirements shall be entitled to arbitrate the issue in dispute forthwith in the absence of any such party in default.

22.10 Arbitration Procedure
Subject to the provisions set out herein, the provisions of the *Arbitrations Act, 1991* as amended from time to time and any modifications agreed to by all parties concerned, the arbitration shall be conducted generally in accordance with the Arbitration Rules of Procedure commonly used by the arbitrator, failing which the Arbitration Rules of Procedure used by the Condominium Dispute Resolution Centre shall be adopted by the parties. In the event that any situation is not governed by an Arbitration Rule of Procedure, the arbitrator shall determine the applicable rule of procedure if the parties cannot mutually resolve the procedural issue themselves.

22.11 Arbitration Brief
No later than 10 days prior to the Arbitration Hearing, each party shall provide to the arbitrator and to each of the other parties an Arbitration Brief to include copies of any documents including, but not limited to, provisions of the Act, other legislation, regulations, case law, the declaration, description, by-laws, rules, policies or any contract, photograph, expert's or other report, opinion, statement, financial statement, letter, document or evidence relevant to the matter in dispute, upon which such party may rely or raise in furtherance of such party's position during the Arbitration Hearing.

22.12 Evidence
At the request of any party, the arbitrator may take such interim measures as the arbitrator considers necessary in respect of the dispute, including, without limiting the generality of the foregoing, the detention, preservation or inspection of any evidence relied on or relevant to the arbitration. The arbitrator shall determine the relevance, materiality, accuracy and truthfulness of any evidence, testimony or submission, which determination shall be conclusive.

22.13 Hearing Date
The Arbitration Hearing shall take place at the Condominium Corporation, at the arbitrator's office or at such other convenient location as the arbitrator may designate, commencing at 10:00 a.m. on the morning of the Hearing Date, subject to such arrangements to which the parties may mutually agree. The Hearing Date shall be a mutually agreed date, not later than 60 days after the date the Arbitration Notice was delivered. If the parties cannot mutually agree upon the Hearing Date within 30 days after the date the Arbitration Notice was delivered, either party may propose three Hearing Dates acceptable to the arbitrator to each of the other parties who shall select one of the three days and notify the arbitrator and the other parties accordingly. The Hearing Date may be postponed for up to 60 days upon the consent of each of the parties and the arbitrator. The Arbitration Hearing may be extended by mutual agreement of each of the parties and the arbitrator to a later date.

22.14 Arbitration Hearing
Subject to such superceding provisions as may be contained in the Arbitration Agreement, the following provisions shall apply. The arbitrator shall afford an equal opportunity for each party to promote its case. Any party may be represented by legal counsel or any other representative. Any party may lead the evidence of any witness or expert providing relevant testimony (subject to cross-examination and reply), provided that such party shall notify all other parties and the arbitrator in the Arbitration Brief of its intention to lead such evidence. Any person who is disruptive or unreasonably belligerent may be excluded from the Arbitration Hearing. The parties attending the arbitration shall work diligently and with a *bona fide* intent to mutually resolve any disagreement, taking a flexible and co-operative approach, while avoiding rancorous statements or conduct intended to exacerbate the dispute. A representative of each party shall be in attendance who has the authority and flexibility to finalize any settlement solution to the disagreement as the parties present at the arbitration may deem appropriate. Testimony shall be sworn under oath. Any party may

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require the proceedings to be recorded, upon 10 days prior notice given to each of the other parties and to the arbitrator.

22.15 Confidentiality
Subject to such superceding provisions as may be contained in the Arbitration Agreement, the arbitration proceedings and any element thereof shall be kept confidential, including, but not limited to, any documents, evidence, testimony, submissions, statements of any party or witness which do not constitute public knowledge, and the Arbitration Award. Such confidential information shall not be disclosed to any person, firm or corporation except the arbitrator, the parties and their professional advisors, except as may be required by law. However, the Corporation shall be entitled to disclose in its financial statements the total amount paid with respect to all Arbitration Awards occurring during the fiscal year, without disclosing the particulars of any particular settlement. None of the parties to the arbitration shall disclose to anyone else the outcome or financial particulars of any Arbitration Award, except with the prior written consent of the other party, provided that the Arbitration Award may be disclosed by the Corporation on a restricted basis to any one or more persons deemed to be in breach of the same provision or another provision involving the same criteria, as a means of minimizing further disputes.

22.16 Arbitration Award
Within 30 days after the Arbitration Hearing, the arbitrator shall render an Arbitration Award and shall give a written copy thereof to each of the parties to the arbitration. The arbitrator shall have the discretion to make such award as the arbitrator considers just and appropriate, having regard to the circumstances, and subject to compliance with the provisions set out in this Article 22 and the superceding provisions set out in the Arbitration Agreement. The Arbitration Award shall be in writing, stating the reasons upon which the award was based. The parties shall each comply with the Arbitration Award thereafter with respect to each of the issues forming part of the disagreement. Nothing contained in the Arbitration Award shall create a precedent or be binding upon either party with respect to such a disagreement with any other party.

22.17 Arbitration Final
The decision of the arbitrator set out in the Arbitration Award shall be final and binding upon the parties concerned and shall not be subject to appeal by any party except pursuant to a question of law or pursuant to a specific ground of appeal for setting aside an arbitrator's decision in accordance with the *Arbitrations Act, 1991* as may then be in effect from time to time.

22.18 Resort to Court
Nothing provided in Article 21.00 or 22.00 shall prevent any party(ies) from interim resort to court, if permitted, where it is necessary to prevent harm to any person or property, if such matter cannot be appropriately or immediately addressed by the mediator or arbitrator; however, the ultimate resolution of the dispute shall be resolved through mediation or arbitration.

22.19 Compliance Order
If a party is unable to obtain compliance by the other party(ies) with the Act, declaration, by-laws, rules or any applicable agreement, despite having submitted the dispute to mediation and arbitration in compliance with the Act and this by-law, the Corporation may apply to the Superior Court of Justice for an order enforcing compliance.

22.20 Court Ordered Damage and Costs
Pursuant to the Act, if the Corporation obtains a court-ordered award of damages or costs in an order made against an owner or occupant of a unit, the damages or costs, together with any additional actual costs to the Corporation in obtaining the order shall be added to the common expenses for the unit and the Corporation may specify a time for payment by the owner of the unit. In the event the owner fails to make such payment on time, the Corporation may commence lien proceedings in accordance with s. 84 - 87 of the Act.

23.00 EASEMENTS, LEASES AND LICENCES

23.01 General
For the purpose of providing telecommunications services or any other utilities or services or use or occupation of any locker, parking space or other space on the Corporation's property which benefit the owner(s) of one or more units, the Corporation may lease a part of the common elements (except

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44

a part that the declaration specifies to be used only by the owners of one or more designated units and not by all of the owners), or the Corporation may grant or transfer an easement or licence through the common elements, and the cost thereof shall be deemed to be a common expense, provided that in the event the lease, transfer of an easement or licence pertains to and benefits only one or some owners and not all owners, only such owner(s) whose unit(s) are benefitted or served shall pay the cost thereof. Any such lease, transfer of an easement or licence shall be in writing, for such term and in accordance with such provisions and payments as may be required by the board from time to time. In the event an addition, alteration or improvement to the common elements is made by an owner and approved by the board, an owner's alterations agreement shall be entered into and registered on title to the unit in accordance with s. 98 of the Act.

24.00 INSURANCE TRUST AGREEMENT

24.01 Insurance Trust Agreement

The Corporation's existing insurance trust agreement is hereby ratified and confirmed and shall continue hereafter in full force and effect. The board may retain an insurance trustee to perform such duties and services with respect to insurance proceeds payable to the Corporation as may be required from time to time, at such compensation and upon such terms and requirements as the board may determine, subject to compliance with the provisions of the Act and the declaration. The board is authorized to execute any such insurance trust agreement from time to time and all such further assurances as may be appropriate. Despite anything contained in an insurance trust agreement that the Corporation has entered into with an insurance trustee, and anything in the declaration, the Corporation may terminate the agreement by giving at least 60 days notice in writing of the termination date to the trustee. Despite anything contained in an insurance trust agreement that the Corporation has entered into with an insurance trustee if the proceeds of an insurance policy issued under s. 99 of the Act are less than 15% of the replacement cost of the property covered by the policy, the insurer shall pay the proceeds to the Corporation or the person whom the Corporation specifies. Upon the proceeds becoming available, the Corporation shall promptly use them for the repair or replacement of the damaged units and common elements, unless the owners have voted to terminate because of substantial damage in accordance with s. 123 of the Act.

25.00 NOTICE

25.01 By the Corporation

a) Subject always to any specific provision to the contrary in the Act, any notice, communication or other document required to be given or delivered by the Corporation to any owner or mortgagee shall be sufficiently given if:

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

ii) sent by pre-paid mail addressed to the owner or mortgagee at the address for service that appears in the record; or

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

iv) delivered at the owner's unit or at the mail box for the unit unless,

1) the party giving the notice has received a written request from the owner that the notice not be given in this manner, or
2) the address for service that appears in the record is not the address of the unit of the owner,

provided that notice shall not be given to a mortgagee in accordance with clause iv) above.

b) Any notice, communication or other document to be given by the Corporation to any person who is not an owner or mortgagee shall be given or delivered to such person in the manner provided by law.

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c) Any notice, communication or document shall be deemed to have been received:

i) when it is delivered to a person personally or delivered at the owner's unit or at the mail box for the unit in compliance with sub-article a (iv) above; or

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

iii) if it is sent by facsimile transmission, electronic mail or any other method of electronic communication, when a send confirmation for the correct communications address is recorded by the sender.

25.02 Notice to the Corporation

a) Any notice, communication or other document to be given to the board or Corporation shall be sufficiently given if:

i) mailed by prepaid ordinary mail or airmail in a sealed envelope addressed to the board or Corporation at the Corporation's on-site property management office, failing which at the property manager's head office, or such other address for service of the Corporation registered on title in accordance with the Act; or

ii) if personally delivered, to the President or Secretary; or

iii) sent by facsimile transmission, electronic mail or any other method of electronic communication, when a send confirmation for the correct communications address is recorded by the sender.

b) Any communication or document shall be deemed to have been received when:

i) delivered to the Management Office or to the President or Secretary personally; or

ii) deposited in a post office or public letter box; or

iii) sent by facsimile electronic mail or any other method of electronic communication, when a send confirmation for the correct communications address is recorded by the sender.

25.03 Omissions and Errors

a) 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 or any business conducted at any meeting held pursuant to such notice or otherwise founded thereon.

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

c) The address of each owner and mortgagee shall be their respective addresses as shown on the record of the Corporation, provided that the Corporation shall also be entitled, but not obligated, to send notice to the owner at the address of the owner's unit and to the mortgagee at the address shown for the mortgagee on the mortgage that is registered in the Land Registry Office until the Corporation is given written notice of a different address for such mortgagee or owner.

25.04 Notices of Meetings

A notice of a meeting of owners shall meet the criteria set out in Article 6.04 hereof.

25.05 Record Date

In the case of a notice to owners that is not a notice of meeting of owners, the persons whose names appeared in the record 5 days before the day the notice is given shall be deemed to be the persons to whom the notice is required to be given.

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26.00 MISCELLANEOUS

26.01 Invalidity
The invalidity of any article, clause, sentence, phrase or word contained in this by-law shall not impair or affect in any manner the validity and enforceability or effect of the balance thereof. In the event it is determined that any part of such provision is invalid, the most minor individual part thereof shall be deleted therefrom, provided the balance of the provision remaining shall continue in full force and effect subject to such minor amendments as may be required to give proper effect to the remaining provision's original intended meaning.

26.02 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.

26.03 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.

26.04 Amendment
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.

26.05 Conflicts

a) In the case of a conflict or ambiguity between the provisions contained in the Corporation's declaration, by-laws or rules and any provision contained in the Act, Regulations or any applicable common law decision, the Act, Regulations and common law decisions shall prevail.

b) In the case of a conflict or ambiguity between the provisions contained in the Corporation's declaration and any provision in the by-laws or rules, the declaration shall prevail.

c) In the case of a conflict or ambiguity between the provisions contained in this by-law and the Corporation's rules, the provisions of this by-law shall prevail.

d) In the event no conflict or ambiguity arises between the provisions contained in this by-law and the provisions of the Act, Regulations any common law decision and the Corporation's declaration, the provisions of this by-law shall prevail.

27.00 ENACTMENT

27.01 Enactment
The foregoing by-law is hereby passed by the board of the Corporation (subject to approval by the owners) at a meeting of directors duly called and held on the 29th day of November, 2004.

President – Maureen Kelly

Secretary – Stan Svetoch C/S

The foregoing by-law was duly enacted by the owners of a majority of the Corporation's units voting in favour of confirming it at a meeting of owners duly called and held on the 27th day of March, 2006.

President – Maureen Kelly

Secretary – Stan Svetoch C/S

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