



Document General

Form 4 — Land Registration Reform Act

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<p>AT 2126500</p> <p>CERTIFICATE OF RECEIPT</p> <p>RÉCÉPISSÉ</p> <p>TORONTO (66)</p> <p>2009-07-22</p> <p>1141</p>	(1) Registry <input type="checkbox"/> Land Titles <input checked="" type="checkbox"/>		(2) Page 1 of 39 pages		
	(3) Property Identifier(s) 12526-0001 to 12526-0658 inclusive		Additional: See Schedule <input checked="" type="checkbox"/>		
	(4) Nature of Document By-law No. 4 (Under the Condominium Act, 1998)				
	(5) Consideration TWO Dollars \$ 2.00				
(6) Description All Units and Common Elements comprising the property included in Toronto Standard Condominium Plan No. 1526 City of Toronto Land Registry Office for the Land Titles Division of Toronto (No. 66)		(7) This Document Contains: (a) Redescription New Easement Plan/Sketch <input type="checkbox"/> (b) Schedule for: Description <input type="checkbox"/> Parties <input type="checkbox"/> Other <input checked="" type="checkbox"/>		Additional: See Schedule <input type="checkbox"/>	
(8) This Document provides as follows: See by-law and schedules attached.					
Continued on Schedule <input checked="" type="checkbox"/>					
(9) This Document relates to instrument number(s)					
(10) Party(ies) (Set out Status or Interest)					
Name(s)		Signature(s)		Date of Signature	
TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1526		Per: <i>[Signature]</i>		Y M D	
By its solicitors, FINE & DEO		Name: Mario D. Deo		2009 07 21	
(11) Address for Service					
c/o Management Office, 28 Harrison Garden Boulevard, Toronto, Ontario, M2N 7B5					
(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:			
		Fine & Deo 3100 Steeles Avenue West Suite 300 Vaughan, Ontario L4K 3R1			
		Fees and Tax			
		Registration Fee			
		Total			

SCHEDULE

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Form 11
Condominium Act, 1998

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

Toronto Standard Condominium Corporation No. 1526 (known as the "Corporation") certifies that:

1. The copy of By-law Number 4, 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.
3. The owners of a majority of the units of the Corporation have voted in favour of confirming the By-law.

Dated this 2nd day of July, 2009.

Toronto Standard Condominium Corporation No. 1526

By: [Signature]
Name: Diana Saragines
Title: President (VICE) 155
I have authority to bind the Corporation.

By: [Signature]
Name: Adrienne Leishman
Title: Secretary
I have authority to bind the Corporation.

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TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1526BY-LAW NO. 4

Be it enacted as a by-law of Toronto Standard Condominium Corporation No. 1526 (hereinafter referred to as this or the "Corporation" or this or the "Condominium") as follows:

By-law Nos.1 and 2 of the Corporation shall be repealed and replaced with the following:

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ARTICLE I DEFINITIONS

- 1.01 The terms used herein, and any appendices attached hereto, shall have ascribed to them the definitions contained in the *Condominium Act*, 1998, S.O. 1998, Chapter 19, the regulations made thereunder and any amendments thereto (all of which are hereinafter referred to as the "Act"), and in the declaration of the Corporation (the "declaration"). Any and all terms defined herein shall have the same meaning in any appendices attached hereto.

ARTICLE II SEAL

- 2.01 The corporate seal of the Corporation shall be in the form impressed hereon.

ARTICLE III REGISTER

- 3.01 The Corporation shall maintain a record (hereinafter called the "Register") which shall note the name and address for service of the owner and mortgagee of each unit who has notified the Corporation of his/her entitlement to vote. The owner's address for service shall be the address of his/her unit, and the mortgagee's address for service shall be the address shown for him/her on his/her mortgage registered in the Land Titles Office, unless the Corporation is given notice of a different address by such owner or mortgagee.

3.02 Leasing of units:

- a) In accordance with Section 83 of the Act, the owner of a unit who leases the unit or renews a lease of the unit or terminates a lease shall:
- (I) within 30 days of entering into the lease or the renewal, as the case may be:
 - (i) notify the Corporation that the unit is leased;
 - (ii) provide the Corporation with the lessee's name, the owner's address and a copy of the lease or renewal or a summary of it in the form prescribed by the Minister (Form 5 O.Reg.49); and,
 - (iii) provide the lessee with a copy of the declaration, by-laws and rules of the Corporation,
 - (II) within 30 days of terminating a lease, notify the Corporation of same in writing.

The Corporation shall maintain a record of the notices that it receives under this section, in accordance with the Act.

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- b) **Tenant's Liability** - If an owner who has leased a unit defaults in the owner's obligation to contribute to the common expenses, the Corporation may, by written notice to the lessee, require the lessee to pay to the Corporation the lesser of the amount of the default and the amount of the rent due under the lease in accordance with Section 87 of the Act.
- c) **Owner's Liability** - Any owner leasing his unit shall not be relieved thereby from any of his obligations with respect to the unit, which obligations will be joint with his tenant.

ARTICLE IV MEETING OF MEMBERS

- 4.01 **Annual Meetings:** The annual meeting of the owners shall be held at such place and at such time and on such day in each year as the board of directors of the Corporation (hereinafter called the "board" or "Board" or "Board of Directors") may from time to time determine, for the purpose of hearing and receiving the reports and statements required by the Act and the by-laws of the Corporation to be laid before the owners at an annual meeting, and for the purposes of electing directors, confirming by-laws passed by directors, appointing an auditor and fixing or authorizing the board to fix his/her remuneration, and for the transaction of such other business as may be properly brought before the meeting. The board shall lay before each annual meeting of owners a financial statement made in accordance with generally accepted accounting principles, as well as the report of the auditor to the owners, and such further information respecting the financial position of the Corporation as the by-laws may require. The annual general meeting of the Corporation shall be held within six months of the end of each fiscal year of the Corporation.
- 4.02 **Conduct of Meetings:** At any annual, requisitioned or special meeting, the President of the Corporation or failing him/her the Vice-President, or, failing him/her, a person designated by the President, or failing him/her, a person elected at the meeting shall act as Chairperson of the meeting, and the Secretary of the Corporation shall act as Secretary of the meeting, or, failing him/her the Chairperson shall appoint a secretary.
- 4.03 **Requisitioned Meetings:** The board shall, upon receipt of a requisition in writing made by owners (or a mortgagee entitled to vote) who together own at least fifteen (15%) percent of the units, call and hold a meeting of the owners in accordance with section 46 of the Act.
- 4.04 **Notices:** Unit owners shall be given written notice at least fifteen (15) days before the holding of each annual or special meeting, detailing the time, place and date of such meeting. Notice shall be given to the auditor of the Corporation and to each owner and mortgagee who is entered on the Register for at least twenty (20) days before the date of such meeting. The Corporation shall not be obliged to give any notice to any owner who has not notified the Corporation that he/she has become an owner, or to any mortgagee who has not notified the Corporation that he/she has become a mortgagee and has been authorized or empowered in his/her mortgage to exercise the right of the mortgagor to vote pursuant to section 47 of the Act. Each notice of meeting, as hereinbefore required, shall have appended to it an agenda of the matters to be considered at such meeting and any such other matters as may be required pursuant to section 47 of the Act as well as a list of candidates who wish to run for any position on the Board of Directors that will be filled at the said meeting, if such candidate has given the Corporation written notice of his/her candidacy in accordance with the Act.
- 4.05 **Reports and Financial Statements:** The Corporation shall, at least fifteen (15) days before the date of any annual meeting of owners, furnish to every owner and mortgagee entered on the Register, a copy of the financial statement and auditor's report. A copy of the minutes of the meetings of owners and of the board shall, within fifteen (15) days of such meeting (if possible), be furnished to each owner, as well as any mortgagee who has, in writing, requested same and has paid a reasonable fee to compensate the corporation for the labour and copying charges.
- 4.06 **Persons Entitled to be Present:** The only persons entitled to attend a meeting of owners shall be the owners and mortgagees entered on the Register, the auditor of the Corporation, the directors and officers of the Corporation and any others who, although not entitled to vote, are entitled or required under the provisions of the Act or the by-laws of the Corporation to be present at the meeting. The Corporation's solicitor, at the express request or invitation of the Board of Directors, shall be entitled to attend the meeting of owners. Any other person may be admitted only on the invitation of the Chairperson of the meeting or with the consent of the majority of those present at the meeting.
- 4.07 **Quorum:** At any meeting of owners, save and except where otherwise specified in the Act, including inter alia, section 42 (9) thereof, a quorum shall be constituted when persons entitled to vote and owning not less than twenty-five (25%) percent of the units are present in person or represented by proxy at such meeting. If thirty (30) minutes after the time appointed for the holding of any meeting of owners has elapsed and a quorum is not present, the meeting shall be

dissolved and shall stand adjourned to the same time on the corresponding day, three weeks therefrom, at such place within the said municipality as the board shall determine. Notice of the time, day and place of the convening of such adjourned meeting shall be given not less than fifteen (15) days prior to the convening of such meeting.

- 4.08 **Right to Vote:** At each meeting of owners, and subject to the restrictions as hereinafter set out, every owner of a unit entitled to vote pursuant to the Act, if he/she is currently entered on the Register as an owner or has given notice to the Corporation in a form satisfactory to the Chairperson of the meeting that he/she is an owner, may vote on all matters tabled at such meeting. If a unit has been mortgaged, the mortgagor may nevertheless represent such unit at such meetings and vote in respect thereof, unless the mortgage itself expressly authorizes and empowers the mortgagee to vote, in which case such mortgagee may exercise the owner's vote in respect of such unit upon filing with the Secretary of the meeting sufficient proof of the terms of such mortgage, and notifying both the mortgagor and the Corporation of the said mortgagee's intention to exercise his/her right to vote, at least four (4) days before the date of the meeting, as specified in the notice of meeting. Any dispute over the right to vote shall be resolved by the Chairperson of the meeting upon such evidence as he/she may deem sufficient. The vote of each such owner or mortgagee shall be on the basis of one vote per unit, and where two or more persons entitled to vote in respect of one unit disagree on their vote, the vote in respect of that unit shall not be counted.
- 4.09 **Method of Voting:** At any annual, or special meeting, any question shall be decided by a show of hands unless a poll is demanded by a person entitled to attend such meeting as aforesaid, and unless a poll is so demanded, a declaration by the Chairperson that such question, by show of hands, has been carried is prima facie proof of the same, without proof of the number of votes recorded in favour of, or against, any such question. A demand for a poll, once given, may be withdrawn. Notwithstanding the above, the voting for the election of directors shall be by ballot only.
- 4.10 **Representatives:** An executor, administrator, guardian or trustee of an owner or mortgagee, or the committee of a mentally incompetent owner or mortgagee (and where a corporation acts in such capacity, any person duly appointed as proxy for such corporation) upon filing with the Secretary of the meeting sufficient proof of his/her appointment, shall represent the owner or mortgagee at all meetings of the owners of the Corporation, and may exercise the owner's or mortgagee's vote in the same manner and to the same extent as such owner or mortgagee. If there be more than one executor, administrator, committee, guardian or trustee, the provisions of section 4.12 of this Article shall apply.
- 4.11 **Proxies:** Every owner or mortgagee entitled to vote at meetings of owners may, by instrument in writing, appoint a proxy, who need not be an owner or mortgagee, to attend and act at the meeting in the same manner, to the same extent, and with the same powers as if the owner or mortgagee were present himself, subject to the restrictions within the Act. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney authorized in writing. The instrument appointing a proxy shall be deposited with the Secretary of the meeting, before any vote is cast under its authority.
- 4.12 **Co-Owners:** If two or more persons own a unit, or own a mortgage in respect of which a right to vote is exercisable, any one of the owners or mortgagees, as the case may be, may in the absence of the other owner(s) or mortgagee(s) vote, but if more than one of them are present or are represented by proxy, then they shall vote in agreement with each other, failing which the vote for such unit shall not be counted.
- 4.13 **Votes to Govern:** At all meetings of owners, every question shall, unless otherwise required by the Act, the declaration or the by-laws of the Corporation, be decided by a majority of the votes cast on the question, as set out in section 4.09 of this Article.
- 4.14 **Entitlement to Vote:** Except where, under the Act or the by-laws of the Corporation, a unanimous vote of all owners is required, an owner is not entitled to vote at any meeting if any common expense or other monetary contribution payable in respect of his or her unit is in arrears for thirty (30) days or more prior to the meeting. An owner who is in arrears may vote at said meeting, if he/she makes payment of the full amount by certified cheque, money order, cash or bank draft, prior to the commencement of the meeting. Whether or not an owner has paid his/her arrears in full shall be a determination made by the board, in its full and unfettered discretion.

ARTICLE V **THE CORPORATION**

- 5.01 **Duties of the Corporation:** In addition to the duties and obligations set forth in the declaration of the Corporation, the duties of the Corporation shall include, but shall not be limited to, the following:

- a) controlling, managing and administering the common elements and assets of the Corporation;
- b) operating and maintaining the common elements and assets of the Corporation;
- c) collecting the common expenses assessed against the owners;
- d) arranging for the supply of heat, electricity and water to the property except where the Corporation is prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. If any apparatus or equipment used in effecting the supply of heat, electricity and water at any time becomes incapable of fulfilling its function, or is damaged or destroyed, then the Corporation shall have a reasonable time within which to repair or replace such apparatus, and the Corporation shall not be liable for any indirect or consequential damages, or for damages for personal discomfort or illness by reason of the failure to perform such duty;
- e) obtaining and maintaining such insurance as may be required by the Act, the declaration or the by-laws, together with any appraisals of the full replacement cost of the common elements and assets of the Corporation that may be required by the Act, the declaration or the by-laws of the Corporation for the purposes of determining the amount of insurance to be effected;
- f) repairing and restoring of the common elements in accordance with the provision of the Act, the declaration and the by-laws;
- g) obtaining and maintaining fidelity bonds where obtainable, in such amounts as the board may deem reasonable, for such officers and directors or employees as are authorized to receive or disburse any funds on behalf of the Corporation;
- h) causing audits to be made after every year-end and making financial statements available to the owners and mortgagees in accordance with the Act and the by-laws;
- i) effecting compliance by the owners with the Act, the declaration, the by-laws and the rules;
- j) providing a status certificate, and such statements and information as may be prescribed by the Act, and the Corporation shall be entitled to a fee (up to the maximum prescribed by the Act from time to time) for providing same;
- k) taking all reasonable steps to collect from each unit owner his or her proportionate share of the common expenses, and to maintain and enforce the Corporation's lien arising pursuant to the Act, against each unit in respect of which the owner has defaulted in the payment of common expenses;
- l) establishing and maintaining one or more reserve funds;
- m) arranging for the preparation of the reserve fund study of the common elements and assets of the Corporation when and as required pursuant to section 94 of the Act and to implementing the plan for funding derived from such study;
- n) preparation of an estimated budget in accordance with the Act and the Corporation's governing documents; and,
- o) maintain a complete set of all the plans and specifications given to the board by the declarant, together with plans and specifications of any additions, alterations or improvements from time to time made to the common elements, or to any unit with the prior consent in writing of the board, in the office of the Corporation.

5.02 **Powers of the Corporation:** The powers of the Corporation shall include, but shall not be limited to, the following:

- a) employing and dismissing personnel necessary for the maintenance and operation of the common elements;
- b) adopting and amending the rules of the Corporation concerning the operation and use of the property;
- c) employing a manager or management company at a compensation to be determined by the board, to perform such duties and services as the board shall authorize;

- d) obtaining and maintaining fidelity bonds for any manager where deemed necessary by the board, and in such manner as the board may deem appropriate;
- e) investing monies held in the reserve fund(s) by the Corporation, provided that such investment shall be those permitted by the Act;
- f) settling, adjusting, compromising or referring to arbitration or the courts of any claim or claims which may be made against or asserted on behalf of the Corporation;
- g) the Corporation may from time to time:
 - (i) borrow such amounts as the board may determine to be necessary or desirable in its sole discretion, in order to protect, maintain, preserve or ensure the due and continued operation of the property in accordance with the declaration and by-laws of the Corporation, and securing any such loan by a mortgage, pledge or charge of any assets owned by the Corporation, and adding the repayment of such loan to the common expenses;
 - (ii) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Corporation, including book debts and unpaid calls, rights, powers, franchises and undertakings to secure any such securities or other money borrowed, or other debts or any other obligation or liability of the Corporation;
 - (iii) delegate to such one or more of the officers and directors of the Corporation as may be designated by the directors all or any of the powers conferred by this article to such extent and in such manner as the directors shall determine at the time of such delegation; and,
 - (iv) 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/her 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;
- h) retaining any securities or other real or personal property received by the Corporation, whether or not the same is authorized by any law (present or future) for the investment of trust funds;
- i) selling, conveying, exchanging, assigning or otherwise dealing with any real 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 deems advisable, and to do all things and execute all documents required to give effect to the foregoing;
- j) leasing any part of the common elements or granting any easement or licence over, upon, under or through any part or parts of the common elements, by way of a by-law, except those parts of the common elements over which any owner has the exclusive use; and,
- k) the power and authority to enter into (and bind the Corporation to the terms and provisions of) the following agreements, namely:
 - (i) a management agreement, in such form as may be approved by the board from time to time;
 - (ii) an insurance trust agreement, in such form as may be approved by the board from time to time;
 - (iii) a cable television service agreement with a cable provider in a form as agreed to by the board of directors of the Corporation;
 - (iv) any hydro-electric, natural gas or water utility servicing agreement required for the provision of utilities to the units and common elements in the Corporation;
 - (v) any encroachment or other agreement allowing an encroachment from, or onto any adjacent property; and,

any other agreements which may be permitted by the Act and which are deemed advisable, desirable or necessary by the board of directors, from time to time, and any two of either the President or a Vice-President, together with the Secretary or any other director are hereby authorized to execute any of the aforesaid agreements on behalf of the Corporation.

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ARTICLE VI
BOARD OF DIRECTORS

- 6.01 Overall Function: The affairs of the Corporation shall be managed by the board.
- 6.02 Number and Quorum: The number of directors shall be five (5) of whom three (3) shall constitute a quorum for the transaction of business at any meeting of the board. All matters are to be decided by a simple majority vote provided 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.
- 6.03 Qualifications:
- a) Each director shall be eighteen (18) or more years of age and must be an owner of a unit(s) in the Corporation, or the spouse of an owner of a unit in the Corporation. Each unit may only have one representative on the board at any time.
 - b) No person shall be a director if that person:
 - (i) is under eighteen years of age;
 - (ii) is an undischarged bankrupt;
 - (iii) is a mentally incompetent person;
 - (iv) is in arrears of common expenses;
 - (v) is not an owner of a unit within the Corporation, or a spouse of an owner of a unit within the Corporation;
 - (vi) has another representative of his/her unit already serving as a director on the board;
 - (vii) has a certificate of lien registered under subsection 85(2) of the Act against a unit owned by the person; or,
 - (viii) is directly or indirectly, or whose parent, spouse, or child, is a party in any legal proceeding which involves the Corporation and is adverse to the Corporation's interests, which proceeding shall include, but not be limited to, a court action or application, mediation, arbitration, human rights complaint, labour relations complaint, privacy complaint or any other judicial or quasi-judicial process.
 - c) A director shall be deemed to have resigned from the board of directors if the director:
 - (i) is absent from three (3) or more consecutive, duly convened, board meetings, such board meetings to be at least twenty-one (21) days apart, unless the remaining board members, provided a quorum is still present, pass a resolution to excuse such absence;
 - (ii) resigns orally at a meeting of directors, or resigns in writing, in which case such resignation shall be irrevocable unless the remaining board members, provided a quorum is still present, vote in favour of accepting the revocation of such director's resignation;
 - (iii) has a certificate of lien registered under subsection 85(2) of the Act against a unit owned by the person;
 - (iv) is in arrears of common expenses;
 - (v) ceases to be an owner of a unit within the Corporation, or a spouse of an owner of a unit within the Corporation;
 - (vi) does not execute a "Directors' Code of Ethics" form, as prescribed by the Canadian Condominium Institute from time to time a copy of which is attached hereto as Appendix 1, or such other form as passed by resolution of the board from time to time; or,

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- (vii) directly or indirectly, or whose parent, spouse, or child becomes a party in any legal proceeding which involves the Corporation and is adverse to the Corporation's interests, which proceeding shall include, but not be limited to, a court action or application, mediation, arbitration, human rights complaint, labour relations complaint, privacy complaint or any other judicial or quasi-judicial process.

For the purposes of this section, the definition of a "spouse" shall be as defined in Part III of the *Family Law Act*, R.S.O. 1990 and any amendments thereto, except that upon separation, a spouse shall be deemed to no longer be a spouse of a unit owner. A letter in writing and duly executed by the unit owner in such an instance, shall be deemed sufficient evidence of the separation for the purposes of this section.

- 6.04 **Election and Term:** At each annual meeting, a number of directors equal to the number of directors whose term have expired shall be elected. The directors of the Corporation shall be eligible for re-election. At each annual meeting a number of directors equal to the number of directors retiring in such a year shall be elected for a term of three (3) years. Such directors may, however, continue to hold office notwithstanding the expiry of their respective terms, until their successors are elected. In the event that a director must also be elected to fill a vacancy of a director's position prior to the expiry of his/her term, the determination of who shall be elected to a full three (3) year term or the balance of the unexpired term shall be based upon number of votes cast, with those receiving the most votes obtaining the longest terms available. In the event of a tie, a new vote shall be taken and the position in question shall be determined by the number of votes cast. If the directors are elected by acclamation and the terms of office to be filled are unequal, then the directors at their first meeting shall determine the distribution of terms.
- 6.05 **Removal of Directors:** A director may be removed in accordance with the provisions of section 33 of the Act.
- 6.06 **Filling of Vacancies:** If a vacancy in the membership of the board occurs, such vacancy shall be filled in accordance with the terms and provisions of section 34 of the Act and section 6.04 above, provided that where a board is allowed to fill the vacancy, then the board may exercise its authority and fill the said vacancy in the board in accordance with same.
- 6.07 **Calling of Meetings of the Board of Directors:** Meetings of the board shall be held from time to time at such place and at such time and on such day as an Officer and any other director may determine and the Secretary shall call meetings when, directly authorized by an Officer and any other director to do so. In addition to any other provision in the by-laws, a quorum of directors may, at any time, call a meeting of the directors for the transaction of any business. Unless otherwise provided in the by-laws of the Corporation to the contrary, notice of any meeting so called shall be given personally, by ordinary mail, by email or by telefax, to each director at the address for service given by each director to the Corporation (or if no such address for service has been given, then to his/her last known place of residence) not less than ten (10) days before the time when the meeting is to be held, save that no notice of a meeting shall be necessary if all the directors are present and consent to the holding of such meeting, or if those absent have waived notice of the meeting or otherwise signified in writing their consent to the holding of such meeting. If the notice is delivered personally, then the notice is deemed to be received the same day it is delivered. If any notice of a directors' meeting is mailed or sent by email or telefax as aforesaid, then same shall be deemed to have been received and to be effective on the second (2nd) business day following the date on which same was mailed, or on the first (1st) day following the date on which same was sent via email or by telefax.
- 6.08 **Regular Meetings:** The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing a place and time of regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting. The board may conduct its meetings by teleconference or other electronic means as approved by the board by resolution from time to time, provided that all directors consent to the meeting being held by teleconference and or other approved electronic means.
- 6.09 **First Meeting of New Board:** The board may, without notice, hold its first meeting for the purpose of organization, and for the election and appointment of officers, immediately following the meeting of the owners during which time the directors of the board were elected, provided that a quorum of directors is present.
- 6.10 **Disclosure by Directors of Interest in Contracts:** Every director (the "Interested Director") of the Corporation who has, directly or indirectly, any material interest in any material contract or transaction or proposed contract or proposed transaction (the "Contract" or "contract") to which the Corporation is or will be a party, shall declare his/her interest in such contract or transaction. This disclosure shall be made as follows:

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- a) at the meeting of the directors of the Corporation where the Contract is first considered by such board;
- b) if the Interested Director is not at such meeting, then he/she shall disclose such interest at the next meeting of the directors held after the director becomes interested in such Contract;
- c) if the director becomes interested in such Contract on or after it is entered into by the Corporation, then the Interested Director shall disclose such interest at the first meeting of directors held after the Interested Director becomes so interested; or,
- d) if the Contract is one that in the ordinary course of the Corporation's business would not require the approval of the majority of the directors or owners, then the Interested Director shall disclose such interest in the Contract at the first meeting of the directors held after the Interested Director becomes aware that he/she is interested in the Contract,

and the board shall enter the disclosure made by the Interested Director under this section, in the minutes of the meeting of the board at which the disclosure was made.

- 6.11 The Interested Director shall disclose the nature and extent of such interest. If the Contract involves the purchase of real or personal property by the Corporation, that the seller acquired within the previous five (5) years before the date the Contract was entered into, then the Interested Director shall disclose the price that the said seller paid to acquire such property, provided that the Interested Director has, or can reasonably acquire, such knowledge.
- 6.12 The interested Director shall not be present during the discussion of the Contract at the directors meeting. In addition, the director shall not count towards the quorum for that portion of the meeting in which the Contract is considered or voted upon and the Interested Director shall not be permitted to vote with respect to any aspect of the Contract, unless the Interested Directors interest:
- a) is limited solely to insurance described in section 39 of the Act or the remuneration of director, officer or director of the Corporation; or
 - b) arises or would arise solely as a result of the Interested Director being a director, officer or employee of the declarant, and the Interested Director was appointed to the first board pursuant to section 42 of the Act.
- 6.13 A general notice in writing to the board by a director declaring that he is a director or officer of, or has a material interest in, any company or other entity that is a party to a contract or proposed contract with the Corporation, is a sufficient declaration of his/her interest in relation to any contract so made. If a director has made a declaration or disclosure of his/her interest, and has not voted in respect of the contract or transaction, then such director, if he/she 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 to any owners for any profit or gain realized from such contract or transaction, and such contract or transaction is not voidable by reason only of the director's interest therein.
- 6.14 Notwithstanding that an Interested Director does not comply with the provisions of this by-law, then such director, if he/she were 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 to any owners for any profit or gain realized from such contract or transaction, provided that he/she complies with and satisfies the provisions of section 40(8) of the Act.
- 6.15 **Standard of Care:** Every director and officer shall exercise the powers and discharge the duties of his/her office honestly and in good faith, and shall exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.
- 6.16 **Protection of Directors and Officers:** No director or officer shall be liable for the acts, neglect or default of any other director or officer, or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by resolution or order of the board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in, or upon which, any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by an error of judgement or oversight on his/her part, or for any other loss, damage or misfortune which might happen in the execution of the duties of his/her office or in relation thereto, unless the same shall happen through or in connection with his/her own dishonest or fraudulent act or acts.

- 6.17 **Indemnity of Directors and Officers:** Every director and officer of the Corporation and their respective heirs, executors, administrators, successors, estate trustees and personal representatives shall at all times be indemnified and saved harmless by the Corporation from and against:

- a) all costs, expenses, charges, damages and liabilities which any director or officer suffers, sustains or incurs in respect of any action, suit or proceeding that is brought, commenced or prosecuted against him/her for or in respect of anything done or permitted to be done, or omitted to be done by him/her in connection with the execution of the duties of his/her office (hereinafter collectively referred to as the "Liabilities"); and,
- b) all other costs, charges and expenses which such director or officer properly sustains or incurs in relation to the affairs of the Corporation;

unless the Act or the by-laws of the Corporation otherwise provide. The Corporation shall purchase and maintain insurance for the benefit of every director and officer of the Corporation in order to indemnify them against the Liabilities if same were incurred by any director or officer in the performance of his/her duties.

ARTICLE VII **OFFICERS**

- 7.01 **Elected Officers:** At the first meeting of the board, and after each election of directors, the board shall elect from among its members a President. In default of such election, the then incumbent, if a member of the board, shall hold office until his/her successor is elected. A vacancy occurring from time to time in such office may be filled by the board from among its members.
- 7.02 **Appointed Officers:** From time to time the board shall appoint a Secretary, and may appoint one or more Vice-Presidents, a General Manager, a Treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The officer so appointed may, but need not be, a member of the board. One person may hold more than one office, and if the same person holds both the office of the Secretary and the office of Treasurer, he/she may be known as the Secretary-Treasurer.
- 7.03 **Term of Office:** Subject to the provisions of any written agreement to the contrary, the board may by resolution remove at its pleasure any officer of the Corporation.
- 7.04 **President:** The President shall, when present, preside at all meetings of the owners and of the board, and shall be entitled, with the approval of the majority of the board present at the meeting of owners, appoint a Chairperson for the meeting. The Chairperson so appointed need not be a director or an owner. The President shall be charged with the general supervision of the business affairs of the Corporation. Except when the board has appointed a General Manager or Managing Director, the President shall also have the powers and be charged with the duties of that office.
- 7.05 **Vice-President:** During the absence of the President, his/her duties may be performed and his/her powers may be exercised by the Vice-President, or if there are more than one, by the Vice-Presidents in order of seniority (as determined by the board), save that no Vice-President shall preside at a meeting of the board or at a meeting of owners who is not qualified to attend such 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.
- 7.06 **General Manager:** The General Manager, if one be appointed, shall be responsible for the general management, subject to the authority of the board and the supervision of the President, of the Corporation's business affairs, and the power to appoint and remove any and all employees and agents of the Corporation not elected or appointed directly by the board, and to settle the terms of their employment and remuneration.
- 7.07 **Secretary:** The Secretary shall give or cause to be given all notices required to be given to the owners, directors, auditors, mortgagees and all others entitled thereto. He/she 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. He/she shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation and he/she shall perform such other duties as may from time to time be prescribed by the board.
- 7.08 **Treasurer:** 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 and, under the direction of the board, he/she shall control the deposit of the money, the safekeeping of securities and the disbursement of funds of the Corporation. He/she shall render to the board at any meeting thereof, or whenever required of him/her, an account of all his/her transactions as



Treasurer and of the financial position of the Corporation, and he/she 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.

7.09 Committees:

- a) In order to assist the board in managing the affairs of the Corporation, the board may from time to time constitute such advisory committees, in accordance with the Act, to advise and make recommendations to the board in connection with the activities, management, budgets, house rules, or any other matters related to the common elements and (if applicable) the shared facilities.
- b) The members of such committees shall be appointed by the board to hold office and may be removed at any time by resolution of the board. The board shall in each case appoint a chairperson of the committee whose function, in part, shall be to seek and obtain interested owners to serve on the committee.
- c) All owners shall be eligible and encouraged to serve on any committee established by the board.

7.10 **Other Officers:** The duties of all other officers of the Corporation shall be such as the terms of their engagement call for, or as the board may require of them. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the board otherwise directs.

7.11 **Substitute Chairperson:** In the absence of the President and Vice-President from a meeting of the Board of Directors, a quorum of directors may appoint a chairperson to act for the duration of that meeting only.

7.12 **Agents and Attorneys:** The board shall have the power to appoint, from time to time, agents or attorneys of the Corporation who shall have such power of management or otherwise (including the power to sub-delegate) as the board may think fit or deem appropriate.

ARTICLE VIII **BANKING ARRANGEMENTS AND CONTRACTS**

8.01 **Banking Arrangements:** The banking business of the Corporation or any part thereof shall be transacted with such bank or trust company as the board may designate or authorize from time to time by resolution, and all such banking business, or any part thereof, shall be transacted on the Corporation's behalf by any one or more officers, or other persons, as the board may designate or authorize from time to time by resolution, and to the extent therein provided, including, without restricting the generality of the foregoing, the operation of the Corporation's accounts, the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders relating to any property of the Corporation; the execution of any agreement relating to any such banking business, and the defining of the rights and powers of the parties thereto; and the authorizing of any officer of such bank or trust company to do any act or thing on the Corporation's behalf to facilitate such banking business.

8.02 **Execution of Instruments:** Subject to the provisions of the Act, all deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by the President or a Vice-President, together with the Secretary or any other director. Any contract or obligation within the scope of any management agreement entered into by the Corporation may be executed on behalf of the Corporation in accordance with the provisions of such management agreement. Notwithstanding any provisions to the contrary contained herein, the board may, subject to the provisions of the Act, at any time and from time to time, direct the manner in which, and the person or persons by whom any particular deed, transfer, contract or obligation or any class of deeds, transfers, contracts or obligations of the Corporation may or shall be signed.

8.03 **Execution of the Status Certificate:** Certificates provided pursuant to section 76 of the Act may be signed by any officer or any director of the Corporation, with or without the seal of the Corporation affixed thereto, provided that the board may, by resolution, direct the manner in which, and the person(s) by whom (which may include the property manager), such certificates may or shall be signed.

ARTICLE IX **FINANCIAL YEAR-END**

9.01 Unless otherwise determined by resolution of the board, the financial year of the Corporation shall end on the 30th day of September in each year.

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ARTICLE X

NOTICE

- 10.01 **Method of Giving Notices:** Except as otherwise specifically provided in the Act, the declaration, or any other by-law(s) of the Corporation hereafter enacted, any notice(s), communication(s) or other document(s), including budgets and notices of assessment required to be given or served, shall be sufficiently given or served if given in accordance with the following:
- a) **to an owner,** by giving same to him/her, or to any director or officer of the owner, notice in writing in accordance with the terms and provisions of section 47(7) of the Act;
 - b) **to a mortgagee,** who has notified the Corporation of his/her interest in any unit, by giving same to him/her, or to any officer or director of such mortgagee, notice in writing in accordance with the terms and provisions of section 47(8) of the Act; and,
 - c) **to the Corporation,** by giving same personally to any director or officer of the Corporation, or by ordinary mail, postage prepaid, or telefacsimile addressed to the Corporation at its address for service as set out in the declaration, or as changed in accordance with the requirements of the Act.
- 10.02 **Receipt of Notice:** If any notice is mailed as aforesaid, then same shall be deemed to have been received and to be effective when deposited in a post office or public letter box. If delivered personally, notice shall be deemed given the same day. Telefacsimile transmissions will be deemed to have been received on the date that same are transmitted, provided if same are sent after 5:00 p.m. on any business day or during week-ends or statutory holidays, then such notice will be effective on the next business day, with a telefacsimile transmission confirmation being proper evidence of the date and time of transmission.
- 10.03 **Omissions and Errors:** Except as provided in the Act, the accidental omission to give any notice to anyone entitled thereto, or the non-receipt of such notice, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting of owners or directors held pursuant to such notice or otherwise founded thereon.

ARTICLE XI

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

- 11.01 **Duties of the Board Re Common Expenses:** The common expenses, as provided for in the Act, and in the declaration, shall be assessed by the board and levied against the owners in the proportions in which they are required to contribute thereto. The board shall, from time to time, and at least once annually, prepare the budget for the property 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.
- 11.02 **Notice of Common Expenses to Owners:** The board shall advise each owner promptly in writing of the total amount of common expenses payable by each owner respectively, and shall give copies of all budgets on which such common expenses are based to all owners and mortgagees entered on the Register, in accordance with the provisions of the by-laws of the Corporation.
- 11.03 **Owner's Obligations:** Each owner shall pay to the Corporation the amount of common expenses assessed against such owner in equal monthly payments on the first day of each and every month for the 12-month period or other period of time to which such assessment is applicable, until such time as a new assessment is given to such owner. If the board so directs, each owner shall forward to the Corporation forthwith a series of post-dated cheques or a pre-authorized chequing form covering the monthly common expenses payable during the period to which such assessment relates.
- 11.04 **Extraordinary Expenditures:** Extraordinary expenditures not contemplated in the foregoing budget for which the board shall not have sufficient funds, and funds required to establish reserves for contingencies and deficits, may be assessed at any time during the year in addition to the annual assessment, by the board serving notice(s) of such further assessment(s), on all owners. The notice shall include a written statement setting out the reasons for the extraordinary assessment and shall be payable by each owner within ten (10) days from the date of the receipt of such notice, or within such further period of time and in such instalments as the board may otherwise determine.
- 11.05 **Default in Payment of Assessment:** Arrears of payments required to be made under the provisions of this Article XI shall bear interest at the rate of eighteen (18%) percent per annum, or such other rate as determined by a resolution of the Board, calculated and compounded monthly, not in advance, until paid, and shall be deemed to constitute a reasonable charge incurred by the Corporation in collecting the unpaid amounts within the meaning of the Act. Cheques submitted by an owner that are not honoured by the bank or financial institution upon which they are drawn, shall be subject to an administration charge.

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- 11.06 In addition to any remedies or liens provided by the Act, if any owner is in default of payment of a common expense assessment levied against him/her for a period of fifteen (15) days, then the board may bring legal action for and on behalf of the Corporation to enforce collection thereof, and there shall be added to any amount found due, all costs of such action, including costs on a substantial indemnity costs basis.

ARTICLE XII
DEFAULT

- 12.01 Registration of Lien: Where a unit owner fails to pay common expenses the board shall, without exception, cause a lien to be registered by the Corporation's solicitor in accordance with the Act, to ensure that all arrears of common expenses are fully protected by said lien.

ARTICLE XIII
RULES GOVERNING THE USE OF UNITS AND COMMON ELEMENTS

- 13.01 The board may make rules respecting the use of the common elements and units, in order to promote the safety, security and welfare of the owners and of the property, or for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements and of other units. Any rules made by the board shall be effective thirty (30) days after notice thereof has been given to each owner, unless the board is in receipt of a written requisition requiring a meeting of the owners to consider the rules. If such meeting of owners is required, then the rules shall become effective only upon approval at such meeting.

ARTICLE XIV
INDEMNITY

- 14.01 Each owner shall indemnify and save the Corporation harmless from any loss, cost, damage, injury or liability ("losses"), in respect of the owner's unit, common elements or any other unit, which the Corporation may suffer or incur:
- a) which is not otherwise recoverable from insurance coverage; and,
 - b) which results from or is caused by any act or omission of:
 - (i) such owner, his/her family or any member thereof; or,
 - (ii) any resident, tenant, employee, agent, invitee or licensee of such owner's unit.
- 14.02 Without limiting the generality of the foregoing, the types of losses contemplated by this article to be indemnified include:
- a) any and all legal costs incurred by the condominium corporation including:
 - (i) by reason of a breach of the declaration, by-laws or rules of the Corporation in force from time to time;
 - (ii) any excess of legal costs incurred by the condominium corporation over and above costs awarded by a court;
 - (iii) the cost of any legal advice given to the condominium corporation;
 - (iv) the cost of any letters written by the condominium corporation or the corporation's solicitor as a result of any such acts or omissions; or,
 - (v) any excess of legal costs incurred by the condominium corporation over and above costs awarded by a court in respect of any proceedings or other steps taken, resulting from an owners default in payment of the common expense contribution in respect of a unit;
 - b) increased insurance premiums;
 - c) cleaning charges;
 - d) repair charges including any repairs to the owner's unit, any other owner's unit or the common elements; or,
 - e) cost of false fire alarms.
- 14.03 All costs so indemnified pursuant to this article shall be deemed to be additional contributions toward the common expenses payable by such owner, and are recoverable as such.

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ARTICLE XV
OBJECTING TO ASSESSMENTS
Section 56 of the Act

- 15.01 **Objecting to Assessments**: The Corporation shall, by resolution and without the approval of owners, have the capacity and authority to make a complaint under section 40 of the *Assessment Act* and any amendments thereto, on behalf of any owner provided that the Corporation provides the owner(s) with notice of same prior thereto.
- 15.02 **No Liability**: The Corporation 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.
- 15.03 **Costs of the Complaint**: The costs incurred by the Corporation as a result of forenoted complaints shall be treated, for the purpose of this by-law, as a common expense of the Corporation.
- 15.04 **Owner's Right to have the Complaint Withdrawn**: Prior to the hearing of the complaint the owner may have the complaint, made on behalf of the owner by the Corporation, withdrawn upon providing written notice of same to:
- a) the Corporation; and,
 - b) the Assessment Review Board.

ARTICLE XVI
RESTRICTION ON THE USE AND ENJOYMENT OF THE COMMON ELEMENTS
AND ASSETS OF THE CORPORATION BY NON-OCCUPANTS
Section 56 of the Act

- 16.01 Owners of units, and their relatives or guests, who do not reside in a unit of the Corporation or their respective unit, shall not be entitled to use any of the common element amenities and facilities in any way whatsoever. The foregoing provision shall not prevent a unit owner from entering the building for the purpose of visiting his or her unit or tenant(s), or for the purpose of communicating and dealing with the manager of the Corporation.

ARTICLE XVII
INSURANCE DEDUCTIBLES
Section 105 of the Act

- 17.01 In accordance with Section 105 of the Act the board of directors may by by-law extend the circumstances in which unit owners would be held responsible for the Corporation's insurance deductible. The by-law provisions in this regard are attached hereto as Appendix 2.

ARTICLE XVIII
STANDARD UNIT

- 18.01 The board of directors may by by-law determine what constitutes a standard unit for each class of unit within the corporation, for the purpose of determining the responsibility for repairing improvements after damage and insuring same.
- 18.02 **Purpose**: The purpose of this section is only for the determination of what constitutes an improvement to a unit, with respect to sections 89 and 99 the Act. This by-law does not amend or affect the definition of a "dwelling unit", "parking unit", "locker unit" or "communication control unit" as prescribed by the Corporation's declaration registered as Instrument Number AT196062, or any obligations/responsibilities prescribed by the Corporation's declaration.
- 18.03 **Standard Unit Classes**:
- a) **Dwelling Unit Class**: For the purposes of this by-law the standard unit for all dwelling units, (being Unit 1 on Level 1, Units 1 to 11 inclusive on Levels 2 to 21 inclusive, and Units 1 to 5 inclusive on Levels 22 to 23 inclusive), as identified by the Corporation's declaration registered as Instrument Number AT196062, shall consist of those items as listed in the schedule(s) attached to Appendix 3, as noted below:

Schedule "A" - (being Unit 1 on Level 1, Units 1 to 11 inclusive on Levels 2 to 21 inclusive, and Units 1 to 5 inclusive on Levels 22 to 23 inclusive)

All units noted above shall be collectively known as (the "Residential Dwelling Unit Class - Standard Unit") and are subject to the following provisions:

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- (i) any of the materials set out in Schedule "A", may be replaced with a material that is of similar or better quality and finish, should the original materials not be available for any reason. Should a dispute arise with respect to same, the final and unfettered determination shall be that of the board of directors;
- (ii) all materials set out in Schedule "A" are standard builder's grade in quality, unless specifically stated otherwise. Should a dispute/disagreement arise over the manufacturer, quality, colour, texture, dimension, or finish of any item set out in Schedule "A", the final and unfettered determination of same shall be reserved to the board of directors; and,
- (iii) the Residential Dwelling Unit Class - Standard Unit shall not include any flooring material (unless otherwise specifically provided for in Schedule "A"), nor any light fixtures of any sort (unless otherwise specifically provided for in Schedule "A").

Anything not specifically included as part of the Residential Dwelling Unit Class - Standard Unit (as listed in Schedule "A") shall be deemed to be an improvement made to a unit, as that term is defined by sections 89 and 99 of the Act.

- 18.04 **Parking Unit Class:** For the purposes of this by-law the standard unit for the "Parking Units" (being Units 1 to 76 inclusive and Unit 124 on Level A, Units 1 to 83 inclusive and Unit 154 on Level B, and Units 1 to 83 inclusive and Unit 146 on Level C), as identified by the Corporation's declaration registered as Instrument Number AT196062, shall not include anything that falls within the boundaries of the "Parking Units" as those boundaries are described by Corporation's declaration (the "Parking Unit Class - Standard Unit"). Anything not included as part of the Parking Unit Class - Standard Unit (excluding any and all common elements as defined by the declaration) shall be deemed to be an improvement made to a unit, as that term is defined by sections 89 and 99 of the Act.
- 18.05 **Locker Unit Class:** For the purposes of this by-law the standard unit for the "Locker Units" (being Units 77 to 122 inclusive on Level A, Units 84 to 153 inclusive on Level B, and Units 84 to 145 inclusive on Level C), as identified by the Corporation's declaration registered as Instrument Number AT196062, shall not include anything that falls within the boundaries of the "Locker Units" as those boundaries are described by Corporation's declaration (the "Locker Unit Class - Standard Unit"). Anything not included as part of the Locker Unit Class - Standard Unit (excluding any and all common elements as defined by the declaration) shall be deemed to be an improvement made to a unit, as that term is defined by sections 89 and 99 of the Act.
- 18.06 **Communication Control Units - Unit Class:** For the purposes of this by-law the standard unit for the "Communication Control Units" (being Unit 1 on Level 24 and Unit 123 on Level A), as identified by the Corporation's declaration registered as Instrument Number AT196062, shall not include anything that falls within the boundaries of the "Communication Control Units" as those boundaries are described by Corporation's declaration (the "Communication Control Units - Standard Unit"). Anything not included as part of the Communication Control Units - Standard Unit (excluding any and all common elements as defined by the declaration) shall be deemed to be an improvement made to a unit, as that term is defined by sections 89 and 99 of the Act.
- 18.07 Notwithstanding any of the forgoing, if the Corporation at any time owns any unit within any of the classes noted above, then said unit shall, only for the duration that the Corporation retains ownership of same, be classified as the "Corporation Asset Unit Class - Standard Unit". The Corporation Asset Unit Class - Standard Unit shall include everything, including chattels, (except for the common elements) that falls within the boundaries of said unit(s) as those boundaries are described by the Corporation's declaration.
- 18.08 Unit owners shall be responsible to maintain and repair all improvements and shall insure all improvements with the customary coverage provided to condominium unit owners and as may be required by the Corporation's governing documents. Although the Corporation need not be provided with a copy of a unit owner's policy of insurance, with respect to the improvements, the Corporation may request in writing from a unit owner, and the unit owner shall provide, sufficient evidence that said improvements are insured. The unit owner shall provide the requisite information to the Corporation within 10 days of receipt of such a request. Any repairs, maintenance or servicing to be conducted by a unit owner to his/her respective unit, shall only be performed by an accredited professional.

ARTICLE XIX

MEDIATION/ARBITRATION PROCEDURES

- 19.01 In accordance with the Act, the board of directors may by resolution make by-laws not contrary to Act or to the declaration to: (a) govern the management of the property; (b) govern the use and management of the assets of the corporation; (c) specify duties of the corporation in addition to the duties set out in the Act and the declaration; (d) establish the

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procedure with respect to the mediation of disputes or disagreements between the corporation and the owners for the purpose of section 125 or section 132 of the Act; and, (e) to govern the conduct generally of the affairs of the corporation, among other things.

- 19.02 In furtherance of the above-noted powers and based upon the fact that there is currently no existing arbitration agreement between the Corporation and its unit owners which sets out a procedure for arbitrations, the Corporation's board of directors, on advice of counsel, is of the view that it would be prudent for the Corporation to establish the procedures for the mediation and arbitration of disputes or disagreements between the corporation and the owners for the purpose of section 125 or section 132 of the Act, in the form attached hereto as Appendix 4 to this by-law.

ARTICLE XX MISCELLANEOUS

- 20.01 **Invalidity:** The invalidity of any part or parts of this by-law, and any part or parts of the appendices attached hereto, shall not impair or affect, in any manner, the validity and enforceability of the balance thereof.
- 20.02 **Gender:** The use of the masculine gender in this by-law, and in the appendices attached hereto, shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include plural wherever the context so requires.
- 20.03 **Waiver:** No restriction, condition, obligation or provision contained in this by-law, and in the appendices attached hereto, 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.
- 20.04 **Headings:** The headings in the body of this by-law, and in the appendices attached hereto, form no part hereof but shall be deemed to be inserted for convenience of reference only.
- 20.05 **Statutory References:** Any references to a section or sections of the Act in this by-law (or in any by-laws or rules hereafter enacted by the Corporation), and in the appendices attached hereto, shall be read and construed as a reference to the identical or similarly appropriate section or sections (as the case may be) of any successor legislation to the Act.
- 20.06 **Severability:** Each of the provisions of this by-law, including those in the appendices attached hereto, shall be deemed to be independent and severable, and the invalidity or unenforceability in whole or in part of any one or more of such provisions shall not be deemed to impair or affect in any manner the validity or enforceability of the remainder of the provisions.

The foregoing by-law is hereby enacted as By-law No. 4 of Toronto Standard Condominium Corporation No. 1526, said by-law having been passed by the board of directors on the ____ day of _____, 2008, and duly approved by the owners of a majority of the units of the Corporation voting in favour of confirming it on the ____ day of _____, 2008, without variation, pursuant to the provisions of the *Condominium Act, 1998, S.O.*

DATED this ____ day of _____, 2008.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1526

Per: _____
Name: _____
Title: President
I have the authority to bind the Corporation.

Per: _____
Name: _____
Title: Secretary
I have the authority to bind the Corporation.

APPENDIX 1
"Directors' Code of Ethics"

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Canadian Condominium Institute
 Institut canadien des condominiums

DIRECTORS' CODE OF ETHICS

RE: CONDOMINIUM CORPORATION NO. _____

I have consented to act as a Director of the Corporation and I agree to comply with the following Directors' Code of Ethics throughout my terms as a Director:

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

Care, Diligence and Skill – I will exercise the degree of care, diligence and skill of a reasonably prudent person in comparable circumstances. I will make a concerted effort to attend all Board and owners' meetings. I will act responsibly and with due diligence to become familiar with the affairs of the Corporation and to uphold its Declaration, Description Plans, By-Laws, Rules, Resolutions, Policies, Agreements and Requirements of the Condominium Act and other legislation.

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

Confidentiality – I will not disclose to any person (including my spouse) information decided by the Board to be confidential or privileged or which reasonably ought to be deemed confidential. When in doubt, I will request determination by a resolution of the Board.

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

Support – I will abide by decisions of the majority of the Directors even though I may disagree, but I reserve the right to express my own views to owners upon non-confidential issues.

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

Minimize Conflict – I will attempt to prevent or minimize conflict and disruption and will promote good relations amongst persons involved in our Condominium Community. I will promote a first class image for our Corporation, its units, owners and residents.

Education – recognizing that governance of a Condominium Corporation involves complex and changing requirements, I will continue to educate myself by reading relevant magazines (such as CCI's News & Views, CM Magazine or Condominium Business Magazine). I will support attendance by one or more Board members at any condominium seminars presented by the Canadian Condominium Institute (CCI), including CCI's Basic Directors' Course and CCI Advanced Directors' Courses at the cost of the Corporation.

Agreement – I hereby agree to comply with the provisions set out in this Directors' Code of Ethics.

Dated at _____ this _____ day of _____, 200__

WITNESS:

SIGNATURE

PRINT NAME OF DIRECTOR

CC 17-10

[You are free to use this Code of Ethics in its current form; if you alter this document in any form, you must note it is modified from the CCI original document.]
 If your Condominium uses this code, please let CCI know – e-mail: cci.national@baylortenterprises.com

Canadian Condominium Institute / Institut canadien des condominiums
 2175 Sheppard Ave. E., Ste. 310, Toronto, ON M2J 1W8 • Web site: www.cci.ca Tel.: (416) 491-6216 • Fax: (416) 491-1670 • E-mail: cci.national@baylortenterprises.com

Misc.3

Aug. 2003

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APPENDIX 2
Insurance Deductibles

1. In accordance with the Act, the board of directors may by by-law extend the circumstances in which unit owners would be held responsible for the deductible applicable to the repair of their respective unit or units, and of the common elements and other units, following damage.
2. **Indemnification for Insurance Deductible:** Each owner shall indemnify and save the Corporation harmless from the amount which is the lesser of:
 - (i) any deductible payable by the Corporation pursuant to any policy of insurance held by the Corporation, that is applicable to the repair of damage to each owner's respective unit or units; or,
 - (ii) the actual costs attributable to the repair of each owner's unit or units,regardless of fault, so long as the damage is not as a result of an act or omission on part of the Corporation, its directors, officers or agents.
3. **Indemnification for Insurance Deductible - Damage from a Unit to other Units and/or Common Elements:** Where damage occurs to a unit or units or to the common elements and the origin of the damage is from a unit or any part of the unit as that term is defined by the Corporation's declaration(hereinafter referred to as the "X-Unit"), the owner of the X-Unit shall indemnify and save the Corporation harmless from the amount which is the lesser of:
 - (i) any deductible payable by the Corporation pursuant to any policy of insurance held by the Corporation, that is applicable to the repair of damage of the common elements or of any other unit or units including the X-Unit; or,
 - (ii) the actual costs attributable to the repair of the common elements or of any unit or units,regardless of fault, so long as the damage is not as a result of an act or omission on part of the Corporation, its directors, officers or agents.
4. The owner of an X-Unit shall be responsible for any payment to the Corporation under this by-law regardless of whether the owner's guests, the owner's lessee, the lessee's guests, or visitors of the owner or lessee, were in the unit or common elements without the permission of the owner.
5. Where damage originates from an X-Unit, the Corporation will look principally to the owner of the X-Unit for any amount payable under this by-law or the Act.
6. **Indemnification for Insurance Deductible - Damage to Common Elements:** Where a unit owner or, the owner's lessee, or the guest, visitor, contractor, licensee or agent of the owner or lessee as the case may be, causes damage to the common elements, the unit owner shall indemnify and save the Corporation harmless from the amount which is the lesser of:
 - (i) any deductible payable by the Corporation pursuant to any policy of insurance held by the Corporation, that is applicable to the repair of damage of the common elements; or,
 - (ii) the actual costs attributable to the repair of the common elements.
7. **Payments Owed to the Corporation Deemed to be Common Expenses:** Any payment which is required to be made pursuant to this by-law by any unit owner or owners shall be and is hereby deemed to be common expenses attributable to the said unit owners' unit and shall be recoverable as such.
8. **The Quantum of the Deductible:** The deductible for each insurance policy of the Corporation shall be deemed to be reasonable unless otherwise determined by a court or arbitrator of competent jurisdiction.

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APPENDIX 3
Standard Unit Class
Schedule "A" - Residential Dwelling Unit Class

SUITE	<ul style="list-style-type: none"> • CEILINGS - The ceiling height of all dwelling units are as originally built and in most instances are approximately 8', except in those cases where the as built architectural drawings indicate otherwise, including but not limited to bulkheads and/or dropped ceilings. White stippled ceiling in all living areas, except kitchen, laundry areas, and bathrooms, which are finished in ½" drywall, primed (one coat) and painted with one coat of white or off-white semi-gloss latex paint • INTERIOR WALLS - All interior walls of the unit are finished in ½" drywall • PAINT - All interior walls are primed (one coat) and painted with one coat of white or off-white eggshell latex paint, except for kitchen, bathrooms and all woodwork and trim which are primed (one coat) and painted with one coat of white or off-white semi-gloss latex paint • INTERIOR DOORS AND CLOSETS - 6'X8" hollow-board doors, painted with one coat of white or off-white semi-gloss latex paint, with chrome-finish hardware • BASEBOARDS AND TRIM - Two inch (2") medium-density fibre board (MDF) baseboard and casings throughout all areas of the unit • WINDOW SILLS - MDF window sills on all windows and wood window sills on all balconies • All load-bearing structural concrete columns, partitions, along with all plumbing, electrical and venting conduits, that form part of the unit as described by the Corporation's declaration
FLOORING	<ul style="list-style-type: none"> • Not applicable
KITCHEN	<ul style="list-style-type: none"> • Laminate counter top (choice of standard colours) • Laminate cabinetry (choice of standard colours) with standard door handles, as originally built • 30" upper cabinets, as originally built • Sink: stainless steel, self-rimming (top-mount) single or double sink (as was originally installed in the unit by the developer) with single lever chrome faucet • Sufficient standard electrical outlet receptacles to support: a stove, a fridge/freezer, a dishwasher and a microwave and above-counter receptacle(s) as originally built. Rough in for dishwasher • Venting - exhaust fan venting (not including the exhaust fan) over the stove to the exterior
BATHROOM(s)	<p><u>MAIN BATH:</u></p> <ul style="list-style-type: none"> • COMBINATION BATHTUB/SHOWER - White acrylic five foot (5') bathtub with basic 4" X 4" white ceramic tile tub surround from top of tub to ceiling. Chrome plated, single lever temperature controlled and pressure shower faucet and shower head • SHOWER STALL - Complete with temperature controlled and pressure shower faucet, with basic white ceramic 4" X 4" wall tile and 1" X 1" shower floor tile with shower floor liner. Shower stall is enclosed with glass panel, or knee wall with glass panel, as originally built • TOILET - White, two-piece unlined toilet • SINK & VANITY - Laminate cabinetry (choice of standard colours) with cultured marble counter-top, complete with integrated sink, white in colour. Single lever chrome faucet on vanity sink • EXHAUST FAN - vented to the exterior • LOCK - Privacy lock on bathroom door <p>Applicable only as follows:</p> <p>(Combination Bathtub/Shower, Toilet, Sink & Vanity, Exhaust Fan and Lock): Units 1, 2, 3, 4 & 5 inclusive on Level 23. Units 1, 2, 3, 4 & 5 inclusive on Level 22. Unit 1 on Level 1 & Units 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11 inclusive on Levels 2 to 21 inclusive.</p> <p>(Shower Stall, Toilet, Sink & Vanity, Exhaust Fan and Lock): Unit 1 on Level 2 to 21 inclusive.</p>

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BATHROOM(s)	<p><u>EN-SUITE BATH:</u></p> <ul style="list-style-type: none"> • <i>COMBINATION BATHTUB/SHOWER</i> - White acrylic five foot (5') bathtub with basic 4" X 4" white ceramic tile tub surround from top of tub to ceiling. Chrome plated, single lever temperature controlled and pressure shower faucet and shower head • <i>SHOWER STALL</i> - Complete with temperature controlled and pressure shower faucet, with basic white ceramic 4" X 4" wall tile and 1" X 1" shower floor tile with shower floor liner. Shower stall is enclosed with glass panel, or knee wall with glass panel, as originally built • <i>TOILET</i> - White, two-piece unlined toilet • <i>SINK & VANITY</i> - Laminate cabinetry (choice of standard colours) with cultured marble counter-top, complete with integrated sink, white in colour. Single lever chrome faucet on vanity sink • <i>EXHAUST FAN</i> - vented to the exterior • <i>LOCK</i> - Privacy lock on bathroom door <p>Applicable only as follows:</p> <p><i>(Combination Bathtub/Shower, Shower Stall, Toilet, Sink & Vanity, Exhaust Fan and Lock):</i> Units 1, 2, 3, 4 & 5 inclusive on Level 23. Units 1, 2, 3, 4 & 5 inclusive on Level 22. Unit 2 on Level 2, Unit 2 on Level 3 to 21 inclusive.</p> <p><i>(Combination Bathtub/Shower, Toilet, Sink & Vanity, Exhaust Fan and Lock):</i> Unit 1 on Level 1, Units 1, 7 & 10 inclusive on Level 2, Units 1, 7 & 10 inclusive on Levels 3 to 21 inclusive.</p>
LAUNDRY AREA	<ul style="list-style-type: none"> • Heavy duty wiring and receptacle complete with dryer exhaust vent to the exterior • Hot and cold water hook-ups, along with drain, for washer
SUITE SAFETY & SECURITY	<ul style="list-style-type: none"> • Personally encoded suite intrusion alarm, with suite door contact and key pad connected to the buildings security system. • Smoke detector (as required by law, minimum one per suite). • Carbon monoxide detector (one per suite). • In-suite heat detector connected to the building's fire annunciator panel (one per suite). • In-suite fire alarm speaker. • Suite entry door is fitted with door closer, security viewer and lock.
COMFORT SYSTEMS	<ul style="list-style-type: none"> • Individually controlled heat pump and air conditioning system (Magic Pak system is leased)
ELECTRICAL SERVICES AND FIXTURES	<ul style="list-style-type: none"> • Individual electrical service panels with breakers • White receptacles and switches throughout unit



IN-SUITE TELECOMMUNICATIONS AND FIXTURES	<ul style="list-style-type: none">• Pre-wired cable television outlet in living room, bedroom(s) and den (if applicable)• Pre-wired telephone outlet in living room, bedroom(s), kitchen and den (if applicable)
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In accordance with Section 18.03 of this by-law:

- (1) Any of the aforementioned materials may be replaced with a material that is of similar or better quality and finish, should the original materials not be available for any reason. Should a dispute arise with respect to same, the final determination shall be that of the board of directors.
- (2) All materials set out above are standard builder's grade, unless specifically stated otherwise. Should a dispute/disagreement arise over the manufacturer, quality, colour, texture, dimension or finish of any item set out above, the final and unfettered determination of same shall be reserved to the board of directors.
- (3) The Residential Dwelling Unit Class - Standard Unit shall not include any flooring material (unless otherwise specifically provided for above), nor any light fixtures of any sort (unless otherwise specifically provided for above).

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APPENDIX 4
Mediation/Arbitration Procedures

The mediation/arbitration procedures as noted under Article XIX of this By-law No. 4 of Toronto Standard Condominium Corporation No. 1526 (hereinafter referred to as "Corporation" or the "corporation") are as follows:

The Mediation of Disagreements Between the Corporation and the Owners

1. The following procedures only apply in respect of the mediation of disputes or disagreements between the corporation and one or more unit owners which are required by section 125 or section 132 of the Act to be submitted to mediation, and for greater certainty does not apply to a mediation in respect of:
 - i) an agreement between the declarant and the corporation;
 - ii) an agreement between two or more corporations;
 - iii) an agreement between the corporation and a person for the management of the property; or,
 - iv) a disagreement between the declarant and the board of directors with respect to the budget statement described in subsection 72 (6) of the Act or, the obligations of the declarant under section 75 of the Act (i.e. the accountability to the corporation by the declarant for the budget statement that covers the one-year period immediately following the registration of the declaration and description).
2. Where a disagreement arises between the corporation and one or more unit owners which is required by section 125 or section 132 of the Act to be submitted to mediation, either party (the "Initiating Party") may serve the other party (the "Other Party") with a document entitled "Notice of Mediation" which may be in the form attached hereto as Schedule "A" to this appendix and which shall set out:
 - i) a statement, no longer than two 8.5" x 11" pages in length, setting out:
 - i) a brief description of the disagreement;
 - ii) why the Initiating Party requests the mediation; and,
 - iii) a statement of the resolution sought (the "Issue Statement");
 - ii) the Initiating Party's choice of mediator, shall be made from a list ("The List of Mediators") of at least five mediators which the Corporation shall maintain at all times. In addition to the names of at least five mediators, The List of Mediators shall also include information as to how to contact such person including telephone numbers and e-mail addresses if available;
 - iii) subject to paragraph 7 below, three proposed dates for the mediation within the next following 30 days; and,
 - iv) the advice to the Other Party that the Other Party may choose any one of the three proposed dates within five days from the date of the Notice of Mediation, failing which the first date shall apply.
3. The mediators listed on The List of Mediators:
 - i) shall be at least 18 years of age;
 - ii) shall not be related to any then present member of the board of directors;
 - iii) shall not be an owner or tenant of a unit within the corporation;
 - iv) shall have the requisite training and qualifications, as determined by the board of directors; and,
 - v) may be replaced at any time by the board of directors in its sole and absolute discretion.

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4. The mediator's function shall be to confer with the parties and endeavour to obtain a settlement with respect to the disagreement submitted to mediation.
5. Prior to sending the Notice of Mediation, the Initiating Party must clear the availability of the chosen mediator for each of the three proposed dates in the Notice of Mediation.
6. If none of the mediators on the List of Mediators is available within that 30 day period, then the Initiating Party may choose any person, who satisfies the requirements of paragraph 3 above, to act as mediator.

Time Limits for the Hearing of the Mediation

7. The mediation shall be held within 30 days of the date of the service of the Notice of Mediation, but in emergency cases, where safety or other issues which threaten the safety of persons or property are involved, the mediation may be at the earliest possible moment in which case the time period for a response from the Other Party contemplated in paragraphs 2(d) above and 9 below may be shortened to 48 hours. Whether a matter threatens the safety of persons or property, shall be a decision that will be determined solely by the Corporation or any of its agents.

Documents and Discovery

8. There shall be no discovery process except that along with the Notice of Mediation, the Initiating Party shall submit the Issue Statement. If the Initiating Party intends to rely on any documents, then a summary of each such document, identifying each document, its author, its date of creation, and a brief summary of its contents, shall accompany the Notice of Mediation and the Initiating Party's Issue Statement.
9. The Other Party shall submit a statement responding to the Issue Statement (the "Response Statement") which shall be no longer than two pages in length and must be submitted within ten days from the date of the Notice of Mediation. If the Other Party intends to rely on any documents, then a summary of each such document, identifying each document, its author, its date of creation, and a brief summary of its contents shall accompany the Response Statement.

The Mediator's Fees

10. The mediator's fees for assisting the parties with the mediation of the disagreement shall be borne equally between the parties, unless a settlement agreement (if any) between the parties, or the mediator specifies otherwise.
11. Each of the Initiating party and the Other Party shall pay to the Corporation to hold in trust, an initial deposit of \$500.00 each (or such other greater amount required by the mediator) (the "Deposit Funds"), which must be paid to the Corporation no later than the date and time that the party serves its Issue Statement or Response Statement as the case may be. The Deposit Funds shall be held by the Corporation in trust and are to be applied against the mediator's fees in accordance with paragraph 10 above. The Deposit Funds must be provided in the form of a certified cheque, bank draft, or money order only and must be made payable to Toronto Standard Condominium Corporation No. 1526, in trust. No other means of deposit shall be accepted by the Corporation.
12. The Corporation shall be primarily responsible for paying the mediator's account, and shall seek reimbursement from the other party should the Deposit Funds prove to be insufficient. The other party or parties, regardless of whether an owner or a tenant, shall reimburse the Corporation within seven days of a written request for reimbursement, failing which, the default in payment shall be deemed to be an award of costs pursuant to section 134(5) of the Act.
13. Subject to paragraph 14 below, the remainder of the Deposit Funds (if any), following payment of the mediator's fees and expenses in accordance with paragraph 10 above, shall be reimbursed to the respective parties by the Corporation within a reasonable time thereafter.
14. Should the matter remain unresolved and proceed to arbitration, then the excess Deposit Funds (if any) shall be retained by the Corporation until the final resolution of the matter and said funds may be used to pay the arbitrator's fees in accordance with paragraph 28 of this appendix.

The Mediation

15. The mediation shall be for no longer than one-half a day (approximately three hours) unless the parties agree to such longer time. A representative of each party shall be in attendance who has the authority to finalize any settlement solution to the disagreement as the parties present at the mediation may deem appropriate.
16. If a settlement is reached as between the respective parties, the mediator shall record the terms of the settlement prior to concluding the mediation. Each party shall review and initial the recorded terms of settlement, prior to leaving the mediation.

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The mediator shall draft and deliver to the respective parties a settlement record which shall include:

- i) a statement setting out the dispute;
- ii) the terms of settlement as recorded at the mediation;
- iii) a statement that each of the parties to the disagreement hereby agree to abide by and comply with the terms as set out in the settlement record;
- iv) a statement that if a party fails to comply with the terms of a duly executed settlement record, the other party shall have the right to immediately proceed under section 134 of the Act, and make an application to the Superior Court of Justice for an order enforcing compliance; and,
- v) any other statement as may be deemed necessary or appropriate by the mediator.

The mediator shall within ten banking days from the date the mediation is concluded (or such other time as agreed to by the parties and the mediator), deliver a copy of the settlement record to the respective parties. Upon receipt of the settlement record from the mediator, the respective parties shall have five banking days to review, execute and deliver a copy of the settlement record to the other party and the mediator. The settlement record may be executed in counterpart by the respective parties.

No amendments may be introduced to the settlement record by either party. Any required amendments to the settlement record must be made by, and at the discretion of, the mediator, and shall be based upon the recorded terms of settlement as agreed to by both parties at the mediation. If any amendments are made by the mediator to the settlement record, the mediator shall immediately deliver a revised settlement record to the respective parties. Upon receipt of the revised settlement record from the mediator, the respective parties shall have five banking days to review, execute and deliver a copy of the revised settlement record to the other party and the mediator. The revised settlement record may be executed in counterpart by the respective parties.

Nothing contained in the settlement record shall create a precedent upon either party.

17. The mediation shall be deemed to have failed if:

- i) the mediation is held and the mediator determines that a mediated settlement between the disputing parties is not available; or,
- ii) any one or more of the following events occur:
 - (a) the respective parties fail to agree upon a mediation date within 30 days from the date of service of the Notice of Mediation, or such earlier time periods in emergency situations as provided for in paragraph 7 of this appendix;
 - (b) 60 days have passed following the date upon which the Initiating Party serves the Notice of Mediation and the parties have not selected a mediator, or no mediator has consented to act within the time period;
 - (c) either party fails to provide their respective share of the Deposit Funds as required and within the time frames provided by paragraph 11 of this appendix;
 - (d) either party fails to set out in their respective Notice of Mediation or Response Statement, the facts and arguments supporting their positions;
 - (e) the Other Party fails to submit a Response Statement within the time frames provided in paragraphs 7 and 9 of this appendix;
 - (f) a party fails to attend, or have their representative attend, the scheduled mediation. In such a situation the mediator may deem, at any time following the passage of fifteen minutes from the time the mediation was scheduled to commence, that the mediation has failed; or,
 - (g) if a settlement is reached and either party or the mediator, fails to comply with the provisions set out in paragraph 16 of this appendix.

Upon the occurrence of any of the above-noted, either party to the dispute may request that the mediator provide his/her notice that the mediation has failed.

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The mediator shall have ten days from the date the mediation is held, or from the date a request is made by a party in accordance with paragraph 17(ii) above, to serve the respective parties with his/her notice indicating that the mediation has failed. The mediator may in said notice, set out any disagreement or statement of issues between the parties which shall be considered by the arbitrator.

Arbitration Procedure

18. The provisions of this appendix relating to the arbitration of disputes or disagreements between the corporation and one or more unit owners which are required to be submitted to arbitration shall be deemed to be, for the purposes of the *Arbitration Act, 1991*, an arbitration agreement between such parties.
19. The disputes and disagreements referred to above which are not resolved by mediation shall proceed to arbitration on the earlier of:
 - i) 60 days following the date upon which the Initiating Party serves the Notice of Mediation, if the parties have not selected a mediator within that time period; or,
 - ii) 30 days following the delivery of notice from the mediator indicating that the mediation has failed.

Notice of Arbitration

20. Where a dispute or disagreement between the corporation and one or more unit owners is required to be submitted to arbitration, either party (the "Initiating Party") may serve the other party (the "Other Party") with a document entitled "Notice of Arbitration" which may be in the form attached hereto as Schedule "B" to this appendix and which shall set out:
 - i) a brief statement as to the dispute or disagreement, the resolution sought, and why the Initiating Party requests the arbitration;
 - ii) the Initiating Party's choice of arbitrator which shall be made from a list (The List of Arbitrators) of at least five arbitrators which the Corporation shall maintain at all times; and,
 - iii) three proposed dates for the arbitration within the next following thirty (30) days and advice to the Other Party that the Other Party may choose any one of those dates within five days from the date of the Notice of Arbitration, failing which the first date shall apply.
21. Prior to sending the Notice of Arbitration, the Initiating Party must clear the availability of the arbitrator for each of the three proposed dates in the Notice of Arbitration.
22. If none of the arbitrators on the Corporation's list is available within that 30 day period, then the Initiating Party may choose any person to act as arbitrator whose training or qualifications make such person a reasonably suitable to fairly arbitrate the disagreement or dispute.
23. Subject to any statement by the mediator as to the dispute or disagreement, or as to the issues, the Issue Statement and Response Statement submitted by the parties in the mediation shall form the basis of the arbitration issues. Copies of the Issue Statement and Response Statement shall be attached to and form part of the Notice of Arbitration.
24. If either an Issue Statement or a Response Statement, or both, were not submitted in the mediation, then:
 - i) the Initiating Party shall serve the Other Party with an Issue Statement in respect of the arbitration; and,
 - ii) the Other Party shall serve a Response Statement within ten days thereafter.
25. The arbitration hearing must be held within 30 days after the service of the Notice of Arbitration.
26. The Initiating Party shall be responsible for arranging a court reporter for the arbitration, but the costs thereof shall be dealt with as a cost of the arbitration.
27. Any documents which are intended to be relied upon by a party must be given to the other party within ten days after the service of the Notice of Arbitration. No new documents may be introduced in the arbitration which were not introduced in the mediation, if applicable, save and except for:
 - i) documents which the arbitrator determines could not be or were not reasonably available as of the date of mediation; or,
 - ii) such documents as the arbitrator determines in his/her sole discretion are required for the proper determination of the dispute.

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28. The arbitrator's fees for assisting the parties with the disagreement, and other associated costs, such as but not limited to court reporter's fees, shall be split equally between the parties, unless otherwise agreed, as between the parties or ordered by the arbitrator, but the Corporation shall be primarily responsible for paying the arbitrator's account. The other party or parties, regardless of whether an owner or a tenant, shall reimburse the Corporation within seven days of a written request for reimbursement, failing which, the default in payment shall be deemed to be an award of costs pursuant to section 134(5) of the Act.
 29. Within ten days after the service of the Notice of Arbitration, if a party intends or requests evidence be called on a certain point because of a factual disagreement, then that party shall notify the other party.
 30. Parties shall exchange witness lists, together with a short statement containing the summary of each witnesses' evidence, no later than 5:00 p.m. one calendar week prior to the hearing of the arbitration.
 31. At the arbitration hearing, any fact in dispute in the Issue Statement or Response Statement shall be determined by the arbitrator pursuant to viva-voce (oral testimony) or documentary evidence or a combination of both.
 32. The arbitrator may determine any matters of procedure for the arbitration not specified herein.
 33. Subject to the provisions of the *Arbitration Act, 1991*, this arbitration shall be binding on the parties.
 34. In all other respects, the *Arbitration Act, 1991*, and any amendments thereto applies.
 35. The arbitrator shall, after hearing any evidence and representations that the parties may submit, make his/her decision and reduce same to writing as quickly and as expeditiously as possible but in any event, no later than 30 days after the completion of the hearing, and deliver one copy thereof to each of the parties.
- Service of Documents**
36. The service of any and all documents referred to herein may be made in accordance with the applicable provisions of the Act, the Corporation's declaration, and by-laws. Service by telefacsimile is permitted if the parties agree to same.

APPENDIX 4
Schedule "A"

NOTICE OF MEDIATION

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DATE:

TO:

FROM:

RE:

1. Mediator: _____

2. Please check which of the following is applicable by placing an "X":

() Proposed Dates & Time for Mediation:

i. _____

ii. _____

iii. _____

You have five days from the date of the Notice of Mediation to select one of the above-noted dates, failing which the first date shall apply.

() As this is an emergency situation, as determined by the Corporation or any of its agents in its sole discretion, the mediation shall take place on:

i) _____

3. Location of Mediation: _____

4. Issue Statement.

(The Issue Statement is to be attached hereto and labeled as Schedule "A")

5. Documents:

(If you are relying on any documents then a summary of each must be set out below or on an attached Schedule. Each summary must include the date of the document's creation, its author and a brief summary of its contents.)

DOCUMENTS		
DATE	AUTHOR	BRIEF SUMMARY OF CONTENTS

APPENDIX 4
Schedule "B"

NOTICE OF ARBITRATION

DATE:

TO:

FROM:

RE:

1. This matter is proceeding to arbitration because: *(Place an "X" in the appropriate response)*
- () 60 days have passed from the date of the Notice of Mediation, a copy of which is attached hereto, and the parties have not selected a mediator; or,
- () 30 days have passed from the delivery of mediator's notice indicating that the mediation has failed. A copy of the mediator's notice is attached hereto.
2. Arbitrator: _____
3. Proposed Dates & Time for Arbitration:
- i. _____
- ii. _____
- iii. _____
- You have five days from the date of the Notice of Arbitration to select one of the above noted dates, failing which the first date shall apply.**
4. Location of Arbitration: _____
5. Copies of the Issue Statement and Response Statement (if any) are attached hereto and form part of the Notice of Arbitration.

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RATIFICATION AGREEMENT

(17)

THIS AGREEMENT made as of the 16 day of June, 2003.

AMONG:

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1526, a Condominium Corporation created by registration of the declaration and description on the 16 day of June, 2003, in the Land Registry Office for the Land Titles Division of Toronto (No. 66) as Instrument No. AT196062

(hereinafter called "Phase 2")

OF THE FIRST PART;

- and -

SPECTRUM RESIDENCES INC., a corporation incorporated under the Laws of the Province of Ontario

(hereinafter called the "Declarant" or "Spectrum")

OF THE SECOND PART;

- and -

SPECTRUM TWO RESIDENCES INC., a corporation incorporated under the Laws of the Province of Ontario

(hereinafter called the "Spectrum II")

OF THE THIRD PART;

- and -

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1466, a Condominium Corporation created by registration of the declaration and description on the 23rd day of September, 2002, in the Land Registry Office for the Land Titles Division of Toronto (No. 66) as Instrument No. AT272.

(hereinafter called "Phase I")

OF THE FOURTH PART.

WHEREAS:

- (a) Pursuant to a Common Facilities Agreement dated as of the 23rd day of September, 2002, and registered in the Land Registry Office for the Land Titles Division of Toronto on the 9th day of October, 2002, as Instrument No. AT13170, Toronto Standard Condominium Corporation No. 1466 ("Phase I") and Spectrum set out their respective rights and obligations concerning Shared Facilities all as more particularly set out in Schedule "A" attached hereto (the "Common Facilities Agreement").
- (b) Pursuant to Paragraph 13.2 of the Common Facilities Agreement, the parties agreed that upon registration of Phase 2, Phase 2 shall ratify the Common Facilities Agreement and be bound by all of the terms, provisions and conditions therein as if Phase 2 had been an original party thereto in the place and stead of Spectrum and Spectrum II, at which time Spectrum and Spectrum II shall be automatically released and forever discharged from all of their covenants, obligations and liabilities relating to Phases I and 2 pursuant to the Common Facilities Agreement.
- (c) Spectrum II is the declarant of Phase 2.
- (d) Phase 2 was registered as a Condominium Corporation on the 16th day of June, 2003.
- (e) Phase 2 is entering into this Agreement to confirm and ratify the Common Facilities Agreement and to agree to be bound by all of the terms, provisions and conditions thereof.

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(f) Phase 1 is entering into this Agreement to confirm the foregoing matters.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration and the sum of TEN DOLLARS (\$10.00) of lawful money of Canada now paid by Spectrum and Spectrum II to Phase 1 and Phase 2, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree with each other as follows:

1. Phase 2 hereby ratifies the Common Facilities Agreement and agrees to be bound by all of the terms, provisions and conditions contained therein as if Phase 2 had been an original party thereto in the place and stead of Spectrum and Spectrum II, with respect to Phase 2.
2. Phase 1 and Phase 2 acknowledge and confirm that Spectrum II entered into the Common Facilities Agreement on behalf of Phase 2 on the express understanding that as soon as the Phase 2 corporation was registered as a Condominium, Spectrum and Spectrum II shall thereupon be automatically released and relieved from any further obligations and/or liabilities arising under the Common Facilities Agreement relating to Phases 1 and 2.
3. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
4. This Agreement may be executed in two or more counterparts, each of which when so executed, shall constitute an original and all of which shall together constitute one and the same Agreement.
5. The parties hereto consent to the registration of this Agreement against title to the Phase 1 and Phase 2 Lands and hereby acknowledge, confirm and agree that this Agreement shall be deemed and construed to run with title to each of the Phase 1 and Phase 2 Lands respectively.

IN WITNESS WHEREOF the parties have hereunto caused to be fixed their corporate seals duly attested to by their respective proper signing officers authorized in that behalf.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

SIGNED, SEALED AND DELIVERED
in the presence of:

) TORONTO STANDARD CONDOMINIUM
) CORPORATION NO. 1524
)
) Per: [Signature] c/s
) Alan Menkes
) President
) Per: [Signature]
) Julie Prevost
) Secretary
)

) SPECTRUM RESIDENCES INC.

) Per: [Signature]
) Alan Menkes
) President
)

) I have authority to bind the corporation.
)

) SPECTRUM TWO RESIDENCES INC.

) Per: [Signature]
) Alan Menkes
) President
)

) I have authority to bind the corporation.
)

) TORONTO STANDARD CONDOMINIUM
) CORPORATION NO. 1466
)

) Per: [Signature] c/s
)
) President
)

) Per: [Signature]
)
) Secretary
)

<div style="text-align: right; font-size: 1.2em;">13170 Schedule "A"</div> <div style="text-align: center;">AT</div> <div style="text-align: center;">CERTIFICATE OF RECEIPT RÉCÉPISSE TORONTO (66) 2002 -10- 09 12.29 LAND REGISTRAR/REGISTRATEUR</div>		<div style="display: flex; justify-content: space-between;"><div>(1) Registry <input type="checkbox"/></div><div>Land Titles <input checked="" type="checkbox"/></div><div>(2) Page 1 of 18 pages</div></div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">(3) Property Identifier(s) <u>12466-0001</u> Block <u>10104-1528(LT)</u> Property <u>to 12466-0786</u><div style="text-align: right; font-size: 0.8em;">Additional: See Schedule <input type="checkbox"/></div></div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">(4) Nature of Document NOTICE OF AGREEMENT (Section 71 of the Land Titles Act)</div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">(5) Consideration <div style="text-align: right;">Dollars \$ <u>NIL</u></div></div> <div style="border: 1px solid black; padding: 2px; margin-top: 5px;">(6) Description FIRSTLY: All units and common elements comprising the property included in Toronto Standard Condominium Plan No. 1466, City of Toronto, The Land Titles Division of the Toronto Registry Office No. 66 SECONDLY: Part of Block 6, registered Plan 66M-19510, City of Toronto, as more particularly described in Schedule "B" attached hereto.</div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"><div style="width: 30%;">(7) This Document Contains: <input type="checkbox"/></div><div style="width: 30%;">(a) Redescription New Easement Plan/Sketch <input type="checkbox"/></div><div style="width: 30%;">(b) Schedule for: Description <input checked="" type="checkbox"/> Additional Parties <input type="checkbox"/> Other <input checked="" type="checkbox"/></div></div>																								
<p>This Document provides as follows: Jules A. Mikelberg, am the solicitor for Toronto Standard Condominium Corporation No. 1466 .</p> <p>I confirm that Toronto Standard Condominium Corporation No. 1466 an unregistered estate, right, interest or equity in the lands described in Box 6 above.</p> <p>The lands described in Schedule "A" are registered in the name of Toronto Standard Condominium Corporation No. 1466, the lands described in Schedule "B" are registered in the name of SPECTRUM TWO RESIDENCES INC., and I hereby apply under Section 71 of the Land Titles Act for the entry of the Notice of Agreement in the registers for the said parcels.</p> <p>BE EXECUTED AGREEMENT ATTACHED.</p> <p>This notice will be effective for an undetermined time.</p> <p>The address for service of the applicant is as set out in Box 11 below.</p> <p>DATED this 23rd day of September, 2002</p> <div style="text-align: right; margin-top: 10px;"> Jules A. Mikelberg</div> <div style="text-align: right; font-size: 0.8em;">Continued on Schedule <input type="checkbox"/></div>																										
<div style="border-bottom: 1px solid black; margin-bottom: 5px;">This Document relates to instrument number(s)</div> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;">10) Party(ies) (Set out Status or Interest) Name(s) <u>TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1466</u> <u>Applicant)</u> <u>by its solicitors, GOODMAN AND CARR LLP</u></div><div style="width: 45%; text-align: right;"><div style="margin-bottom: 10px;">Signature(s) Per: <u>JULES MIKELBERG</u></div><div style="margin-bottom: 10px;">Date of Signature Y M D <u>2002</u> <u>09</u> <u>23</u></div></div></div> <tr><td colspan="5" style="padding: 5px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">11) Address for Service <u>Suite 1400, 4711 Yonge Street, Toronto, Ontario M2N 7E4</u></div><div style="display: flex; justify-content: space-between;"><div style="width: 45%;">12) Party(ies) (Set out Status or Interest) Name(s) <u>SPECTRUM TWO RESIDENCES INC.</u> <u>Have authority to bind the Corporation.</u></div><div style="width: 45%; text-align: right;"><div style="margin-bottom: 10px;">Signature(s) Per: Name: <u>Alan Menkes</u> Title: <u>President</u></div><div style="margin-bottom: 10px;">Date of Signature Y M D <u>2002</u> <u>09</u> <u>23</u></div></div></div><tr><td colspan="5" style="padding: 5px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">13) Address for Service <u>Suite 1400, 4711 Yonge Street, Toronto, Ontario M2N 7E4</u></div><div style="display: flex; justify-content: space-between;"><div style="width: 30%;">14) Municipal Address of Property <u>and 30 Harrison Garden boulevard Toronto, Ontario</u></div><div style="width: 30%;">(15) Document Prepared by: <u>Jules A. Mikelberg/0068 Goodman and Carr LLP 200 King Street West Suite 2300 Toronto, Ontario M5H 3W5</u></div><div style="width: 35%; text-align: right;"><div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Fees and Tax</div><table border="1" style="width: 100%; border-collapse: collapse; font-size: 0.8em;"><tr><td style="width: 50%;">Registration Fee</td><td style="width: 50%;"></td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td>Total</td><td> </td></tr></table></div></div></td></tr></td></tr>					<div style="border-bottom: 1px solid black; margin-bottom: 5px;">11) Address for Service <u>Suite 1400, 4711 Yonge Street, Toronto, Ontario M2N 7E4</u></div> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;">12) Party(ies) (Set out Status or Interest) Name(s) <u>SPECTRUM TWO RESIDENCES INC.</u> <u>Have authority to bind the Corporation.</u></div><div style="width: 45%; text-align: right;"><div style="margin-bottom: 10px;">Signature(s) Per: Name: <u>Alan Menkes</u> Title: <u>President</u></div><div style="margin-bottom: 10px;">Date of Signature Y M D <u>2002</u> <u>09</u> <u>23</u></div></div></div> <tr><td colspan="5" style="padding: 5px;"><div style="border-bottom: 1px solid black; margin-bottom: 5px;">13) Address for Service <u>Suite 1400, 4711 Yonge Street, Toronto, Ontario M2N 7E4</u></div><div style="display: flex; justify-content: space-between;"><div style="width: 30%;">14) Municipal Address of Property <u>and 30 Harrison Garden boulevard Toronto, Ontario</u></div><div style="width: 30%;">(15) Document Prepared by: <u>Jules A. 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Document prepared using Form L'Ware LandForms

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COMMON FACILITIES AGREEMENT

THIS AGREEMENT made this 23rd day of September, 2002.

BETWEEN:

SPECTRUM TWO RESIDENCES INC.

(hereinafter called the "Owner")

OF THE FIRST PART;

- and -

SPECTRUM RESIDENCES INC.

(hereinafter called the "Declarant")

OF THE SECOND PART

- and -

TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 1466

(hereinafter called the "Corporation" or "this Corporation")

OF THE THIRD PART

WHEREAS:

- (a) The Corporation is a condominium corporation in respect of the units and their appurtenant Common Interests which, together, comprise the property contained in the Corporation's condominium plan and which consist of those lands and premises situate in the City of Toronto and being Toronto Standard Condominium Plan No. 1466 registered in the Land Titles Division of the Toronto Registry Office No. 66 (which lands are hereinafter referred to as the "Building One Lands" and more particularly described in Schedule "A" hereto and are municipally known as 30 Harrison Garden Boulevard, City of Toronto, Ontario);
- (b) The Owner is the registered owner of those lands and premises situate in the City of Toronto, lying adjacent to the Building One Lands and being composed of those lands and premises more particularly described in Schedule "B" hereto (which lands are hereinafter referred to as the "Building Two Lands" and are municipally known as 28 Harrison Garden Boulevard, City of Toronto, Ontario);
- (c) The Building Two Lands may also be referred to as the "Adjacent Condominium Lands";
- (d) The Owner currently anticipates constructing a highrise condominium apartment building and related facilities upon the Building Two Lands and intends to register the same as a separate condominium corporation (hereinafter sometimes referred to as the "Adjacent Condominium Corporation");
- (e) This Corporation and the Adjacent Condominium Corporation shall be referred to collectively as the "Two Condominium Corporations";

- (f) The Declarant as at the date hereof, is the owner of all of the Condominium Units within the Building One Lands;
- (g) The amenities included on the Building One Lands will include, in part, a superintendent's unit together with all furniture located therein designated as Unit 4 on Level 1 and together with one parking unit (collectively the "Superintendent's Unit") which will be available for the use by a full-time onsite superintendent and his family who will initially be available for the Building One Lands and upon registration of the Adjacent Condominium Corporation to the Two Condominium Corporations;
- (h) The amenities included on the Building One Lands will also consist in part of a lobby area including all amenities, equipment and furnishings located therein designated as Unit 5, on Level 1 (the "Lobby Unit"), and certain service room units which may contain such shared facilities as generator rooms, electrical rooms, telephone room, transformer vault, fire alarm room, fire protection room and water fountain room, etc., designated as Units 140, 141, 142, 143, 145 and 146 on Level A and Unit 6 on Level 1 (the "Service Room Units") and it is anticipated that the Adjacent Condominium Corporation may contain similar service room units (the "Adjacent Condominium Service Room Units") (the Lobby Unit, Service Room Units and Adjacent Condominium Service Room Units are collectively called the "Common Facilities Units") which will be utilized in common by the Two Condominium Corporations. The Two Condominium Corporations shall also share in a water feature located on the common elements of Level 1 of the Building One Lands and/or the Building Two Lands including a water fountain and other equipment, fixtures and appurtenances (the "Water Fountain") to be serviced, to some extent, through the water fountain room which is one of the shared Service Room Units;
- (i) The description of the Building One Lands and the description of the Adjacent Condominium Corporation will include rights-of-way for the purpose of vehicular and pedestrian ingress and egress, together with a Ramp or Ramps to underground parking levels, situate on the Building One Lands or on the Building Two Lands intended for the common use of the owners of the Building One Lands and the Building Two Lands (hereinafter referred to as the "Common Driveway and Ramp");
- (j) The description of the Building One Lands and the description of the Adjacent Condominium Corporation will also include rights-of-way for the purpose of pedestrian ingress and egress over all walkways and landscaping on the Building One Lands and on the Building Two Lands, intended for the common use of the owners of the Building One Lands and the Building Two Lands (hereinafter referred to as the "Walkways and Landscaping");
- (k) The description of the Building One Lands and the description of the Building Two Lands will include rights-of-way for pedestrian and vehicular ingress and egress to the visitors parking spaces to be shared by visitors to the Two Condominium Corporations and for the parking of vehicles on such visitors parking spaces (the "Visitors Parking Spaces") in accordance with the rules of the Two Condominium Corporations;
- (l) Ownership of the Common Facilities Units and the Superintendent's Unit shall ultimately be shared between the Two Condominium Corporations as tenants-in-common;
- (m) The Superintendent's Unit, the Common Facilities Units, the Common Driveway and Ramp, the Walkways and Landscaping, the Visitors Parking Spaces and Water Fountain are herein collectively called the "Common Facilities";
- (n) The words "Facilities Costs" shall mean all maintenance, operating, improvement, repair and replacement costs relating or pertaining to the Common Facilities, and Required Easements, as more particularly described in Article 6;
- (o) The words "Common Elements", "Common Expenses", "Common Interest", "Declaration", "Description", "By-Laws", "Registration" and "Rules" shall have the same meanings as are

ascribed to such terms in the *Condominium Act*, 1998 S.O. 1998 c 19, and regulations thereto (the "Act"), as amended from time to time;

- (p) "Structure" shall mean either the structure on the Building One Lands or the Building Two Lands;
- (q) "Shared Servicing Systems" means the servicing systems servicing both of the Two Condominium Corporations including without limitation mechanical and electrical installations, water mains, gas mains, electrical wires, cables and conduits, sanitary and storm sewers, cable television and television cables, fire alarms and sump pumps, if any, all of which may be necessary for the joint operation of the Two Condominium Corporations. For greater certainty, Shared Servicing Systems shall not include any servicing system servicing only the Corporation or the Adjacent Condominium Corporation, respectively, and not both of the Two Condominium Corporations;
- (r) The parties hereto, have entered into this Agreement in order to provide for the control over the use, operation, maintenance, repair and replacement of the Common Facilities and Required Easements, and the allocation of the responsibility for payment of the Facilities Costs.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration and the sum of \$10.00 of lawful money of Canada now paid by each of the parties hereto to the other (the receipt and sufficiency of which is hereby acknowledged by all parties), the parties hereby covenant and agree to and with each other and each of them as follows;

ARTICLE 1 - RECITALS

- 1.1 The recitals hereinbefore set forth are true in substance and in fact.

ARTICLE 2 - THE COMMON FACILITIES UNITS AND THE SUPERINTENDENT'S UNIT

- 2.1 (a) The parties hereto hereby acknowledge, confirm and agree that ownership of the Common Facilities Units and the Superintendent's Unit shall ultimately be shared between the Two Condominium Corporations as tenants in common in the approximate proportion that the number of registered dwelling units in each of the Two Condominium Corporations bears to the total number of registered dwelling units in the Two Condominium Corporations respectively (each such proportion being referred to hereafter as the "Proportionate Interest"). Based upon the current Dwelling Unit count, the Proportionate Interest of Phase 1 will be approximately 53.8% and the Proportionate Interest of Phase 2 will be approximately 46.2%, however this may change based upon the final Dwelling Unit count.
- (b) The Declarant and Owner covenant to transfer title of the Common Facilities Units, and the Superintendent's Unit to the Two Condominium Corporations as tenants-in-common in accordance with its Proportionate Interest on or immediately after the Transfer Date (as defined in Section 2.3 hereof).
- (c) Save and except for the first mortgages on the Superintendent's Unit in favour of the Declarant and/or the Owner as more particularly described in Section 2.3 hereof, once ownership of the Common Facilities Units and the Superintendent's Unit have been transferred to the Two Condominium Corporations as aforesaid, any further sale, transfer, other conveyance or mortgage, charge or encumbrance, of the whole or any portion of the Common Facilities Units and the Superintendent's Unit shall not be permitted without the unanimous consent of the Two Condominium Corporations and the prior written approval of 66 $\frac{2}{3}$ % of the members of each condominium corporation purporting to sell, transfer, mortgage, charge or encumber its Proportionate Interest in the Common Facilities Units and Superintendent's Unit and each registered mortgagee of any unit within such condominium

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corporation who has notified such condominium corporation of its entitlement to vote in accordance with the Act shall be provided with notice of such meeting in accordance with the Act; and an agreement to prohibit such transfer pursuant to Section 117 of the *Land Titles Act* may be registered against the Common Facilities Units and the Superintendent's Unit.

(d) Save and except for the first mortgages on the Superintendent's Unit in favour of the Declarant and/or the Owner as more particularly described in Section 2.3 hereof, any instrument or other document purporting to sell, transfer, convey, mortgage, charge or encumber the Proportionate Interest of either of the Two Condominium Corporations in the Common Facilities Units or the Superintendent's Unit without the consent and approval set forth in Section 2.1(c) shall be void and of no effect whatsoever.

2.2 Notwithstanding that the transfer of ownership of the Common Facilities Units and the Superintendent's Unit to the Two Condominium Corporations respectively (as tenants in common) in accordance with their respective Proportionate Interests may or may not yet have occurred, the owners of dwelling units in the Two Condominium Corporations and their respective residents and invitees or purchasers permitted occupancy under agreements of purchase or sale for such dwelling units (the "Permitted Users") shall have immediate use and enjoyment of the Lobby Unit, Common Driveway and Ramp, Walkways and Landscaping as soon as same is completed and operational and the Two Condominium Corporations shall have access to the Superintendent's Unit and Service Room Units and Common Facilities once same are completed and operational. Notwithstanding the foregoing, the Declarant and the Owner shall be entitled to suspend the use and enjoyment of those parts of the Common Facilities during such time and to such reasonable extent should such use and enjoyment interfere with the construction of the building to be located on the Building Two Lands.

The Declarant shall have the right to make reasonable rules and regulations regarding the use and access to the Common Facilities prior to the Transfer Date and, thereafter, the Committee (as hereinafter defined) shall have the right to promulgate such rules and regulations.

2.3 (a) For the purposes of this Agreement, the Transfer Date (the "Transfer Date") shall be the earlier of:

(i) the date which is one hundred and twenty (120) days after both of the Two Condominium Corporations have been registered as separate Condominiums; or

(ii) such earlier date as the Declarant may determine, in its sole and unfettered discretion.

(b) Notwithstanding the foregoing, it is the intention of the Declarant to transfer the Proportionate Interest of the Corporation in the Superintendent's Unit on or shortly after registration of the Corporation's Declaration for a purchase price of One Hundred and Forty-five Thousand Five Hundred and Nine Dollars (\$145,509) inclusive of GST (based upon a purchase price of Two Hundred and Fifty-three Thousand Five Hundred Dollars (\$253,500) for 100% of the Superintendent's Unit and Parking Unit), the total purchase price to be secured by a first mortgage on the Proportionate Interest of the Corporation in the Superintendent's Unit from the Corporation to the Declarant. The mortgage will be for a term of five (5) years and will not require any payments of principal and interest for the first year. Commencing one (1) year after registration of the Condominium, the mortgage shall bear interest at the rate of 8% percent per annum calculated half-yearly not in advance and repayable \$1,755.44 monthly including principal and interest, based upon a ten (10) year amortization and the balance of the outstanding principal and interest shall fall due five (5) years after the registration of the Condominium. Upon the sale or transfer of the Superintendent's Unit in accordance with the provisions of this Agreement, the mortgage shall immediately become due and payable in full. The mortgage shall be fully open for repayment, without notice, penalty or bonus. The Declarant shall retain ownership of the remaining Proportionate Interest of the Adjacent Condominium Corporation in the Superintendent's Unit until registration of the Adjacent Condominium Corporation Declaration. The Declarant intends to transfer the Proportionate Interest of the Adjacent

Condominium Corporation in the Superintendent's Unit to such Adjacent Condominium Corporation upon or shortly after registration of the Adjacent Condominium Corporation's Declaration for a purchase price of One Hundred and Seven Thousand Nine Hundred and Ninety-one Dollars (\$107,991) inclusive of GST, the total purchase price to be secured by a first mortgage on the Proportionate Interest of the Adjacent Condominium Corporation in the Superintendent's Unit from the Adjacent Condominium Corporation to the Declarant. The mortgage shall be for such term, interest rate, and contain such other provisions as may be set out in the Disclosure Statement for such Adjacent Condominium Corporation.

2.4 Until the Transfer Date, the Declarant shall have the unilateral right to manage, operate and control the Common Facilities and not less than once annually shall prepare and submit to such of the Two Condominium Corporations as have been registered pursuant to the Act for incorporation in each of the latter's overall annual budgets a separate budget (the "Common Facilities Budget") outlining the costs of providing and maintaining services, equipment and staff and the costs of operating, maintaining, repairing and/or replacing the Common Facilities which shall constitute the then applicable Facilities Costs. The cost of operating, maintaining, repairing and replacing the Common Facilities Units, the Superintendent's Unit, the Common Driveway and Ramp, the Walkways and Landscaping and Visitors Parking Spaces shall be included in the Common Facilities Budget.

After the Transfer Date, the Declarant and the Owner shall have no further interest or obligation whatsoever with respect to the Common Facilities, and shall not be further bound by this Agreement, and shall be fully released from this Agreement. The parties hereto covenant and agree to forthwith execute all further assurances or other documents necessary or required to carry out the true intent of this provision.

ARTICLE 3 - COST-SHARING PROVISIONS

3.1 The allocation of responsibility for payment of the Facilities Costs shall be as follows: each of the Two Condominium Corporations shall pay and be solely responsible for that proportion or percentage of the Facilities Costs as is equivalent to its Proportionate Interest in the Common Facilities Units (hereinafter referred to as its "Proportionate Share" thereof), provided that until the Two Condominium Corporations are registered, this Corporation shall pay and be responsible for all of the Facilities Costs. For greater certainty, the intention of the parties is that the Declarant and the Owner shall not be responsible in any way for any of the Proportionate Share of the Adjacent Condominium Corporation's Facilities Costs. Notwithstanding anything contained in this Agreement to the contrary, in addition to the monthly mortgage payments payable by the Corporation on the mortgage of its Proportionate Interest in the Superintendent's Unit to the Declarant, the Corporation shall be solely responsible for all costs and expenses relating to the superintendent and all carrying and other costs and expenses for the whole of the Superintendent's Unit including, without limitation, common expenses and realty taxes, until the registration of the Adjacent Condominium Corporation, notwithstanding that the Corporation will only own its Proportionate Interest in the Superintendent's Unit; it being the intention that the Owner and the Declarant shall not be responsible for any costs or expenses whatsoever with respect to the Superintendent's Unit or the Shared Facilities, all of which shall be paid for solely by the Corporation until registration of the Adjacent Condominium Corporation and thereafter by the Corporation and the Adjacent Condominium Corporation in their respective Proportionate Shares.

ARTICLE 4 - COMMITTEE

4.1 From and after the Transfer Date, the use and maintenance of the Common Facilities, as well as the preparation and submission of the Common Facilities Budget outlining the Facilities Costs, shall be governed by a committee (the "Committee"). Notwithstanding their respective Proportionate Interests in the Common Facilities Unit, each of the Two Condominium Corporations shall have equal representation on the Committee, provided that if the Adjacent Condominium Corporation is not registered by the Transfer Date, then the Owner shall be entitled to nominate its own representatives on the Committee in the place and stead of the Adjacent Condominium Corporation

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which is not then registered. As and when the Adjacent Condominium Corporation is registered, the nominees of the Owner on the Committee in respect of the previously unregistered Adjacent Condominium Corporation shall resign and be replaced by representatives of the Adjacent Condominium Corporation. The Committee shall be formed immediately upon the occurrence of the Transfer Date and shall consist of 4 members, 2 members of which shall be appointed by each of the board of directors of the Two Condominium Corporations (and by the Owner in respect of the Adjacent Condominium Corporation which is not yet registered under the Act). At least 3 representatives of the Committee must be present in person or by proxy to constitute a quorum. All decisions of the Committee shall be decided unanimously, with each member thereof having one vote. Any member of the Committee may call a meeting thereof by giving at least ten days prior written notice thereof to all other members of the Committee in the same manner as all notices are required to be given to directors of a Condominium Corporation as prescribed in the Act with respect to Directors' Meetings. The Committee shall, *inter alia*, be responsible for:

- (a) establishing rules of conduct and procedure with regard to the use and maintenance of the Common Facilities;
- (b) the provision of heat, hydro, water and staff for the Common Facilities, as applicable;
- (c) the provision, maintenance and replacement of equipment and structures in respect of the Common Facilities, as applicable;
- (d) the maintenance and repair of the Common Facilities and Required Easements as more particularly described in Article 6; and
- (e) the preparation and submission to the Two Condominium Corporations not less than once annually of a Common Facilities Budget outlining the costs of the matters hereinbefore referred to, together with the costs of municipal taxes pertaining to the Common Facilities, if any.

From and after the Transfer Date, the Committee may determine such other matters relating to the Common Facilities as are not inconsistent with the provisions of this Agreement.

4.2 The Corporation, and upon registration, the Adjacent Condominium Corporation, covenant and agree to adopt and be bound by the annual Common Facilities Budget prepared by the Owner or the Committee as part of the Corporation's and Adjacent Condominium Corporation's overall annual budget and agree to pay and be solely responsible for its Proportionate Share of the Facilities Costs as set forth in the Common Facilities Budget in accordance with Section 3.1 hereof.

4.3 The Corporation, and upon registration, the Adjacent Condominium Corporation, shall contribute, pay and be responsible for payment of their respective Proportionate Shares of the Facilities Costs in each annual fiscal period designated by the Declarant or the Committee (after its creation) in accordance with the Common Facilities Budget and shall pay such Facilities Costs in 12 equal consecutive monthly instalments on the first day of each and every month during the annual fiscal period to the Declarant until the Transfer Date and, thereafter, to the Committee or to whomever the Committee may direct. The contributions to the said Facilities Costs shall be adjusted and paid forthwith following the end of each fiscal period designated by the Declarant or the Committee, as the case may be, immediately following the issuance of the financial statements for such period.

4.4 Any amounts not contributed by any of the Two Condominium Corporations in accordance with the foregoing provisions, shall, until advanced bear interest at the rate of 15% per annum, calculated and compounded monthly on such amounts as is from time to time unpaid and until so paid, such amount, together with interest thereon as aforesaid, shall, to the extent thereof, be and constitute a first lien and charge against the lands or assets of such of the Two Condominium Corporations which has failed to pay its Proportionate Share of the Facilities Costs.

ARTICLE 5 - ARBITRATION

5.1 The validity, construction and performance of this Agreement shall be governed by the laws of the Province of Ontario and any dispute that may arise under or in relation to this Agreement, including its validity, construction or performance, shall be determined by arbitration upon application to a single judge of the Supreme Court of Ontario in accordance with and pursuant to the provisions of the *Arbitrations Act* of Ontario, R.S.O. 1990, as amended, or as may be determined by the Act.

ARTICLE 6 - EASEMENTS AND RIGHTS-OF-WAY

6.1 The parties hereto acknowledge and confirm that by virtue of the registration of the Corporation's Declaration, and pursuant to the provisions of section 40(1) of the *Land Titles Act*, R.S.O., 1990, as amended, all of the easements and rights-of-way set out in Schedule "A" to the Corporation's Declaration registered as Instrument No. AT272 and that all of such rights and easements have been created, and are hereby expressly confirmed, ratified, approved, and agreed to. The parties further acknowledge and agree that the Declarant shall be entitled to suspend or restrict such easements or rights-of-way during the course of construction of the building to be located on the Building Two Lands, to the extent that the Declarant determines such suspension or restriction is necessary, acting reasonably.

6.2 Specific Easements for Repair and Maintenance

The Corporation and the Owner (and subsequently the Adjacent Condominium Corporation) each grant, and/or confirm the prior granting of, to each of the others of them, an easement, right, and right in the nature of an easement, subject to the conditions herein provided, over that portion of the condominium corporation, being comprised of the common elements of each of the Two Condominium Corporations on Levels 1, A, B and C, owned by it, as the case may be, of the grantor of each such easement for the purpose of facilitating the maintenance, altering, repairing, replacing, and inspecting of each parties' structure (the "General Repair Easement").

6.3 Structural Support

(a) The Corporation and the Owner (and subsequently the Adjacent Condominium Corporation) each grant to each of the others of them, an easement right and right in nature of an easement of support, subject to the conditions herein provided, over that portion of the Two Condominium Corporations owned by it, being comprised of the common elements of each of the Two Condominium Corporations on Levels 1, A, B and C, for support in respect of and to all existing structural members, pillars, columns, footings, foundations, side and cross beams, supporting walls and soils, for the purpose of supporting the Building One Lands or the Building Two Lands, as the case may be.

(b) The easements referred to in Section 6.3(a) hereof are referred to as the "General Support Easements".

6.4 General Access Easements

(a) The Corporation and the Owner (and subsequently the Adjacent Condominium Corporation) each grant to each of the others of them, easements, subject to the conditions herein provided, over that portion of the condominium corporation, being comprised of the common elements of each of the Two Condominium Corporations on Levels 1, A, B and C, owned by it, as the case may be, for the purpose of enabling either of the Two Condominium Corporation, as the case may be, to perform and exercise its duties, obligations and rights hereunder and for the purpose of enabling each to construct, operate, maintain and repair the Building One Lands or the Building Two Lands, as the case may be.

(b) The easements referred to in Section 6.4(a) hereof are referred to herein as the "General Access Easements".

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6.5 General Servicing Easements

- (a) The Corporation and the Owner (and subsequently the Adjacent Condominium Corporation) each grants, transfers and conveys to the other a general easement, right and right in nature of an easement in, on, over and through that portion of the condominium corporation, being comprised of the common elements of each of the Two Condominium Corporations on Levels 1, A, B and C, owned by it for the purpose of maintaining, operating, repairing, replacing and inspecting or gaining any required access to any servicing system which pertain to the provision of services to either of the Two Condominium Corporation for the purposes of serving and benefiting any part of the Shared Servicing Systems.
- (b) The easements and rights described in Section 6.5(a) and those facilities contained therein are herein referred to as the "Servicing System Easements".

6.6 Maintenance of Easements

It is hereby acknowledged that the Two Condominium Corporations, as the case may be, shall be primarily responsible for governing and arranging for the maintenance, operation, repair, replacement and inspection of the General Repair Easement, the General Support Easements, the General Access Easements and the Servicing System Easements (the "Required Easements") which are situate on those lands comprised within its Condominium Plan, as the case may be, and as such to engage all requisite contractors, servicemen, etc., as required to do so, but, in the event that it fails to maintain, operate, repair, replace and inspect that portion of the Required Easements which is situate upon its own lands, in accordance with the foregoing provisions, then the other Condominium Corporation, as the case may be, shall be entitled to perform and complete such work, and the cost of shall be borne in accordance with the provisions set out herein. For greater certainty, any repairs to the actual structures or servicing systems for any party shall be repaired at the expense of the party owning the structure or servicing system needing repairs.

6.7 Obligations to Restore

In the event that damage or inconvenience is caused to the structure of the grantor of an easement as the result of the exercise of the grantee's right to such easement, the party that caused the damage or inconvenience shall repair the damage or remedy the cause of the inconvenience forthwith, and such repair obligation shall include any redecoration necessary to restore the damaged structure to its previous condition.

6.8 Term of Easements

All of the easements granted in this Agreement are granted in perpetuity or for such lesser period as shall be required for the purposes herein set out. The said easements are granted to the grantees thereof, their heirs, executors, administrators, successors and assigns and his or their servants, agents, workmen, invited guests, residents and tenants and others authorized by him or them for the purposes herein referred to.

6.9 Easements General

- (a) The Corporation and the occupants of the Building One Lands and/or the Adjacent Condominium Corporation and the occupant of the Building Two Lands, in exercising their rights to any easement, right or license hereinbefore referred to, shall act in a prudent and reasonable manner, so as to minimize undue interference occasioned to the other party or parties burdened by such easement, right or license. Each of the parties to this Agreement covenants and agrees not to permit or allow any unit owners (or their respective residents, tenants and invitees) to interfere with, disturb or restrict any easement or right hereby granted.

- (b) It is expressly understood and agreed that the easements, rights or licenses hereinbefore referred to, shall be limited in their exercise, scope and enjoyment by the terms, conditions or restrictions set forth in this Agreement.
 - (c) Each of the parties hereto covenants and agrees to execute any further documents, assurances, indentures or transfers, if required, to grant, transfer, convey or confirm any or all of the easements, rights and licenses purported to be confirmed by this Agreement, including any documents required to surrender easements or rights being extinguished or replaced (or to grant, transfer or convey new easements or rights as contemplated in this Agreement).
 - (d) Save and except as otherwise hereinafter provided to the contrary, all costs and expenses incurred in connection with the inspection, maintenance, repair, reconstruction, and/or installation of Shared Servicing Systems together with all appurtenances thereto which provide any necessary or desired service exclusively to any of the Building One Lands or the Building Two Lands shall be borne and paid for solely by the building to which such service is exclusive.
- 6.10 (a) Each of the Two Condominium Corporations, subject to the provisions contained in this paragraph 6.10(a) (and subject to compliance with the Act, and its respective declarations), may, at its sole cost and expense, make any alterations or additions (including demolition and reconstruction) to its lands, and the buildings and structures situate thereon (save and except for those lands, buildings and/or structures comprising part of the Common Facilities, where such alterations, additions, demolition or reconstruction shall be decided upon only by the Committee, and ratified by special by-law of the condominium corporation so affected by same), and in so doing, may relocate any easement or right within their respective lands which serves to benefit the other condominium corporation, provided however that:
- (i) such alterations, additions or relocation, after they are completed, shall not diminish in any material manner, the benefits having been enjoyed by the other condominium corporation from such easement or right prior to its alteration or relocation;
 - (ii) such alterations, additions or relocation after they are completed, shall not diminish in any material manner, the value of the lands of the condominium corporation who enjoys such easement or right; and
 - (iii) such alterations, additions, or relocation shall not, in the interim (during the time such alterations, additions or relocation are being constructed), interrupt or discontinue the easement, right or resulting service being supplied to the other condominium corporation enjoying such easement or right, without an alternative, substantially equivalent easement, right or service being supplied to that affected condominium corporation during the period of such alteration or reconstruction.
- (b) Subject to compliance with the provisions of the *Planning Act* R.S.O. 1990, as amended (the "*Planning Act*") if at any time during the term of this agreement, any party to this agreement (the "Proposing Party") proposes to either make such alterations or additions to part of its common elements which will lead to a relocation of, or otherwise affect, any easement or right granted to the other party (the "Affected Party") then, before commencing such alterations or additions, the Proposing Party shall give to the Affected Party a copy of the plans and specifications showing the proposed alterations. If the Affected Party reviewing such plans shall not, within thirty (30) days after delivery of said plans and specifications, give to the Proposing Party written notice asserting that the proposed alterations or additions as shown, will impose real and significant hardship and supplies details as to how the Affected Party will be affected by the proposed alterations or additions, then the Affected Party shall be conclusively deemed to have agreed that said proposal does not impose any real and significant hardship, provided the alterations or additions are, in fact, constructed substantially as shown on the plans and specifications furnished to the Affected

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Party. If the Affected Party receiving such plans gives written notice as aforesaid, and if the Proposing Party and the Affected Party cannot resolve their dispute within fifteen (15) days after the giving of such notice, then the Proposing Party shall not commence any alterations or additions until the dispute has been resolved by arbitration in accordance with this Agreement, or as provided for in the Act.

(c) The Proposing Party making such alterations, additions and/or relocations as are described in this article, shall comply with the laws, rules, orders, ordinances, regulations and requirements of all governmental authorities having jurisdiction with respect thereto, and shall be responsible for obtaining any requisite approvals under the *Planning Act*. The Proposing Party shall, to the extent reasonably practical, make the alterations, additions or relocations so as to minimize any noise or vibration which would disturb any occupants of the Affected Party's building.

6.11 All costs and expenses incurred by either condominium corporation occasioned by the alteration, addition or relocation performed pursuant to this article, for the benefit or use of a Proposing Party, shall bear interest at a rate equal to the prime rate of interest per annum charged by Royal Bank of Canada from time to time, to its prime or best risk commercial customers plus four (4%) percent per annum, which interest shall accrue from the date such payment is made by such condominium corporation performing the work, until reimbursement is made by the Proposing Party.

ARTICLE 7 - OPERATION

7.1 Each party in performing its obligations and exercising its rights under this Agreement covenants and agrees to comply with all laws, rules, orders, ordinances, regulations and requirements of any government or municipality, or any agency thereof having jurisdiction over the Building One Lands and Building Two Lands.

7.2 Each party herein covenants and agrees to comply with all of the provisions herein contained and will not authorize or condone any breach thereof by any resident, visitor, guest, servant or agent.

7.3 Each party herein covenants and agrees to remove any construction lien or other encumbrance or charge registered against its Structure and which also affects the Structure of the other, within thirty (30) days of written request from the party whose Structure is so affected.

7.4 Each party herein covenants and agrees not to cause, authorize or condone any undue disturbance, noise or vibrations from the Structure of each covenantor or from any part of the parcel over which such covenantor has an easement, to the detriment of the covenantee or any of them. Nothing in this Section 7.4 shall in any way be construed to restrict the reasonable or intended uses of the Building One Lands and Building Two Lands, or in any way restrict or limit the completion of the building on the Building Two Lands.

7.5 All work required to be performed pursuant to this Agreement shall be performed by the parties in a manner equivalent to the standards from time to time maintained in other similar buildings in the City of Toronto. Each of the parties, with respect to the separate lands and portions of the Building One Lands and Building Two Lands owned or governed by each of them shall operate, maintain and repair such portions in the aforesaid manner, including without limitation, keeping such portions clean and tidy, providing all necessary services and utilities, promptly removing from the Structure all garbage and refuse and providing all necessary security, provided that nothing herein shall in any way restrict the construction of the building on the Building Two Lands.

7.6 If any party shall fail to commence and complete all reasonable steps to cure a default under this Agreement forthwith upon receipt of notice of such default by another party hereto, then the party giving the notice may take all reasonable steps to cure the default, including, without limitation, the performance of maintenance, repair or replacement work, the hiring of contractors, entry onto the Structure of the defaulting party, the payment of any sum secured by lien and/or the

filing of a bond to discharge a lien. The defaulting party shall, upon demand, reimburse the party taking such steps for all costs and expenses paid or incurred in the exercise of such rights.

7.7 A party performing work pursuant to this Agreement shall have reasonable discretion with regard to the means of performing same, and it is therefore agreed that the amount of any cost or expense actually paid or incurred by any part for any work pursuant to this Agreement shall not be challenged by any other party unless clearly demonstrated to be substantially in excess of reasonable costs or expenses for such work.

ARTICLE 8 - INSURANCE

8.1 The Common Facilities shall at all times be insured under an insurance policy or policies insuring same against "all risks" as that term is commonly understood in the insurance trade, and for such other risks, casualties, and hazards as may from time to time be required to be carried and maintained by the declaration of any of the Two Condominium Corporations, in amounts equal to the full replacement value thereof, without deduction for depreciation. The policies of insurance to be obtained shall insure that interest of, or alternately name as co-insured, each condominium corporation, or registered encumbrancer of the Common Facilities Units as their interest may appear. In addition, the Committee shall arrange for and maintain public liability insurance with a limit of Three Million Dollars (\$3,000,000.00) per occurrence, or such greater amount as determined to be satisfactory by the, acting under the advice of their insurance advisors, as well as insurance in respect of the ownership, use and operation by them of boilers, machinery, pressure vessels and motor vehicles, (if any), in such amounts determined to be satisfactory by them, acting under the advice of their insurance advisors. In addition, all other provisions which are required to be contained, pursuant to any of the declarations of any of the Two Condominium Corporations, within their respective insurance policies, shall be contained in such insurance policies. Without restricting the generality of the foregoing, these insurance policies shall contain the following provisions:

- (a) waivers of subrogation against any condominium corporation or, any of the unit owners of any unit within the Two Condominium Corporations, or their tenants and permitted occupants, and any managing agent of the Two Condominium Corporations, except for damage arising out of arson or fraud;
- (b) provisions prohibiting its cancellation or substantial modification, without at least sixty (60) days written notice by registered mail to all parties whose interest appears thereon, and to the insurance trustee;
- (c) waivers of defence based on co-insurance, or of invalidity arising from any act, omission or breach of statutory condition by any insured;
- (d) waiver of the insurer's right to repair, rebuild or replace in the event that after damage, the government of any part of the Two Condominium Corporations, in which the damaged Common Facilities are situate, is terminated pursuant to the Act.

8.2 There shall be a separate or acknowledgement provided by the insurer or its agent, to the effect that no insured, other than both condominium corporations together, or prior to the creation of the Two Condominium Corporations, the Declarant, shall be allowed to amend any policy or policies of insurance obtained and maintained pursuant to this agreement, nor shall the insurance allow any loss to be payable in any manner other than as provided for in the declarations of any of the Two Condominium Corporations.

8.3 Each of the Two Condominium Corporations, upon their respective creation and upon their respective execution of this Agreement or any successor counterpart agreement thereto, as contemplated hereby, agree to enter into and keep in good standing during the currency of this agreement, insurance trust agreements with the same insurance trustee, namely Canada Trust Company or such other trustee as the Two Condominium Corporations may agree to from time to time, containing the same provisions regarding the manner in which insurance proceeds are to be distributed when arising from damage caused to the Common Facilities. As such, each of the Two

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Condominium Corporations shall send to the other, copies of their respective insurance trust agreements as executed, and/or renewed from time to time.

8.4 Each of the Two Condominium Corporations upon their respective creation, and upon their respective execution of this Agreement or counterparts thereof as contemplated hereby, shall or will acknowledge that they shall each be entitled to share, in accordance with their Proportionate Interest, any insurance proceeds paid under their respective insurance trust agreements relative to damage from an insured peril, caused to the Common Facilities, which proceeds shall be payable directly and jointly to them as condominium corporations thereof and in every event they shall be entitled to have their respective representatives execute the certificates required to be deposited with the insurance trustee as a prerequisite for such insurance proceeds to be payable, in respect of damage to the Common Facilities.

8.5 Each of the Two Condominium Corporations, upon their execution of this Agreement, or any successor and/or counterpart agreement thereof, hereby, covenant and agree to comply with the respective provisions of their insurance trust agreements as they pertain to the Common Facilities.

8.6 Nothing in this Agreement shall be construed to prohibit any of the condominium corporations or the Declarant from arranging for other insurance coverage, other than as specified in this agreement, and the premium therefore shall be paid at the sole cost and expense of the party so arranging same.

ARTICLE 9 - CERTIFICATE OF COMPLIANCE

9.1 The parties hereto hereby covenant and agree that, at any time during the term of this Agreement, and within ten (10) days after written request, by any condominium corporation, or by any other person (hereinafter collectively referred to as the "Requesting Party"), they shall execute and deliver to the Requesting Party, a certificate stating and confirming:

(a) whether this Agreement or any supplementary, replacement and/or counterpart agreement hereto (the "Replacement Agreement"), has been modified and if so, the nature of such modifications, and confirming that it is in full force and effect;

(b) any existing default by either condominium corporation or any other party under this agreement or Replacement Agreement within its knowledge, specifying the nature and extent thereof and in particular, whether any condominium corporation has paid its Proportionate Share and/or any other costs or expenses it is required to pay hereunder, including whether any condominium corporation or other party claims any monies owing or outstanding; and

(c) whether the condominium corporation or Declarant executing such Certificate has performed or caused to be performed, or is then performing or causing to be performed, any maintenance, repair or other work, or is making or has made any payment, the cost of which such condominium corporation or Declarant will, pursuant to this agreement, be entitled to charge in whole or in part to the other party, but has not yet charged same to such other party.

9.2 The Certificate of Compliance as set forth in this article, may be pleaded and shall constitute a complete defence by the Requesting Party to any action brought, or to any claim that is inconsistent with the facts recited in the said Certificate.

ARTICLE 10 - DECLARATION OF RECIPROCAL BENEFIT

10.1 The parties hereby expressly declare that it is their mutual intention and agreement, to have the principles of reciprocal benefit and burden apply to their relationship, and as such, the parties hereby acknowledge and agree that each of the easements, rights and privileges hereinbefore set forth establish a basis for the mutual and reciprocal use and enjoyment of certain parts of the Building One Lands and Building Two Lands, including, without limitation, the Common Facilities, which are being used and enjoyed by both of the condominium corporations to varying degrees. As integral and material consideration for the continuing enjoyment of (and the right to the use and enjoyment by each of the condominium corporations of) such easements, rights and privileges as are confirmed in this agreement, each condominium corporation hereby covenants and agrees to assume the burdens and obligations imposed on such party as set forth herein, and agrees to be bound by each and every one of the covenants made by them in this agreement.

ARTICLE 11 - TERMINATION OF CONDOMINIUM

11.1 On the termination of either of the Two Condominium Corporations pursuant to the Act, the unit owners of the condominium corporation so terminated, shall be jointly and severally liable to comply with all obligations and covenants of such condominium corporation in this Agreement and will execute such further assurances as may be deemed necessary or desirable by the other condominium corporation to give full force and effect to this paragraph.

ARTICLE 12 - NOTICES

12.1 Any notice required or desired to be given to any of the parties hereto in connection with this Agreement or arising therefrom shall be in writing and shall either be hand-delivered or delivered by prepaid registered post to the parties at the following addresses:

- (a) to the Corporation at: 4711 Yonge Street
Suite 1400
Toronto, Ontario, Ontario
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- (b) to the Owner at: 4711 Yonge Street
Suite 1400
Toronto, Ontario, Ontario
M2N 7E4
- (c) to the Declarant at: 4711 Yonge Street
Suite 1400
Toronto, Ontario, Ontario
M2N 7E4

12.2 All notices shall be deemed to have been given on the 3rd business day following the date of mailing or the date upon which notice is personally delivered, as the case may be. Any party may from time to time by written notice to the other parties in accordance with the foregoing provisions change the address to which its notices are to be delivered.

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ARTICLE 13 - SUCCESSIONS AND ASSIGNS

13.1 This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.

13.2 The Owner further covenants and agrees that upon the registration of the Adjacent Condominium Corporation, as a declarant thereof, it shall cause the Adjacent Condominium Corporation to ratify this Agreement so that such condominium corporation agrees to be bound by all the terms, provisions and conditions contained herein to the same effect as if such condominium corporation had been an original party hereto in the place and stead of the Owner insofar as the Owner's participation in and obligation under this Agreement relate to such condominium corporation. Moreover, notwithstanding anything provided in this Agreement to the contrary, as and when the Adjacent Condominium Corporation is registered, the Owner and the Declarant shall be automatically released and discharged from their obligations and liabilities hereunder to the extent that such liabilities and obligations have been assumed by such condominium corporation.

13.3 The parties hereto consent to the registration of this Agreement against the title to the Building One Lands and the Building Two Lands and hereby acknowledge, confirm and agree that this Agreement shall be deemed and construed to run with the title to each of such Lands and shall be binding upon the successors in title to each of such Lands.

ARTICLE 14 - GENERAL

14.1 This Agreement is subject to compliance with Section 50 of the *Planning Act*, 1990, as amended.

14.2 The headings used in the body of this Agreement form no part thereof but shall be deemed to be inserted for convenience or reference only.

14.3 This Agreement shall be read and construed as the number and gender of the party or parties referred to in each case requires and as may otherwise be required by the context.

14.4 The parties hereto covenant and agree to forthwith execute all further assurances or other documents necessary or required to carry out the true intent of these presents.

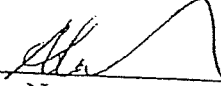
14.5 If any clause or section of this Agreement shall be determined by a court of competent jurisdiction to be illegal or unenforceable, then such clause or section shall be considered separate and severable from this Agreement and the remaining provisions thereof shall remain in full force and effect and shall be binding upon the parties hereto as though the said illegal or unenforceable clause or section had never been included.

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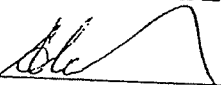
14.6 This Agreement may be executed in one or more counterparts, each of which when so executed shall constitute an original and all of which shall together constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto have hereunto caused to be affixed their corporate seals duly attested to by the hands of their respective proper signing officers authorized in that behalf the day and year first above written.

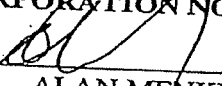
SPECTRUM TWO RESIDENCE INC.

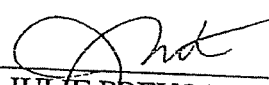
Per: 
Name: ALAN MENKES
Title: President
I have authority to bind the Corporation.

SPECTRUM RESIDENCES INC.

Per: 
Name: ALAN MENKES
Title: President
I have authority to bind the Corporation.

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1466

Per: 
ALAN MENKES
President

Per: 
JULIE PREVOST
Secretary

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SCHEDULE "A"

Pin Numbers 12466-0001 to 12466-0786 inclusive being all units and common elements of Toronto Standard Condominium Corporation No. 1466.

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SCHEDULE "B"

Building Two Lands

PIN Number 10104-1528(LT)

Part of Block 6, Plan 66M-2354, designated as Parts 15 to 22, Plan 66R-19510, City of Toronto;

Subject to Right as in E373373;

Subject to Easement in favour of Rogers Cable Inc. as in E409410;

Subject to and together with Easements as set out in E506214.

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CONDO ASSUMPTION AGREEMENT

Spectrum Two Condominium, 28 Harrison Garden Blvd., North York, Ontario.

THIS AGREEMENT is made as of June 18, 2003 between **SPECTRUM TWO RESIDENCES INC.** (the "**Builder**"), Toronto Standard Condominium Corporation No. 1526 (the "**Condo Corp**") and **81 CAPITAL INC.** ("**81 CAPITAL**")

BACKGROUND:

- A. The Builder and 81 CAPITAL have entered into the Builder Agreement. The Builder, as lessee, has also entered into the Lease with 81 CAPITAL, as lessor, in respect of the Equipment.
- B. The Builder has agreed to assign and the Condo Corp has agreed to assume the obligations of the Builder under the Lease.
- C. The Condo has been established as a condominium, in respect of which the Condo Corp is the condominium corporation. The Declaration and Description of the Condo have been registered against title to the Lands as Instrument No. AT196062 and are in full force.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency which are acknowledged, the parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

"**Act**" means the *Condominium Act* (Ontario).

"**Affiliate**" has the meaning given to it in the *Business Corporations Act* (Ontario).

"**Agreement**" means this Condo Assumption Agreement, as it may be amended, supplemented, restated or otherwise modified from time to time.

"**Builder Agreement**" means the builder agreement dated as of June 2, 2003 between the Builder and 81 CAPITAL, as it may be amended, supplemented, restated or otherwise modified from time to time.

"**Business Day**" means any day other than a Saturday, a Sunday or a day that is a statutory holiday in Ontario.

"**Common Elements**" has the meaning given to it in the Act.

"Condo" means such condominium or condominiums as may be established under the Act on the Lands.

"Condo Fees" means the contribution towards common expenses of the Condo by the Owners.

"Condo Lien" means the lien created under the Act in favour of the Condo Corp for unpaid contributions from the Owners towards the common expenses of the Condo.

"Condo Unit" means a unit (as defined in the Act) in the Condo.

"Declaration" has the meaning given to it in the Act.

"Default" means an event that, with the giving of notice or passage of time or both, would constitute an Event of Default.

"Description" has the meaning given to it in the Act.

"Equipment" means all equipment and other property forming the subject matter of the Lease and includes all present and future attachments, replacements, parts, substitutions, additions and accessories relating to such equipment and other property.

"Event of Default" means the occurrence of one or more of the following events or circumstances:

- (a) the occurrence of an Event of Default (as defined in the Lease); or
- (b) the Condo fails to perform or observe, in any material manner, any of its covenants or obligations contained in this Agreement,

provided that 81 CAPITAL shall have given to the Condo five (5) days' written notice of the default and it has not been remedied within such period.

"include" or "including" means to include without limitation.

"Lands" means Toronto Standard Condominium Corporation No. 1526

"Lease" means the lease agreement dated June 2, 2003 relating to the Condo entered into between 81 CAPITAL, as lessor, and the Builder (or the Condo Corp), as lessee, as it may be amended, supplemented, restated, replaced or otherwise modified from time to time including as may be added to this Agreement by 81 CAPITAL and the Condo Corp as a schedule or by amendment or otherwise identified by 81 CAPITAL and the Condo Corp as forming part of the Lease.

"Lease Payments" means the rent, interest, taxes, costs and other amounts payable by the lessee to the lessor under the Lease.

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"Owner" means an owner (as defined in the Act) of a Condo Unit.

"PPSA" means the *Personal Property Security Act* (Ontario).

"Proportionate Share" means, in respect of a Condo Unit, the proportion specified in the Declaration for sharing the interests in the Common Elements appurtenant to the Condo Unit.

1.2 General

Words importing the singular include the plural and *vice versa*. Words importing gender include all genders including the neuter gender. The division of this Agreement into sections and headings is for convenience only and such division and headings shall not affect the interpretation or construction of this Agreement. Any reference in this Agreement to any statute shall, unless otherwise expressly stated, be deemed to be a reference to such statute, as amended, renamed, restated or re-enacted or replaced from time to time (and includes all regulations from time to time made under such statute). This Agreement shall be governed by the laws of Ontario.

ARTICLE 2 ASSIGNMENT AND ASSUMPTION OF LEASE

2.1 Assignment

The Builder assigns to the Condo Corp all of the Builder's interest, both at law and in equity, in the Lease and the Equipment, together with all rights, benefits and advantages to be derived from them, including the unexpired residue of the term of years granted in the Lease and in any option to purchase contained in the Lease.

2.2 Builder's Covenants

The Builder covenants and represents to the Condo Corp and 81 CAPITAL that, with respect to the Lease and the Equipment:

- (a) the Builder has good right, power and authority to assign its interest in the Lease and the Equipment as set out in this Agreement, and such interest is free of all liens, charges and encumbrances and any other adverse interest or claim (other than encumbrances in favour of 81 CAPITAL or mortgagees who have postponed to 81 CAPITAL in form satisfactory to 81 CAPITAL acting reasonably);
- (b) the Lease is valid and subsisting, is in full force and has not been amended or modified; and
- (c) the Lease is in good standing, neither 81 CAPITAL nor the Builder is in default under the Lease and there is no dispute between them with respect to the Lease or the Equipment.

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2.3 81 CAPITAL's Covenants

81 CAPITAL covenants and represents to the Condo Corp and the Builder that, with respect to the Lease and the Equipment, as far as it is aware:

- (a) the Lease is valid and subsisting, is in full force and has not been amended or modified; and
- (b) the Lease is in good standing, neither 81 CAPITAL nor the Builder is in default under the Lease and there is no dispute between them with respect to the Lease or the Equipment.

2.4 Condo Corp's Covenants

The Condo Corp covenants with the Builder and 81 CAPITAL that the Condo Corp shall, during the balance of the term granted by the Lease and every renewal of it (if any), pay the Lease Payments and perform all of the other obligations of the lessee under the Lease as of and from the date of this Agreement in the same manner and with the same effect as if the Condo Corp had been the original lessee under the Lease (which liability of the Condo shall be joint and several with that of the Builder), and indemnify 81 CAPITAL against all actions, suits, costs, losses, charges, damages and expenses in respect of any default in doing the foregoing.

2.5 Builder's Liability

(1) The Builder covenants with 81 CAPITAL that the Builder shall be and remain liable for, and indemnify 81 CAPITAL from, all actions, suits, costs, losses, charges, damages and expenses for or in respect of all of the covenants, terms and conditions to be observed and performed by the Condo Corp under this Agreement whenever arising and such liability of the Builder shall be joint and several with that of the Condo.

(2) Despite Section 2.5(1), the Builder shall be automatically released (and, on request, shall be entitled to a partial release, the reasonable expenses of which shall be paid by the Builder) in respect of the Proportionate Share attributable to a particular Condo Unit of the Lease Payments (and other obligations under the Lease to the extent only that they are attributable to the Equipment in such Condo Unit) and to a partial discharge of 81 CAPITAL's notice of security interest, if any, registered, against such Condo Unit if, after the Condo has been established:

- (a) the Builder has completed a sale of such Condo Unit to a purchaser at Arm's Length from the Builder; and
- (b) no Default or Event of Default exists at the time the sale is completed.

2.6 81 CAPITAL's Consent

81 CAPITAL consents to the assignment made under this Agreement by the Builder to the Condo Corp, reserving 81 CAPITAL's rights under the Lease with respect to, among other things, the necessity of obtaining prior written consent to any future assignment of it and

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provided that nothing in this Agreement shall release the Builder from any of its obligations under the Lease (subject to the provisions in the Builder Agreement relating to such release).

ARTICLE 3 CONDO

3.1 Fixtures

The parties agree that the Equipment shall constitute personal property until it is installed, and upon installation shall constitute fixtures, but in no event shall it constitute building materials. "Fixtures" and "building materials" have the meaning given to them for the purposes of the PPSA.

3.2 Notice of Security Interest

81 CAPITAL shall be entitled to register against the Lands notice of, or other document evidencing, its security interest arising under the Lease or this Agreement regarding the Equipment.

3.3 Declaration and Description

The Builder and Condo Corp, jointly and severally, represent and warrant to 81 CAPITAL that:

- (a) the recitals above (under the heading "Background") are true; and
- (b) the Declaration and Description of the Condo in the forms as registered have not been amended and, to the extent within the control of the Builder, shall not be amended in any way that affects the interest of 81 CAPITAL or the Equipment without the prior written consent of 81 CAPITAL.

3.4 Payments and Security

The Condo Corp:

- (a) shall include the Lease Payments in the Condo Fees levied monthly by it; and
- (b) obtain and deliver to 81 CAPITAL from the lawyer for the Condo (who may be in-house counsel) a comfort letter substantially in the form attached as **Schedule A** hereto attached to this Agreement.

3.5 Remedies etc.

The rights and remedies of 81 CAPITAL under this Agreement: are cumulative; may be exercised as often and in such order as 81 CAPITAL considers appropriate; are in addition to its rights and remedies under the general law; and, shall not be capable of being waived or varied except by an express waiver or variation in writing signed by an officer of 81 CAPITAL.

ARTICLE 4 NOTICES

4.1 Notices

(1) Any notice or other communication required or permitted to be given under this Agreement (a "**notice**") shall be in writing and shall be given by registered mail (except during an actual or threatened postal disruption), personal delivery or by fax to the applicable address set out below:

(a) If to the Builder:

Suite 1400
4711 Yonge Street,
Toronto, Ontario M2N 7E4

Attention: Mark Karam, Vice-President, Legal and Corporate
Fax No.: (416) 491-3155

(b) If to the Condo Corp:

C/O Brookfield Residential Services Ltd.
3190 Steeles Avenue East, Suite 200
Markham, Ontario L3R 1G9

Attention: Sandro Zuliani
Fax No.: (416) 510-8880

(c) If to 81 CAPITAL:

8500 Leslie Street
Suite 310
Thornhill, Ontario
L3T 7M8

Attention: Legal Department
Fax No.: (905) 738-3855

(2) Any notice: if sent by registered mail, shall be deemed to have been given and received on the fourth Business Day after it was mailed; if delivered, shall be deemed to have been given and received on the date of delivery; and, if sent by fax, shall be deemed to have been given and

received on the date of transmission unless such date is not a Business Day in which case such notice shall be deemed to have been given and received on the next following Business Day.

(3) By giving to the other party at least 10 days' Notice, any party may, at any time and from time to time, change its address for delivery or communication for the purposes of this Section.

ARTICLE 5 GENERAL

5.1 Enurement

This Agreement is made personally with the Builder and with the Condo Corp and shall not be assigned by either of them except with the prior written consent of 81 CAPITAL, which will not be unreasonably withheld. 81 CAPITAL may sell, assign or otherwise dispose of, or grant a security interest or other encumbrance in, all or any portion of 81 CAPITAL's right, title or interest in this Agreement or any part thereof to anyone else, without the consent of or notice to the Builder or the Condo Corp. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the parties and their respective permitted, as applicable, successors and assigns.

5.2 Waiver

A waiver of any default, breach or non-compliance under this Agreement shall not be not effective unless in writing and signed by the party to be bound by the waiver. The waiver by a party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

5.3 Severability

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

5.4 Further Assurances

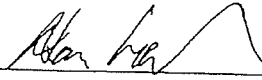
Each party to this Agreement shall do such further things and execute such further documents as may be reasonably required by the other party to more fully implement the intent of this Agreement.

5.5 Counterparts

This Agreement may be executed in any number of counterparts and may be delivered by facsimile and all of such counterparts taken together and so delivered shall be deemed to constitute one and the same instrument.

THE PARTIES have executed this Agreement as of the date first written above.

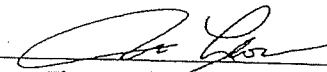
SPECTRUM TWO RESIDENCES INC.


By: 
Name: ALAN MENKES
Title: PRESIDENT

By: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation.


**Toronto Standard Condominium Corporation
No. 1526**

By: 
Name: JIM LEON
Title: TREASURER

By: 
Name: JULIE PREVOST
Title: SECRETARY

I/We have the authority to bind the Corporation.

81 CAPITAL INC.

By: 
Name: John Nassar
Title: Vice President

I/We have the authority to bind the Corporation.

THIS LEASE AGREEMENT (together with any addenda, amendments and schedules made or attached to it from time to time, "this Lease" dated as of June 2, 2003 between 81 CAPITAL INC. ("81 CAPITAL") and SPECTRUM TWO RESIDENCES INC. ("Lessee").

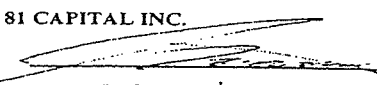

BACKGROUND:

A. 81 CAPITAL wishes to lease to Lessee the equipment and other personal property described or referred to in Schedule A (collectively, together with all accessories and other items attached thereto or supplied therewith and all parts, additions, attachments and accessions now or hereafter incorporated therein or affixed thereto, the "Equipment") located at the location identified in Schedule A (the "Equipment Location"), and Lessee wishes to lease the Equipment, on the terms and conditions of this Lease.

IN CONSIDERATION of the mutual covenants contained herein, the parties agree as follows:

1. **Lease of Equipment.** Subject to the provisions contained in this Lease, 81 CAPITAL leases to Lessee, and Lessee leases from 81 CAPITAL, the Equipment in an "as is" condition.
2. **Term.** This Lease becomes effective on the date of its execution by the parties. The term of this Lease will start on the date specified in Schedule A as being the Start Date and, unless terminated earlier or renewed in accordance with the provisions of this Lease, will continue to the Scheduled Lease End (as specified in Schedule A). Lessee acknowledges that it has inspected or caused to be inspected the Equipment and that the Equipment has been delivered and installed and is in good condition and operating order and has been accepted for all purposes of this Lease. This Lease cannot be cancelled or terminated, except as expressly provided in this Lease.
3. **Payments.** The amount payable each month by Lessee to 81 CAPITAL during the term of this Lease will be in the amount or amounts specified in Schedule A as being the Lease Payment (the "Lease Payment"). Lessee shall pay 81 CAPITAL the Lease Payment on the Lease Payment Commencement Date (as specified in Schedule A) and on the same date of each following month (or on the last day of the month if there is no such date). Lessee shall also pay 81 CAPITAL interim rent in the amount(s) and on the date(s) specified in Schedule A. Lessee's obligation to pay any Lease Payment or any other amounts under this Lease shall be absolute and unconditional under all circumstances and will not be affected or reduced in any way for any reason. Lessee must make all payments (including all Lease Payments) owing under this Lease in full when due, without any condition, deduction, set-off, abatement, hold back or claim for compensation whatsoever. Interest at the rate of 18% per annum shall be payable, both before and after default and judgment, on all unpaid amounts under this Lease, from their due date until paid. Lessee further agrees to pay 81 CAPITAL a returned cheque or non-sufficient funds charge (an "NSF Charge") to reimburse 81 CAPITAL for its time and expense incurred with respect to any payment required under this Lease that is dishonoured for any reason, such NSF Charge being equal to the greater of \$25.00 and the actual bank charges to 81 CAPITAL plus any other amounts allowed by law. Lessee authorizes 81 CAPITAL to make withdrawals from the account identified in the attached sample cheque or in any sample cheque delivered by Lessee to 81 CAPITAL from time to time pursuant to this Lease for payment of all amounts due under this Lease. Lessee directs the financial institution at which such account is located to debit such account for such withdrawals and such financial institution has no duty to determine whether withdrawals or debits from Lessee's account comply with such authorization. If Lessee's branch address or account information changes, Lessee will provide to 81 CAPITAL prompt written notice thereof, together with a sample cheque for Lessee's new account marked "VOID".
4. **Title.** Until payment in full of all amounts owing under this Lease (including all Lease Payments and all other amounts owing by Lessee under this Lease), ownership of and title to the Equipment will remain with 81 CAPITAL. If at any time Lessee acquires any personal property which thereafter forms part of the Equipment (such as any parts or additions to the Equipment), title thereto will automatically transfer to 81 CAPITAL without the need for any documents of transfer (and Lessee hereby sells such property to 81 CAPITAL), but Lessee will execute such documents as 81 CAPITAL may reasonably request in order to evidence the transfer of title thereto to 81 CAPITAL free and clear of all liens, security interests or other encumbrances. Lessee and 81 CAPITAL agree that (i) the Equipment are "fixtures" and not "building materials" within the meaning given to such terms for purposes of the *Personal Property Security Act* (Ontario) and (ii) the Equipment shall remain removable property (without the need for any other party's consent or waiver to allow 81 CAPITAL to remove it) even though it may become affixed to real property. Lessee acknowledges and agrees that 81 CAPITAL may, at Lessee's expense, register the security interest provided for under this Lease against Lessee and title to the lands where the Equipment is to be located.
5. **Equipment Selection; Warranties and Limit of Liability.** Lessee acknowledges that (i) 81 CAPITAL has purchased the Equipment solely at the request and in accordance with the instructions of Lessee for the purposes of this Lease, (ii) Lessee has selected the Equipment and its supplier and/or manufacturer and has not relied on the skill or judgment of 81 CAPITAL in any way in selecting the Equipment, and (iii) 81 CAPITAL has not made or given and does not hereby make or give any warranties, representations or conditions of any kind whatsoever with respect to the Equipment or this Lease (whether express, implied, statutory or otherwise), including any relating to: the merchantability of the Equipment or its quality or fitness for any particular purpose; the durability, safety, condition, capability or suitability of the Equipment or its workmanship; compliance of the Equipment with the requirements of any law, rule, specification, insurance policy or other contract; patent infringement; its freedom from any lien, security interest or other encumbrance; or latent or patent defects. If Lessee encounters any problems with the Equipment, including if it is not properly installed, does not operate as intended by Lessee or as represented by the supplier and/or manufacturer thereof or totally fails to function or perform in whole or in part, or the Equipment is unacceptable for any reason, Lessee's only claim will be against such supplier and/or manufacturer and Lessee agrees that 81 CAPITAL will not be liable to Lessee for any damages whatsoever relating to the Equipment. All warranties of the supplier and/or manufacturer in respect of the Equipment are hereby transferred by 81 CAPITAL to Lessee, to the extent transferable and only for and during the term of this Lease (including any renewal thereof). Lessee acknowledges that where any consent to or approval of such transfer is required, it will be the responsibility of Lessee to obtain such consent or approval from each such supplier and/or manufacturer and, so long as no Event of Default (as defined in Section 15) has occurred, 81 CAPITAL will provide reasonable assistance in that regard, at the expense of Lessee. If, after making commercially reasonable efforts, Lessee is not able to obtain from any such supplier or manufacturer the required consent or approval, then 81 CAPITAL agrees to provide reasonable assistance to Lessee, if requested to do so by Lessee in writing and at the expense of Lessee, in Lessee's enforcement of its claim against such supplier or manufacturer, provided that 81 CAPITAL shall not be required to provide any assistance to Lessee if an Event of Default (as defined in Section 15) has occurred or if Lessee does not have, in the sole determination of 81 CAPITAL (acting reasonably), the financial ability to pay 81 CAPITAL's expenses and any other amounts payable by Lessee under the indemnity in Section 8.
6. **Location and Condition of Equipment.** Lessee agrees to keep the Equipment at the Equipment Location. Lessee agrees to allow 81 CAPITAL the right to inspect the Equipment including its condition and its state of repair and maintenance and the records maintained in connection with the Equipment at any time, and to allow 81 CAPITAL reasonable access to the Equipment Location (including, for greater certainty, any premises at the Equipment Location in which any of the Equipment is located) and the Equipment for such purposes. Lessee shall not sell, transfer or otherwise dispose of the Equipment, except as expressly permitted in accordance with the Builder Agreement (as defined in Schedule A). Lessee agrees to keep the Equipment free and clear of all liens, security interests and encumbrances of every kind. Lessee shall be responsible for arranging for the delivery and installation of the Equipment at its own expense and shall, at its own expense, keep the Equipment in as good a condition as when delivered, reasonable wear and tear excepted. Lessee shall not make any alterations, modifications or additions to the Equipment, without the prior written consent of 81 CAPITAL.
7. **Scope of Work; Maintenance.** 81 CAPITAL will not be required to do any work or provide any services related to the Equipment under this Lease. Lessee shall enter into, at its own expense, and maintain in effect for the term of this Lease (including any renewal thereof) a maintenance contract with the manufacturer or with a reputable service company, which is acceptable to 81 CAPITAL in its sole discretion, acting reasonably. Lessee will deliver to 81 CAPITAL a complete copy of such maintenance contract and all supporting documents relating thereto.
8. **Operation of Equipment; Indemnity.** Lessee assumes all risks and liability for the Equipment. Lessee agrees to indemnify and save 81 CAPITAL and its successors and assigns harmless from any and all expenses, claims and damages, however caused, arising out of, or resulting from (i) the selection, delivery, installation, possession, lease, use, operation, purchase or return of the Equipment, (ii) any personal injury or death or damage to property caused by any of the Equipment, (iii) the failure by Lessee to provide and maintain or cause to be provided and maintained insurance required by this Lease, (iv) rejection by Lessee of any of the Equipment (with or without cause) or (v) assisting Lessee in enforcing any claims against the supplier and/or manufacturer of any of the Equipment. This indemnification will survive termination of this Lease.
9. **Legal Compliance and Taxes.** Lessee will comply with, and will use and maintain the Equipment according to, the manufacturer's specifications and all other requirements under applicable law and any insurance policies relating to the Equipment and its proper operation and maintenance, including all conditions to maintaining any warranties in effect and any requirements with regard to surroundings, furnishings and electrical wiring. Except as otherwise specifically provided herein, Lessee shall pay when due all taxes and other charges of any kind whatever now or in the future imposed by any government or public authority or agency related to the lease, possession, use, operation or maintenance of the Equipment. Lessee's obligations under this Section will survive the expiration or termination of this Lease.
10. **Licenses.** At all times during the term of this Lease, including any renewal thereof, Lessee shall maintain in full force and effect all certificates, licenses, registrations, permits and authorizations required by applicable law to be maintained in respect of the use or operation of the Equipment.
11. **Insurance.** During the term of this Lease, including any renewal thereof, Lessee shall maintain insurance covering the Equipment and against third party liability (including liability imposed on 81 CAPITAL or Lessee for injury to, or death of, persons, or damage to or destruction of property), including extended warranty insurance for the Equipment. Lessee shall maintain all such insurance at its own expense except, in the case of extended warranty insurance, where Schedule A indicates that the expense thereof has been included in the Lease Payment. The insurance shall be in amounts, in form and with insurers acceptable to 81 CAPITAL. Each insurance policy shall name 81 CAPITAL and its successors and assigns as additional insureds and first loss payees and shall contain a clause requiring the insurer(s) thereof to give 81 CAPITAL at least 30 days' prior written notice of a revision to its provisions or of its cancellation and shall stipulate that the insurance, as to the interests of 81 CAPITAL and its successors and assigns, shall not be invalidated by any act or omission of Lessee. Lessee hereby appoints 81 CAPITAL as its agent and attorney to make claims and receive payment in accordance with the provisions of such policies. So long as no Event of Default (as defined in Section 15) has occurred, proceeds of insurance (other than extended warranty insurance) shall, at the option of 81 CAPITAL, be disbursed against satisfactory invoices for repair or replacement of the affected Equipment or shall be retained by 81 CAPITAL for application against Lessee's obligations under this Lease and if the insurance proceeds received are less than the Casualty Value (as defined below), Lessee shall pay on demand to 81 CAPITAL the full amount of such deficiency. The total or partial loss of the Equipment for any reason whatsoever or its use or possession shall not relieve Lessee of its obligations and liabilities under this Lease.
12. **Equipment Risks.** If the Equipment or any part thereof which, in 81 CAPITAL's opinion, is material, is lost, damaged beyond repair, destroyed, stolen, condemned, confiscated, seized or expropriated at any time during the term of this Lease or any renewal thereof, Lessee shall notify 81 CAPITAL of that event and, unless 81 CAPITAL specifies otherwise in writing, will immediately on demand pay to 81 CAPITAL the Casualty Value less the net amount of any insurance proceeds paid to 81 CAPITAL as a result of the occurrence of any such event. "Casualty Value" means an amount equal to the present value of all unpaid and future Lease Payments

- due under this Lease to the Scheduled Lease End or the expiry of any renewal period, as applicable, discounted at a rate per annum equal to 5% per annum, plus all other amounts owing by Lessee under this Lease.
13. **Representations and Warranties.** Lessee represents and warrants to 81 CAPITAL that: (a) it is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and it has the power and capacity to enter into the transactions contemplated by this Lease; (b) this Lease has been duly authorized by all necessary corporate action on the part of Lessee, has been duly executed and delivered on its behalf by its proper officers duly authorized in that regard, and constitutes a legal, valid and binding obligation of Lessee, enforceable against it in accordance with its terms; (c) the execution, delivery and observance and performance of this Lease does not and will not result in a breach of, constitute a default under, or contravene any provision of, the articles or by-laws of Lessee, any law or any judgment, decree or order applicable to Lessee or any agreement to which it is bound or result in the creation of any lien, security interest or other encumbrance in the property or assets of Lessee; (d) there are no actions, suits or proceedings pending or, to the knowledge of Lessee, threatened in any court or tribunal or before any competent authority against Lessee or any of its property or assets; and (e) all financial information provided at any time by Lessee to 81 CAPITAL, including any financial statements, are accurate and complete.
14. **Renewal; Purchase of Equipment.** This Lease shall be automatically renewed on a continuing month-to-month basis at the Scheduled Lease End on the same terms as during the term of this Lease (except as modified by this Section). Lessee shall pay 81 CAPITAL an amount equal to the amount of the Lease Payment in effect during the last month of the term of this Lease for each month or part of a month beyond the Scheduled Lease End. Lessee may terminate this automatic renewal upon 30 days' prior written notice to 81 CAPITAL that Lessee wishes to purchase all, but not less than all, of the Equipment and specifying in such notice the date on which Lessee wishes to complete the purchase of the Equipment (the "Purchase Date"), which Purchase Date must be the last business day of a month and must occur not less than 30 days after receipt by 81 CAPITAL of such written notice. The purchase price for the Equipment (the "Purchase Price") shall be \$1.00 plus the Administration Fee (as specified in Schedule A) plus all applicable taxes thereon. After payment of the Purchase Price and all other amounts owing by Lessee under this Lease, and provided that no Event of Default has occurred, 81 CAPITAL shall sell the Equipment to Lessee on the Purchase Date on an "as is, where is" basis, without any recourse, representation, warranty or condition from 81 CAPITAL (whether express, implied, statutory or otherwise) except that the Equipment is being sold by 81 CAPITAL to Lessee free and clear of any security interest created by 81 CAPITAL.
15. **Events of Default.** The occurrence or happening of any one or more of the following events will constitute an "Event of Default" under this Lease:
- (a) if Lessee fails to pay any Lease Payment or any other amount owing under this Lease on its due date;
 - (b) if Lessee removes or attempts to remove any part of the Equipment from the Equipment Location without 81 CAPITAL's consent in writing;
 - (c) if Lessee encumbers or transfers ownership or sublets any part of the Equipment without 81 CAPITAL's consent, except as expressly permitted in accordance with the Builder Agreement (as defined in Schedule A);
 - (d) if Lessee fails to observe any other terms or conditions of this Lease;
 - (e) a proceeding is started by or against Lessee under any bankruptcy, insolvency, winding-up or other similar law, or Lessee becomes bankrupt or insolvent, or if any creditor or any government authority seizes any of the Equipment;
 - (f) a writ, execution, attachment or similar process is issued or levied against any Equipment or a substantial part of Lessee's property;
 - (g) if Lessee is a corporation, Lessee amalgamates with any other corporation without 81 CAPITAL's written consent, or if any action is taken to wind-up, liquidate or dissolve Lessee;
 - (h) if any representation or warranty made or deemed to have been made by Lessee in this Lease or in any other document or certificate furnished to 81 CAPITAL with or pursuant to this Lease, is at any time untrue or incorrect;
 - (i) 81 CAPITAL, acting in good faith and upon commercially reasonable grounds, believes that the prospect of payment or performance of any of Lessee's obligations under this Lease is or is about to be impaired or that any part of the Equipment is or is about to be placed in jeopardy; or
 - (j) the occurrence of an Event of Default under and as defined in the Builder Agreement (as defined in Schedule A).
16. **Remedies Upon Default.** If any Event of Default occurs, 81 CAPITAL may terminate this Lease and/or, in addition to any other right or remedy it may have at law, in equity, under any other agreement or otherwise, may, without notice except as required by applicable law, do any or all of the following, separately or together, in any order or combination:
- (a) **Repossession.** 81 CAPITAL may enter wherever the Equipment is located (or 81 CAPITAL believes that it is located) and repossess and remove it (if necessary, disconnecting it from any other property) and Lessee waives any claim for any damages to property or otherwise arising from such repossession.
 - (b) **Sell or Dispose.** Without terminating or being deemed to have terminated this Lease, 81 CAPITAL may sell, lease or otherwise dispose of the Equipment or any part thereof, at public or private sale, lease or other disposition, for cash or credit for such amounts and upon such terms as 81 CAPITAL may reasonably determine. 81 CAPITAL will apply the net proceeds from any sale, lease or other disposition of the Equipment (after 81 CAPITAL has deducted all costs and expenses incurred by 81 CAPITAL in enforcing its rights and remedies hereunder) against all or any of Lessee's obligations under this Lease.
 - (c) **Recover Arrears.** 81 CAPITAL may sue for arrears of any Lease Payment and any other amount owing by Lessee under this Lease.
 - (d) **Damages for Termination.** 81 CAPITAL may require Lessee to pay immediately on demand damages suffered by 81 CAPITAL as a result of the termination of this Lease. These damages will be equal to the Casualty Value plus all costs and expenses (including legal costs on a solicitor and own client basis) incurred by 81 CAPITAL in enforcing the terms of this Lease. Lessee acknowledges and agrees that such damages are a genuine pre-estimate of 81 CAPITAL's liquidated damages for loss of a bargain and are not a penalty.
17. **Provincial Waivers.** To the extent permitted by law, Lessee waives the benefit and protection of any legislation that restricts or limits the rights or remedies of 81 CAPITAL under this Lease.
18. **Assignment.** 81 CAPITAL may sell, assign, transfer, concurrently lease or otherwise dispose of, or grant a security interest or other encumbrance in, (collectively, a "Transfer") all or any portion of 81 CAPITAL's right, title or interest in the Equipment or this Lease or any part thereof to anyone else (a "Transferee") without the consent of or notice to Lessee. Lessee hereby consents to the delivery by 81 CAPITAL to any Transferee or prospective Transferee of such information concerning Lessee as may be in 81 CAPITAL's possession and may be requested by such Transferee or prospective Transferee. Without 81 CAPITAL's consent, the rights and obligations of Lessee under this Lease are not assignable by Lessee, provided that Lessee may assign its rights under this Lease to any condominium corporation incorporated pursuant to applicable law for purposes of establishing the Equipment Location as a condominium if such condominium corporation has agreed to assume, in a manner satisfactory to 81 CAPITAL, all obligations of Lessee under this Lease. Subject to the foregoing, this Lease is binding and will enure to the benefit of the parties and their respective successors and permitted assigns, as applicable.
19. **Notices.** Any notice that 81 CAPITAL sends to Lessee under this Lease and any demand for payment will be conclusively considered to have been received by Lessee (a) when 81 CAPITAL delivers or sends by facsimile the notice or demand to Lessee or (b) on the 10th day after 81 CAPITAL mails it to Lessee, at the latest address 81 CAPITAL has for Lessee in its records.
20. **Miscellaneous.** All of Lessee's obligations under this Lease shall survive the termination of this Lease to the extent required for their full performance and observation. This Lease, the Builder Agreement (as defined in Schedule A) and the documents contemplated therein contain the entire agreement between Lessee and 81 CAPITAL and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. No waiver by 81 CAPITAL of any default under this Lease or any of 81 CAPITAL's rights or remedies shall be effective unless in writing. Any such waiver is not a waiver by 81 CAPITAL of any other later default, whether similar or not, or a waiver of 81 CAPITAL's right to exercise its rights or remedies in the future. Any provision of this Lease which is unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions of this Lease. The captions, titles and section number appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of this Lease or its effect. No change or amendment to this Lease will be effective unless in writing and signed by both 81 CAPITAL and Lessee, except that Lessee authorizes 81 CAPITAL to correct patent errors and to complete (or attach to Schedule A) after the date of this Lease additional descriptive material in respect of all or any of the Equipment, including serial numbers. Lessee will provide all necessary further assurances, do all acts and sign all documents as 81 CAPITAL may require from time to time to give effect to this Lease and to protect 81 CAPITAL's rights hereunder. Lessee will deliver Lessee's audited financial statements to 81 CAPITAL within 120 days of the expiry of each fiscal year of Lessee and will deliver such other financial information regarding Lessee as 81 CAPITAL may from time to time request. If Lessee fails to perform any obligation under this Lease, 81 CAPITAL may, at its option, perform the obligation, without waiving or curing any breach of this Lease from such failure, and Lessee shall reimburse 81 CAPITAL upon demand for all costs and expenses incurred by 81 CAPITAL in doing so. Time is of the essence of this Lease. Lessee acknowledges receiving an executed copy of this Lease. If more than one person has signed this Lease as Lessee or has become bound by this Lease as Lessee, their liability under this Lease will be joint and several. Any reference in this Lease to "including" means "including, without limitation".
21. **Governing Law.** This Lease will be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein.
22. **Paramountcy.** If there is any conflict between the provisions of this Lease and the provisions of the Builder Agreement (as defined in Schedule A), the provisions of such Builder Agreement shall prevail, provided that the presence of a provision in this Lease and the absence of that provision in such Builder Agreement shall not be construed as a conflict between such Builder Agreement and this Lease with respect to that provision.

LESSOR: 81 CAPITAL INC. By:  Name/Title: <u>S. P. [Signature]</u>	LESSEE: SPECTRUM TWO RESIDENCES INC. By:  Name/Title: <u>ALAN MENKES</u> <u>PRESIDENT</u>
ATTACH LESSEE'S CHEQUE MARKED "VOID"	

Schedule A to Lease Agreement dated June 2, 2003 (the "Lease") between 81 CAPITAL INC., as lessor, ("81 CAPITAL") and SPECTRUM TWO RESIDENCES INC., as lessee, ("Lessee")

This Schedule A (as amended, modified or replaced from time to time, "this Schedule") is attached to and incorporated into the Lease. Capitalized terms used and not defined in this Schedule A will have the meanings given to them in the Lease.

1. Description of Equipment.

See Schedule B attached.

2. Equipment Location. The Equipment will be located at 28 Harrison Garden Blvd., North York, Ontario.

3. Term and Rental Provisions.

Start Date: June 16, 2003.

Lease Payment Commencement Date: June 16, 2003, followed by Lease Payments on the 1st day of each month.

Scheduled Lease End: 182 months from the Lease Payment Commencement Date

Lease Payment: \$9,186.34 per month plus all applicable taxes thereon, payable in accordance with the provisions of the Lease; provided that the Lease Payment on June 16th, 2003 is \$2,477.66 plus all applicable taxes and the Lease Payment on July 1st, 2003, is \$4,955.32 plus all applicable taxes with all subsequent monthly payments at \$9,186.34 per month plus all applicable taxes thereon.

Administration Fee: \$200.00 (only payable if purchase option exercised – see Section 14 of the Lease)

Expense of Extended Warranty Insurance included in Lease Payment:

_____ No _____ (specify Yes or No, as applicable)

Interim Rent Payable:

_____ No _____ (specify Yes or No, as applicable)

4. Interim Rent. If paragraph 3 above indicates that interim rent is payable under the Lease, then Lessee shall pay 81 CAPITAL on the Lease Payment Commencement Date interim rent with respect to the Equipment in an amount equal to (i) 1/30th of the Lease Payment due on the Lease Payment Commencement Date, multiplied by (ii) the number of days in the period from and including the Start Date to and excluding the Lease Payment Commencement Date.

5. Builder Agreement. For the purpose of the Lease, "Builder Agreement" means a builder agreement dated as of June 2, 2003 between Lessee and 81 CAPITAL, as it may be amended, supplemented, restated or otherwise modified from time to time.

LESSOR: 81 CAPITAL INC. By: _____ Name: John Nassar Title: Vice President	LESSEE: SPECTRUM TWO RESIDENCES INC. By: _____ Name: ALAN MENKES Title: PRESIDENT
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Schedule B to Lease Agreement dated June 2, 2003 (the "Lease") between 81 CAPITAL INC., as lessor, ("81 CAPITAL") and SPECTRUM TWO RESIDENCES INC., as lessee, ("Lessee")

This Schedule B (as amended, modified or replaced from time to time, "this Schedule") is attached to and incorporated into the Lease. Capitalized terms used and not defined in this Schedule B will have the meanings given to them in the Lease.

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1. Description of Equipment.

No.	Quantity	Description	Serial No.
1	66	Magic Pak 26HWC123A	As per the attached list
2	109	Magic Pak 38HWC183A	As per the attached list
3	42	Magic Pak 51HWC243A	As per the attached list
4	26	Magic Pak 64HWC303A	As per the attached list
5	243	Wall Sleeve CA239-1	N/a
6	206	Architectural Louvre ALVR-42R	N/a
7	243	Thermostat T8034C1515	N/a
8	243	1/2" Shut Off Valves PGC050	N/a
9	1	Make up Air Unit FWB755/DG380	N/a
10	1	Boiler & Hot Water Heater	As per the attached list
11	2	Hot Water Storage Tanks	As per the attached list
12	2	Storage Tanks	As per the attached list

LESSOR:

81 CAPITAL INC.

By:

Name:

Title:

LESSEE:

SPECTRUM TWO RESIDENCES INC.

By:

Name:

Title:

ALAN MENKES
PRESIDENT

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The Spectrum II Ref. # WORKING COPY SUITES NOT VERIFIED				
Suite #	Model #	Serial #	Inspection date	Comments
101	51HWC243A	S8402M12261		
Dining	26HWC123A	S8403A10196		
Exercise Rm	64HWC303A	S8402M16173		
Mgmt 1	26HWC123A	S8403A10201		
Mail room	64HWC303A	S8402M14398		
Party Rm.	64HWC303A	S8402M14397		
Hobby 1	26HWC123A	S8403A10195		
Hobby 2	26HWC123A	S8403A10203		
Games 1	64HWC303A	S8402M16168		
201	38HWC183A	S8402K14428		
202	64HWC303A	S8402E10721	26-Mar-03	
203	26HWC123A	S8402K14276	26-Mar-03	
205	38HWC183A	S8402K14429	26-Mar-03	
206	38HWC183A	S8402K14408	26-Mar-03	
207	38HWC183A	S8402K14434	26-Mar-03	
208	51HWC243A	S8401K15796	26-Mar-03	
209	26HWC123A	S8402K14304	26-Mar-03	
210	38HWC183A	S8402K14350	26-Mar-03	
211	38HWC183A	S8402K14349	26-Mar-03	
212	26HWC123A	S8402K14303	26-Mar-03	
301	38HWC183A	S8402K14348	26-Mar-03	
302	64HWC303A	S8402E10717	26-Mar-03	
303	26HWC123A	S8402D16063	26-Mar-03	
305	38HWC183A	S8402K14401	26-Mar-03	
306	38HWC183A	S8402K14399	26-Mar-03	
307	38HWC183A	S8402K14400	26-Mar-03	
308	51HWC243A	S8402F10794	26-Mar-03	
309	26HWC123A	S8402E16065	26-Mar-03	
310	38HWC183A	S8402K14430	26-Mar-03	
311	51HWC243A	S8402L13898	26-Mar-03	
312	26HWC123A	S8402D16060	26-Mar-03	
501	38HWC183A	S8402K14378	26-Mar-03	
502	64HWC303A	S8402L14048	26-Mar-03	
503	26HWC123A	S8402K14318	26-Mar-03	
505	38HWC183A	S8402K14374	26-Mar-03	
506	38HWC183A	S8402K14380	26-Mar-03	
507	38HWC183A	S8402K14385	26-Mar-03	
508	51HWC243A	S8402L13891	26-Mar-03	
509	26HWC123A	S8402D16076	26-Mar-03	
510	38HWC183A	S8402K14436	26-Mar-03	
511	51HWC243A	S8402L13903	26-Mar-03	
512	26HWC123A	S8402K14273	26-Mar-03	
601	38HWC183A	S8402K14437	26-Mar-03	
602	64HWC303A	S8402L14050	26-Mar-03	
603	26HWC123A	S8402K14274	26-Mar-03	
605	38HWC183A	S8402K14352	26-Mar-03	
606	38HWC183A	S8402K14376	26-Mar-03	
607	38HWC183A	S8402K14425	26-Mar-03	
608	51HWC243A	S8402L13899	26-Mar-03	
609	26HWC123A	S8402K14334	26-Mar-03	
610	38HWC183A	S8402K14405	26-Mar-03	
611	51HWC243A	S8401J24745	26-Mar-03	
612	26HWC123A	S8402K14275	26-Mar-03	
701	38HWC183A	S8402K14410	27-Mar-03	

702	64HWC303A	S8402L14049	27-Mar-03
703	26HWC123A	S8402K14278	27-Mar-03
705	38HWC183A	S8402K14404	27-Mar-03
706	38HWC183A	S8402K14394	27-Mar-03
707	38HWC183A	S8402K14388	27-Mar-03
708	51HWC243A	S8402L13890	23-Apr-03
709	26HWC123A	S8402K14279	23-Apr-03
710	38HWC183A	S8402K14277	27-Mar-03
711	51HWC243A	S8402L13882	27-Mar-03
712	26HWC123A	S8402K14409	27-Mar-03
801	38HWC183A	S8402K14417	27-Mar-03
802	64HWC303A	S8402L14047	27-Mar-03
803	26HWC123A	S8402K14337	23-Apr-03
805	38HWC183A	S8402K14418	23-Apr-03
806	38HWC183A	S8402K14398	27-Mar-03
807	38HWC183A	S8402K14396	27-Mar-03
808	51HWC243A	S8402L13893	27-Mar-03
809	26HWC123A	S8402K14333	27-Mar-03
810	38HWC183A	S8402K14389	27-Mar-03
811	51HWC243A	S8402L13892	27-Mar-03
812	26HWC123A	S8402K14335	27-Mar-03
901	38HWC183A	S8403A10283	27-Mar-03
902	64HWC303A	S8402M14384	27-Mar-03
903	26HWC123A	S8403A10199	23-Apr-03
905	38HWC183A	S8403A10275	27-Mar-03
906	38HWC183A	S8403A10276	27-Mar-03
907	38HWC183A	S8403A10278	27-Mar-03
908	51HWC243A	S8402M14205	27-Mar-03
909	26HWC123A	S8403A10202	27-Mar-03
910	38HWC183A	S8403A10279	27-Mar-03
911	51HWC243A	S8402M14261	27-Mar-03
912	26HWC123A	S8402M13884	27-Mar-03
1001	38HWC183A	S8403A10283	
1002	64HWC303A	S8402M14392	23-Apr-03
1003	26HWC123A	S8403A10200	23-Apr-03
1005	38HWC183A	S8403A10282	23-Apr-03
1006	38HWC183A	S8403A10281	23-Apr-03
1007	38HWC183A	S8403A10266	23-Apr-03
1008	51HWC243A	S8402M12260	23-Apr-03
1009	26HWC123A	S8402m15973	
1010	38HWC183A	S8403A10272	23-Apr-03
1011	51HWC243A	S8402M14262	23-Apr-03
1012	26HWC123A	S8402M14442	23-Apr-03
1101	38HWC183A	S8403A10277	23-Apr-03
1102	64HWC303A	S8402M14383	23-Apr-03
1103	26HWC123A	S8402M13885	23-Apr-03
1105	38HWC183A	S8402M14100	23-Apr-03
1106	38HWC183A	S8403A10280	23-Apr-03
1107	38HWC183A	S8403A10269	23-Apr-03
1108	51HWC243A	S8402M12258	23-Apr-03
1109	26HWC123A	S8402M13886	23-Apr-03
1110	38HWC183A	S8402M14101	23-Apr-03
1111	51HWC243A	S8402M14260	23-Apr-03
1112	26HWC123A	S8402M13883	23-Apr-03
1201	38HWC183A	S8402M13943	23-Apr-03
1202	64HWC303A	S8402M16172	23-Apr-03
1203	26HWC123A	S8403A10204	23-Apr-03



1205	38HWC183A	S8402M13942	23-Apr-03	
1206	38HWC183A	S8403A10265	23-Apr-03	
1207	38HWC183A	S8403A10268	23-Apr-03	
1208	51HWC243A	S8402M14267	23-Apr-03	
1209	26HWC123A	S8402M14441	23-Apr-03	
1210	38HWC183A	S8403A10264	23-Apr-03	
1211	51HWC243A	S8402M14197	23-Apr-03	
1212	26HWC123A	S8403A10193	23-Apr-03	
1501	38HWC183A	S8403A10270	23-Apr-03	
1502	64HWC303A	S8402M16166	23-Apr-03	
1503	26HWC123A	S8402M13861		
1505	38HWC183A	S8402M14097	23-Apr-03	
1506	38HWC183A	S8402M14096	23-Apr-03	
1507	38HWC183A	S8402M14078	23-Apr-03	
1508	51HWC243A	S8402L13883	23-Apr-03	
1509	26HWC123A	S840M13858	23-Apr-03	
1510	38HWC183A	S8402M14077	23-Apr-03	
1511	51HWC243A	S8402M10525	23-Apr-03	
1512	26HWC123A	S8402M13876	23-Apr-03	
1601	38HWC183A	S8402M134065		
1602	64HWC303A	S8402M16174		
1603	26HWC123A	S8403A10192		
1605	38HWC183A	S8402M14073		
1606	38HWC183A	S8402M14061		
1607	38HWC183A	S8402M14059		
1608	51HWC243A	S8402M10633		
1609	26HWC123A	S8403A10205		
1610	38HWC183A	S8402M14060		
1611	51HWC243A	S8402M12235		
1612	26HWC123A	S8403A10197		
1701	38HWC183A	S8402M14056		
1702	64HWC303A	S8402M16167		
1703	26HWC123A	S8403A10206		
1705	38HWC183A	S8402M14066		
1706	38HWC183A	S8402M14058		
1707	38HWC183A	S8402M14098		
1708	51HWC243A	S8402M14266		
1709	26HWC123A	S8402M15969		
1710	38HWC183A	S8402M14074		
1711	51HWC243A	S8402M14264		
1712	26HWC123A	S8402M15970		
1801	38HWC183A	S8402M13932		
1802	64HWC303A	S8402L14024		
1803	26HWC123A	S8402M13875		
1805	38HWC183A	S8402M13933		
1806	38HWC183A	S8402M13982		
1807	38HWC183A	S8402M13968		
1808	51HWC243A	S8402M14259		
1809	26HWC123A	S8402M13859		
1810	38HWC183A	S8402M14054		
1811	51HWC243A	S8402M14268		
1812	26HWC123A	S8402M13863		
1901	38HWC183A	S8402M13980		
1902	64HWC303A	S8402M16171		
1903	26HWC123A	S8402M13860		
1905	38HWC183A	S8402M13976		
1906	38HWC183A	S8402M13976		

1907	38HWC183A	S8402M13967		
1908	51HWC243A	S8402M12236		
1909	26HWC123A	S8403A10198		
1910	38HWC183A	S8402M13981		
1911	51HWC243A	S8402M14214		
1912	26HWC123A	S8402M13862		
2001	38HWC183A	S8402M14071		
2002	64HWC303A	S8402M16175		
2003	26HWC123A	S8402M13857		
2005	38HWC183A	S8402M14075		
2006	38HWC183A	S8402M13945		
2007	38HWC183A	S8402M13960		
2008	51HWC243A	S8402M12240		
2009	26HWC123A	S8403A10189		
2010	38HWC183A	S8402M13979		
2011	51HWC243A	S8402M12252		
2012	26HWC123A	S8402M13856		
2101	38HWC183A	S8402M13955		
2102	64HWC303A	S8402M16170		
2103	26HWC123A	S8402M14444		
2105	38HWC183A	S8402M13946		
2106	38HWC183A	S8402M13944		
2107	38HWC183A	S8402M13959		
2108	51HWC243A	S8402M14215		
2109	26HWC123A	S8402M15966		
2110	38HWC183A	S8402M13948		
2111	51HWC243A	S8402M12241		
2112	26HWC123A	S8403A10188		
2201	38HWC183A	S8402M13972		
2202	64HWC303A	S8402M16164		
2203	26HWC123A	S8402K14280		
2205	38HWC183A	S8402M13947		
2206	38HWC183A	S8402M14076		
2207	38HWC183A	S8402M14079		
2208	51HWC243A	S8402M12243		
2209	26HWC123A	S8402K14272		
2210	38HWC183A	S8402M14070		
2211	51HWC243A	S8402M12242		
2212	26HWC123A	S8402K14336		
2301	38HWC183A	S8402M14069		
2302	64HWC303A	S8402M16182		
2303	26HWC123A	S8403A10187		
2305	38HWC183A	S8402M13978		
2306	38HWC183A	S8402M13977		
2307	38HWC183A	S8402M13974		
2308	51HWC243A	S8402M12239		
2309	26HWC123A	S8403A10190		
2310	38HWC183A	S840M13973		
2311	51HWC243A	S840M14212		
2312	26HWC123A	S840M15965		
2501	38HWC183A	S8402M13971		
2502	64HWC303A	S8402M16176		
2503	26HWC123A	S8402K14282		
2505	38HWC183A	S8402M13958		
2506	38HWC183A	S8402M13957		
2507	38HWC183A	S8402M13966		
2508	51HWC243A	S8402M12265		

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2509	26HWC123A	S8402M15972		
2510	38HWC183A	S8402M13965		
2511	51HWC243A	S8402M12232		
2512	26HWC123A	S8402M14438		
PH201	38HWC183A	S8402M13956		
Ph202	64HWC303A	S8402M16169		
PH203a	38HWC183A	S8402M13950		
PH203b	38HWC183A	S8402M13936		
PH205a	26HWC123A	S8402M14446		
PH205b	38HWC183A	S8402M13962		
PH206	51HWC243A	S8402M12227		
PH101	38HWC183A	S8402M13964		
PH102	64HWC303A	S8402M16179		
PH103a	38HWC183A	S8402M13961		
PH103b	38HWC183A	S8402M13963		
PH105a	26HWC123A	S8402K14325		
PH105b	38HWC183A	S8402F17839		
PH106	51HWC243A	S8402M12190		

COMMON FACILITIES AGREEMENT NO. 2

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THIS AGREEMENT made this 10 day of July, 2008.

BETWEEN:

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1466,
a corporation created by the registration of a declaration and description on
the 23rd day of September, 2002, in the Land Registry Office for the Land
Titles Division of Toronto (No. 66) as Instrument No. AT272
(hereinafter "TSCC 1466")

OF THE FIRST PART;

- and -

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1526,
a corporation created by the registration of a declaration and description on
the 16th day of June, 2003, in the Land Registry Office for the Land Titles
Division of Toronto (No. 66) as Instrument No. AT196062
(hereinafter "TSCC 1526")

OF THE SECOND PART;

WHEREAS:

- (a) Pursuant to a Common Facilities Agreement dated as of the 23rd day of September, 2002, and registered in the Land Titles Division of Toronto (No. 66) as Instrument No. AT131702, a copy of which is attached to this Agreement as Schedule "A" (the "Common Facilities Agreement" or "CFA"), TSCC 1466 and TSCC 1526 set out their respective rights and obligations concerning the Common Facilities all as more particularly described in the CFA.
- (b) The Common Facilities Agreement is referred to in the respective Declarations of the parties hereto;
- (c) The parties wish to enter into this Agreement to clarify and elaborate on the rights and obligations set out the CFA with respect to the use, maintenance, operation, governance, replacement and repair of the Common Facilities;
- (d) The parties herein may collectively be referred to as the "Corporations".

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of these premises, the mutual covenants and agreements hereinafter set forth, the sum of \$10.00, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by both parties, the parties hereto hereby covenant and agree as follows:

ARTICLE 1.00

TRUTH OF RECITALS AND DEFINITIONS

1.01 Truth of Recitals

The recitals hereinbefore set forth are true in substance and in fact.

1.02 Definitions

For ease of distinguishing between the CFA and this Agreement, this Agreement has been called

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the Common Facilities Agreement No. 2. The words and definitions contained in the CFA shall apply to this Agreement including, but not limited to the definition of "Common Facilities". In addition, the words "Common Elements", "Common Expenses", "Common Interest", "Declaration", "Description", "By-Laws", "Registration", "Rules", shall have the same meanings as are ascribed to such terms in the *Condominium Act, 1998* as amended, and the regulations made thereunder (collectively referred to as the "Act"), unless this Agreement specified otherwise or unless the context otherwise requires.

ARTICLE 2.00

MANAGEMENT OF COMMON FACILITIES

2.01 Meetings of the Committee

(a) Unless otherwise agreed by a majority of the members of the Committee ("Committee Members" or "Committee Member" as appropriate), the Committee shall meet on the first Thursday of every other month at a place and time to be determined by the Committee. A copy of any resolution of the Committee fixing the place and time of such regular meeting, or changing the date from the first Thursday of every other month (or any subsequent changes) shall be sent to each Committee Member and to the Boards of Director of each party, but no other notice shall be required for any such regular meeting. Nothing in this Agreement restricts or prohibits the calling and holding of other, additional meetings of the Committee so long as they are called in accordance with the procedures set out in the CFA.

(b) The Committee may conduct its meetings by teleconference or other electronic means as approved by a majority decision of the Committee by resolution from time to time, provided that all Committee Members consent to the meeting being held by teleconference and or other approved electronic means.

(c) Where a duly appointed representative of either of the parties cannot attend a Committee meeting, then upon giving the other party written notice, the party whose representative cannot attend may appoint another person to be that party's voting representative for that specific Committee meeting.

(d) As it is important that the duly appointed Committee Members attend meetings in person and not vote by proxy, therefore, it is agreed that proxies will not be allowed for voting on any issue. Proxies can only be used for the purpose of constituting or obtaining quorum.

2.02 Voting

In order to assist in making decisions for non-substantial matters, the parties agree that for the following matters decisions shall be by a majority of the Committee Members attending the meeting, but such majority must include at least one representative from each party:

- (a) Any non-budgeted expense or expenditure, including any contract for services, that does not exceed a total aggregate value of Five Thousand dollars (\$5,000.00) per matter/item per calendar year, and the total annual aggregate value for any and all non-budgeted expenses or expenditures of any nature does not exceed Twenty Thousand Dollars (\$20,000);
- (b) Decisions relating to already budgeted expenses and expenditures as long as the actual amount expended does not exceed the budgeted amount. Nothing in this paragraph (b) shall alter or modify the voting requirements of the Committee for approving the budget.
- (c) Adopting and approving rules for the Common Facilities;
- (d) Fixing the place and time of Committee meetings or changing the date of the regular meetings as set out in paragraph 2.01 (a) above;
- (e) Approval and signing of Minutes of the Committee;
- (f) Such other matters as the whole Committee shall by unanimous decision decide.

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2.03 Bank Accounts

The Committee shall open and maintain at least two bank accounts for the Common Facilities, which shall include: (a) general operating account; and (b) reserve fund account. These accounts shall be separate and distinct from the accounts held by each of the Corporations and the signing authorities set out in paragraph 2.04 shall apply. All duties, obligations, standard of care, etc. applicable to bank accounts as set out in the Act and the Corporations' Declarations and by-laws shall apply to these bank accounts.

2.04 Signing Authority

The parties agree that except for serious and immediate emergencies, the signing authority for any matter, including but not limited to, the bank accounts for the Common Facilities, any contract, or the borrowing of funds, and the signing of audited financial statements shall require two signatures consisting of one member from each of the parties.

Notwithstanding the foregoing, in cases of serious and immediate emergencies the following shall apply:

- (a) If one of the two authorized/designated signatories is not available to sign then that person's corporation shall designate a replacement authorized signing person;
- (b) If, acting reasonably, that corporation is unable to designate or authorize a replacement person to sign in time to properly deal with the serious and immediate emergency, then any other member of the Committee may be the second signing authority regardless of which corporation that person is from;

2.05 Property Management for the Common Facilities

Presently each party has contracted with its own, different, property management company, and the property management company acting for TSCC 1466 is also the property management company for the Common Facilities. The Corporations agree that if they both have contracted with the same property management company then that company would also manage the Common Facilities.

In the situation where the Corporations have different property management companies (as is presently the case) then the Corporations agree that the management of the Common Facilities be alternated, or rotated, between the two management companies on a bi-annual basis, with the outgoing company reasonably assisting the incoming company with the transition.

The Corporations agree to have this provision inserted in any property management agreement they enter into, on the assumption that the management company wishes to manage the Common Facilities. For greater clarity, nothing in this clause 2.05 is meant to restrict one Corporation from contracting with any management company nor in any way to restrict a management company from conducting business with either Corporation, or to force a management company to manage the Common Facilities, if it does not wish to.

In the case where it would be the turn for the management company of one Corporation to manage the Common Facilities and it does not wish to, or cannot, then the outgoing management company (of the other corporation) shall have the right to continue the Common Facilities for a further two years without further approval of the committee.

Nothing in this clause 2.05 derogates from or in any way affects the normal termination rights under a management agreement (which usually provide for a 60 day termination for any reason).

2.06 Liaison with Property Manager of the Common Facilities

Liaison with the property manager for the Common Facilities shall be by two members of the Committee consisting of one member from each party (the "DMs" or individually a "DM"). Subject to below, it is only the DMs together who can give binding instructions to property management.

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In all cases where instructions are required, then the property manager shall contact the DMs in writing (email is acceptable) for such instructions. Each DM shall communicate with the other and with the property manager within 48 hours of the time of the said notification, to try to agree on the instructions to give the property manager. If one DM does not respond to the other or to the property manager with their instructions within the said 48 hours, then it shall be deemed that the non-responding DM has agreed with the instructions of the other DM and those instructions shall be the instructions from the Committee to the property manager. In this case both the property manager and the responding DM shall immediately advise the Committee of the matter, the instructions given and the action taken by, or to be taken by, the property manager.

In situations that are not serious or of an immediate emergency nature and the DMs have responded but cannot agree on the instructions, then it shall be deemed that there are no instructions and the issue shall be placed on the agenda for the next Committee meeting and decided upon by the Committee at that meeting.

2.07 Annual Budget

The Committee and property management shall on an ongoing basis review the Common Facilities Budget to ensure that all items are allocated appropriately to minimize as much as possible any duplication of items with the Corporations' own budgets.

2.08 Reserve Fund and Reserve Fund Study

The Committee shall maintain a clearly designated reserve fund to comply with all requirements of the Act and the Corporations' Declarations, with the reserve funds being held in the reserve fund bank account described in 2.03 above.

The Committee shall also adhere to and be bound by all reserve fund studies, funding and funding plans requirements set out in the Act.

2.09 Insurance

The Corporations shall adhere to the insurance requirements set out in the CFA, but the parties recognize that there could be overlap or duplication of insurance coverage with the individual policies held by each party. Therefore, to the greatest extent possible, without reducing the correct and proper insurance coverage to be carried for the Common Facilities, both as to perils insured and the quantum of coverage, the parties will investigate and if possible modify the Common Facilities insurance as much as possible in order to save costs.

2.10 Superintendent and Superintendent's Suite

Since the Superintendent's Suite (the "Suite") is owned by the Corporations as tenant-in-common, each Corporation has a separate mortgage on the Suite, and these mortgages expire at different times. Therefore, each party shall provide to the other a copy of their current mortgage, as amended or replaced from time to time.

It is agreed that if and when either Corporation wishes to sell its interest in the Suite, then it can only sell/transfer it to the other party and not to any other person or entity. There shall be no obligation on the other party to purchase the interest in the Suite, but the parties agree to act reasonably and take reasonable efforts to try to purchase the interest, subject to the Boards of the buying corporation so deciding and receiving the necessary approval, if any, of the owners, in accordance with the Act.

The parties recognize that it could arise that one or both of the Corporations may need to refinance/re-mortgage their interests in the Suite. Therefore, the parties agree that each party shall be entitled to so re-finance/re-mortgage so long as:

- (a) At least 60 days written advance notice is given to the other party;
- (b) Such re-financing will not impede or in any way adversely affect the other party's rights and interest in the Suite;

- (c) The re-financing party has completely followed and complied with all requirements under the Act and that party's Declaration, by-laws and rules.

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It is agreed that TSCC 1526 shall be entitled to hire its own superintendent (the "1526 Superintendent") at its sole costs, expense and risk. In this case then with respect to the Superintendent defined under the CFA (the "CFA Superintendent"), he/she shall continue to provide the normal services to the Common Facilities, and both parties shall contribute the necessary funds to the Common Facilities budget for the CFA Superintendent, including but not limited to, benefits and any payroll deductions and remittances. The balance of the CFA Superintendent's time and work will be for the benefit of TSCC 1466 and therefore any costs and expenses of the CFA Superintendent shall be the sole responsibility and risk of TSCC 1466.

2.11 P1, P2 and P3 of Both Corporations, Shared Servicing Systems, Water Fountain and Irrigation System

The parties acknowledge that with respect to the P1, P2 and P3 levels of both Corporations, and those shared servicing systems defined in the CFA as Shared Servicing Systems, under the CFA only the visitors' parking, the common driveway and ramp are included in, and form part of, the Common Facilities the costs of which, and the costs of the Required Easements (which includes the Servicing System Easements) are included in the Common Expenses. The parties believe that it would be in the best interests of both Corporations that the physical structure of the entire P1, P2 and P3 levels of the underground, including but not limited to all surface areas and ramps for all three levels, the drainage and electrical, exhaust and sprinkler systems and the visitors parking entrance lobby vestibule located on the P1 level [Level A] almost directly under the main lobby of the two Corporations (collectively the "Underground") and the Shared Servicing Systems be designated as a part of the Common Facilities and thus their repair, maintenance and major replacement would be included in the Common Expenses and governed by the CFA and this Agreement.

The parties acknowledge that the water fountain room is part of the Common Facilities. The parties also believe that the water fountain itself, along with any and pipes, conduits etc. servicing it (the "Water Fountain") and the irrigation system for the two Corporations (the "Irrigation System") should also be designated as part of the Common Facilities.

Therefore, the parties agree that the Underground, the Water Fountain, the Irrigation System and the Shared Servicing Systems shall be deemed to be, and treated as if they were, part of the Common Facilities under the CFA and thus all the rights and obligations under the CFA and this Agreement shall apply to it, including the costs of repair, maintenance and replacement.

For greater clarity, the Underground and the Shared Servicing Systems shall not include any stacks of any type, non-visitor parking spaces/spots, the lobby enclosures for the Underground (including outer surfaces/elevator vestibules) that are located on each Corporation's property (these are different than the visitors parking entrance lobby vestibule mentioned in the preceding paragraph), lockers, locker rooms, and garbage and recycling rooms or areas (collectively the "Excluded Matters"). Each Corporation shall remain responsible for their respective part of the Excluded Matters.

Notwithstanding the foregoing, the Corporations agree that each Corporation shall remain responsible for the operation and management of the Excluded Matters. Each Corporation shall remain responsible to enforce all provisions under the Act and each Corporation's declaration, by-laws and rules along with any joint rules or rules from the Committee that may be passed time to time. For repairs to parking spots and lockers required as a result of damage caused by the owner of the parking spot or locker, or by a person for whom the owner is in law responsible, the Corporation on whose property the parking spot or locker is located shall take the normal steps to correct the damage and seek enforcement, compliance and collection from the owner.

2.12 Duties of Committee Members

- (a) The parties agree that the Committee is similar to a Board of Directors of a condominium corporation, and therefore, the duties and responsibilities of the Committee's members are, or should be, the same as the duties, responsibilities and ethical standards of members of a Board of Directors of a condominium corporation. This includes the duty to act honestly, in good faith

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and in the best interest of the Common Facilities, along with such other duties as set out in the Act, including but not limited the duty to disclose conflicts of interest.

(b) The parties also acknowledge and agree that the members of the Committee will be exposed to, and will handle and deal with, confidential information of not just the respective parties and their common elements and assets, but also of the Common Facilities and of owners. It is therefore, recognized and agreed that the fiduciary duties and confidentiality standards that apply to a member of a Board of Directors of a condominium corporation apply equally to the Committee, its members and the respective parties.

(c) The parties agree to ensure that their representatives on the Committee adhere to and each member sign a copy of the Code of Ethics prepared and published by the Canadian Condominium Institute (Toronto), as amended from time to time.

2.13 Indemnity of Committee Members

Every member of the Committee (the "Member") and their respective heirs, executors, administrators, successors, estate trustees and personal representatives shall at all times be indemnified and saved harmless jointly and severally by the parties from:

(a) all costs, claims, expenses, damages and liabilities which any Member suffers sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or her for or in respect of anything done, permitted to be done, or omitted to be done by him/her in connection with the execution of the duties of his/her office; and

(b) all other costs, charges and expenses that such Member sustains or incurs in respect of the affairs of the Common Facilities and the Committee.

2.14 Indemnity Insurance for Committee Members

If the insurance maintained separately by each of the parties for the benefit of their directors and officers does not cover the actions of their representatives appointed to be Members in the fulfillment of their duties as Members or fully covers the Liabilities set out in paragraph 2.12, then the Committee shall purchase and maintain insurance for the benefit of every Member in order to indemnify them against the said liabilities

2.15 Rules for the Common Facilities

Until modified by the Committee in accordance with the voting procedure set out in this Agreement, the parties agree that the rules set out in Schedule "A" to this Agreement shall be the rules applicable to the Common Facilities. Each Corporation agrees to advise its owners and residents of these rules and distribute, circulate and post them appropriately in their building

ARTICLE 3.00

GENERAL PROVISIONS

3.01 Termination

This Agreement cannot be terminated other than by the consent of both parties, but can be terminated with such mutual consent. Except as may otherwise be agreed upon, if this Agreement is terminated, any easements and proprietary rights related thereto and as benefiting each of the buildings, the Common Facilities as set out in the CFA shall remain in full force and effect.

3.02 Termination of any one of the Corporations

On the termination of any one of the Corporations pursuant to the Act, the unit owners of the corporation so terminated, shall be jointly and severally liable to comply with all obligations and

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covenants of such corporation in this Agreement and will execute such further assurances as may be deemed necessary or desirable by the other party to give full force and effect to this paragraph.

3.03 Force Majeure

Whenever and to the extent any party is prevented, hindered or delayed in the fulfillment of any obligation hereunder (save and except a failure to pay moneys) for reasons beyond the reasonable control of such party, the liability of that party to perform such obligation shall be postponed for as long as and to the extent such prevention, hindrance or delay continues to exist.

3.04 Binding Effect of Agreement

The provisions of this Agreement are intended to run with the real property benefited and burdened thereby and shall be binding on and enure for the benefit of the respective successors in title thereof.

3.05 Compliance with Law

Each Party, in performing their respective obligations and exercising their respective rights under this Agreement and the CFA, covenants and agrees to comply with all rules, laws, orders, ordinances, regulations and requirements of any government, whether imposed by the local municipality, or by any governmental agency having jurisdiction over all of their property.

3.06 Indemnification

Each party agrees to indemnify and save each other harmless from all costs, expenses, damage and liability that it may suffer or incur as a result of any such party not complying with any of the terms of this Agreement.

3.07 Further Assurances

The parties covenant and agree to execute whatever further documents or assurances as are required to give effect to any and all provisions of this Agreement.

3.08 Severability

If any provision in this Agreement is determined by a Court of competent jurisdiction to be illegal or beyond the powers or capacity of the party or parties bound hereby, or in the event any part or provision of this Agreement is liable to determination pursuant to any provision of the Act, such provision or part shall be severed from this Agreement and the remainder of this

Agreement shall continue in full force and effect mutatis, mutandis. For purposes of giving effect to this paragraph, each clause, paragraph or article of this Agreement shall be considered severable from every remaining clause, paragraph or article of this Agreement.

3.09 The Planning Act

The provisions of this Agreement are subject to the provision of the Planning Act (Ontario) where applicable.

3.10 Notices

All notices, requests, demands or other communications by the terms thereof required, or permitted to be given by one party to another, shall be in accordance with Article 12 of the CFA.

3.11 Not Supersede CFA

This agreement is entered into for the purposes of clarifying and elaborating on the rights and obligations set out in the CFA with respect to the use, maintenance, operation, governance, replacement and repair of the Common Facilities. If there is a dispute between this Agreement and CFA, then the CFA shall take priority or precedent.

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IN WITNESS WHEREOF the parties hereto, have executed this Agreement.

TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 1466

Per: [Signature]

Name: James Hill
Title: Vice President

Per: [Signature]

Name: Norma Borek
Title: General Manager

I/We have authority to bind the corporation

TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 1526

Per: [Signature]

Name: Dimitra Samiotes
Title: PRESIDENT

Per: [Signature]

Name: Laurie Diamond
Title: Treasurer

I/We have authority to bind the corporation