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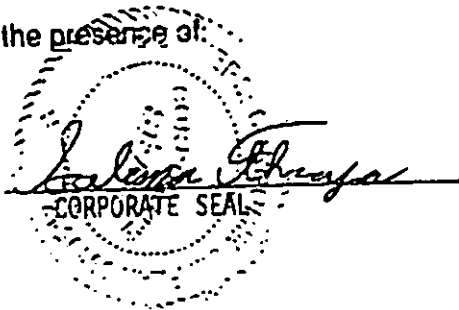
CONDOMINIUM PROPERTY ACT
SECTION 26

NOTICE OF CHANGE OF BY-LAWS

THE OWNERS: Condominium Plan 9910542 hereby certifies that by a special resolution passed on June 26th, 2000 the by-laws of the corporation were added to, amended or repealed as follows:

As per attached Schedule "A"

The seal of The Owners Condominium Plan 9910542 was affixed on July 25, 2000 in the presence of:



A handwritten signature, likely of the Chairman of the Board, written over a circular stamp. To the right of the signature, the words "Chairman of Board" are written in a cursive script.

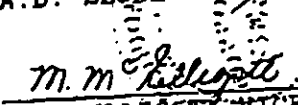
SCHEDULE "A"

CERTIFIED COPY OF THE SPECIAL RESOLUTION OF
THE OWNERS: CONDOMINIUM PLAN 9910542

(Passed pursuant to the Condominium Property Act)

We, A. D. Bessex, Director and M. McElligott, Director, hereby certify that the attached Special Resolution was agreed to in writing by not less than 75% of all the persons who, at a properly convened meeting of the Corporation would be entitled to exercise the power of voting conferred by the Condominium Property Act or the By-laws, and representing not less than 75% of the total unit factors for all the units.

Dated at Calgary, Alberta this 26th day of June, 2000.


A.D. BESSEX CHAIRMAN
M. MCELLIGOTT VICE CHAIRMAN

28/00 11:08 FAX +403 250 7960

BOWSIDE PROPERTY

02

page 2 of a Spe Resolution to amend the By-laws of The Owners: Condominium Plan 9910542

- (ii) the Board may authorize a person to occupy a residential unit for a specified period of time for compassionate reasons. The permission granted by the Board may be revoked by a Special Resolution of a duly convened meeting of the Corporation.

I/WE, AS ATTACHED the registered owner(s) of Unit(s) THE 11 ^{UNITS} The Owners:
Condominium Plan 9910542. (are)

10 UNITS IN FAVOUR OF ✓

OPPOSED TO NONE

THE ABOVE RESOLUTION:

Dated this 26 day of JUNE, 2000

AS ATTACHED
UNIT OWNER'S SIGNATURE

AMANA TRUST LTD
UNIT OWNER'S NAME (PLEASE PRINT)

June 26, 2000

We the undersigned and as owners of Condominium Corporation #9910542 known as Whitmire Villas N.E. Calgary, Alberta containing eleven units Townhouses purchased our units with the verbal and advertised understanding that there was an age restriction require the following addition.

The antenna section 3. A. (h) of the existing by-laws needs an amendment.

NOTICE OF CHANGE OF BY-LAWS

1. "No television antenna or similar structure or apparatuses thereto should be erected on or fastened to any unit except in connection with the common television antenna or cable system as authorized by board and then only in accordance with the regulation therefore which may be established by the board." The exception to this being that small satellite dishes for individual use not exceeding twenty-four (24") inches in diameter are allowed. The location of the dish is to be as inconspicuous as possible and preferably located at the rear of the dwelling. The board recognizes that this must be located so as to receive an optimum signal for the satellite.

2. One permanent residence in each home must be forty-five (45) years of age or older. Therefore the occupant means the regular and ordinary presence in the unit whether or not the person is frequently absent.

ALFRED & DOLORES BESSEX #31

PADDY & MARGARET HOGAN #3

KARIM DAMJI #11

MARY O'GARRO #35

ROB SIMMONS #27

SALIMA & AHMED THARAY #23

Salima Tharaya

MAUREEN MCELLIGOTT #15

Maureen McCelligott

ABDALLAH & TERESA #19

THARAY

AMANA TRUST #7 AND #38

Salima Tharaya

WHITEFIELD MEWS CONDOMINIUMS
OPERATING BUDGET 1998-1999

ADMINISTRATIVE EXPENSES:

Audit & Legal	\$ 1,000.00
Management Fees	\$ 2,500.00
Directors Fees	\$ 200.00
Bank Charges	\$ 100.00
GST	\$ 800.00
Total Administrative Expenses:	\$ 4,600.00

OPERATING EXPENSES:

Insurance	\$ 1,500.00
Utilities (Common Area)	\$ 1,000.00
Water & Sewer (Common Area)	\$ 500.00
Maintenance Supplies	\$ 200.00
Equipment Purchases	\$ 300.00
Miscellaneous	\$ 200.00
Total Operating Expenses:	\$ 3,700.00

MAINTENANCE EXPENSES:

Landscaping	\$ 1,500.00
Snow Removal	\$ 1,000.00
Refuse Removal	\$ 500.00
Parking & Driveway Maintenance	\$ 300.00
Repairs & Maintenance	\$ 300.00
Miscellaneous	\$ 300.00
Total Maintenance Expenses:	\$ 3,900.00

REPLACEMENT RESERVE:

Roofing @ 15 Years	\$ 9,000.00	\$ 600.00
Staining Fences @ 4 Years	\$ 1,600.00	\$ 400.00
Patio's / Walkways / Fences @ 2 Years	\$ 700.00	\$ 350.00
Electrical / Water Main Breaks		\$ 300.00
Contingency		\$ 300.00
Total Reserve Fund Replacement:		\$ 1,950.00

Total Annual Operating & Maintenance Expenses:	\$ 14,150.00
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07-31-2000 13:33 FAX 508-122-6177
MASSACHUSETTS
005
WHITMIRE VILLAS

CONDOMINIUMS

MANAGEMENT AGREEMENT

Prepared for

THE OWNERS,
CONDOMINIUM PLAN
NO. 9910542

THIS AGREEMENT dated the 21 day of June, 1999:

MADE BETWEEN:

THE OWNERS, CONDOMINIUM PLAN NO. 9910542, a Condominium Corporation pursuant to the Condominium Property Act, R.S.A. (1980), (hereinafter referred to as "the Corporation")

OF THE FIRST PART

-and-

BOWSIDE PROPERTY MANAGEMENT LTD., a body corporate, Incorporated under the Laws of the Province of Alberta, (hereinafter referred to as "the Manager")

OF THE SECOND PART

WHEREAS:

A complex comprising of 11 residential condominium units of dwelling space and related facilities and common property and other real and personal property assets of the Corporation associated therewith, known as Whitfield Mews Condominiums, (hereinafter referred to as "the Condominium"), has been constructed on the certain lands and premises described as:

Condominium Plan No. 9910542 including
the Units and common property comprised
therein (hereinafter referred to as "the
said lands").

AND WHEREAS, the Corporation is a condominium corporation within the meaning of the Condominium Property Act of Alberta, Chapter C-22, R.S.A. 1980, as amended or any act passed in substitution thereof or replacement thereof (hereinafter referred to as "the Act");

AND WHEREAS the Corporation, under the provisions of its Bylaws (or proposed Bylaws as the case may be), has the authority to engage a management agent on behalf of the Corporation to manage the Condominium;

AND WHEREAS the Corporation desires to employ the Manager herein to manage the Condominium and the Manager desires to be employed to manage the Condominium for the remuneration and Subject to the terms and conditions herein set forth

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

ARTICLE ONE - INTERPRETATION

1.01 **Definitions:** Unless the context requires otherwise, the words, phrases and expressions used in this Agreement or any amendment hereto or in any document made in connection with the management or operation of the Condominium contemplated hereby shall have the meanings assigned to them herein, namely:

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1. "Agreement", "the Agreement", or "this Agreement" mean or refer to this document executed and delivered as the same may be amended, modified or supplemented from time to time in accordance with the provisions hereof;
2. "Article" refers to the major sections or divisions of this Agreement;
3. "Commencement Date" means the 1st day of July 1999;
4. "Expiry Date" means the date which is Two (2) year following the Commencement Date or the annual anniversary of that date as long as the Agreement continues in full force and effect;
5. "Manager" means the Corporation named as such in the Agreement;
6. "Corporation" means the Owners of the Condominium Plan registered at the Office of Land Titles as their interests may appear from time to time;
7. "Property" means the Lands and Buildings comprising the Condominium Plan, fixtures, improvements appurtenances, and other real and/or personal property belonging to the Corporation as more particularly described in Schedule A hereof;
8. "Section" means any Paragraph or Paragraphs, sub-paragraphs or divisions of this Agreement;
9. "Owners" refers to the registered owners of units in the Condominium, their proxies as appointed or held from time to time as reported to the Manager, in writing.
10. "Act", "the Act" refers to the Condominium Property Act, R.S.A. 1980 as it appears or may be amended from time to time;
11. "Bylaws" refer to the Bylaws of the Corporation as registered at the Office of Land Titles as they may be amended from time to time.
12. "Owner" or "Owners" refers to members of the Corporation as their interests may appear at the Office of Land Titles from time to time.
13. "Common Expenses", "Common Expense", "Common Area Fees" or "Common Area Costs" refers to the monies assessed by the Corporation from Owners to defray the operating costs or other costs of the Corporation as approved by the Corporation's budget.

1.02 **Extended Meanings:** The words "hereof", "herein", "hereunder" and similar expressions used in any part of this Agreement refer to the entire agreement and not to a particular Article or Section unless the context otherwise requires.

1.03 **Other Expressions:** Unless the context otherwise requires, all other words, phrases or expressions used herein shall have the meaning ascribed to them in the text of the Agreement and if no such meaning is ascribed to them then such words, phrases and expressions shall have the meaning given to them in common usage.

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1.04 **Number and Gender:** All words in the singular include the plural, all words in the plural include the singular and all words importing the masculine gender include the feminine and neuter gender where the context requires.

1.05 **Currency:** All monetary amounts referred to herein are to be paid in the Lawful money of Canada.

1.06 **Schedules:** Any and all Schedules which are or may be annexed hereto are incorporated herein by reference and are deemed to be a part of the Agreement.

ARTICLE TWO - EMPLOYMENT OF THE MANAGER

2.01 **Appointment:** The Corporation hereby appoints the Manager as the exclusive agent of the Corporation to manage, operate and maintain the Property on behalf of the Corporation in accordance with the provisions of this Agreement.

2.02 **Term:** Subject to prior termination in accordance with the provisions of this Agreement, the appointment of the Manager shall be for a term beginning on the Commencement Date and ending on the Expiry Date, provided that upon the expiry of the term hereof the Agreement shall automatically be renewed on the same terms and conditions from year to year until either the Corporation or the Manager at least sixty (60) days prior to the Expiry Date gives notice in writing that the Agreement shall not be renewed.

2.03 **Termination:**

- (a) Prior to the Expiry Date of the initial term the Agreement may be terminated by the Corporation on not less than ninety (90) days written notice to the Manager to be effective on the last day of the third month after the delivery of such notice.
- (b) In the event that the Manager is in material breach of any of its covenants hereunder, the Corporation's, acting reasonably and in good faith, shall give notice in writing to the Manager of the breach and the action necessary to remedy it, and, in the event that the Manager shall fail to remedy the breach within thirty (30) days of receipt of such written notice then the Corporation shall be entitled to terminate the Agreement forthwith if, in the sole opinion of the Corporation such breach is incapable of being remedied.
- (c) The Agreement shall automatically terminate in the event of the total expropriation of the Property, or the winding-up of the Corporation as provided in the Act.
- (d) In the event of the voluntary or involuntary bankruptcy of the Corporation, winding up, dissolution, receivership, insolvency or incapacity of the Corporation to direct the Manager of the Corporation or in the event of the Corporation entering into a compromise with its creditors, the Manager may, by notice in writing terminate this Agreement; and upon the voluntary or involuntary bankruptcy, winding up, dissolution, receivership or insolvency of the Manager, or upon the Manager entering into a compromise with its creditors the Agreement shall terminate automatically.
- (e) In the event that the Manager fails to properly account for all monies received and disbursed by

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it in a timely fashion and in the manner prescribed in this Agreement or if the Manager fails to pay all the operating costs of the Property as the same fall due (provided only that sufficient funds are available to do so) or if the Manager misappropriates any funds to which the Corporation is lawfully entitled then in every such case the Corporation, at its sole option, by notice in writing terminate this Agreement forthwith notwithstanding any other provisions hereof.

(f) In the event of the Termination of this Agreement the Manager shall:

- (i) Within sixty (60) days of the date of termination render a final accounting to the Corporation and pay over any unremitted balance in the Manager's Trust Account to the Corporation or its authorized representative less any amounts necessary to satisfy any remaining commitments made by the Manager on behalf of the Corporation prior to the Termination date, and,
- (ii) Forthwith submit to the Corporation copies of all contracts and records necessary for the day to day operation and management of the Property and any other records, information, files or documents which may be required by the Corporation for its day to day operation.

2.04 Compensation: The Corporation shall pay and compensate the Manager in accordance with the terms set out in Schedule "C" hereof.

2.05 Extraordinary Services: In the event that the Corporation shall determine to renovate or retrofit the Property or the improvements situated thereon or engage in any extensive renovation or reconstruction or modification thereto which shall in any fiscal year exceed ten (10%) percent of the annual gross revenue generated by the Property, or in the event that the Corporation shall require the Manager to undertake any other service not usual to the services provided by the Manager as described herein, then the Manager shall be entitled to a fee of not less than ten (10%) percent of the value of the contract or service, provided only that the Corporation and the Manager shall first agree, in writing, as to the work to be undertaken and the fee to be paid.

ARTICLE THREE - POWERS OF THE MANAGER

3.01 Authority: The Corporation grants to the Manager the powers and authorities in connection with the Property set out in Sections 3.02 to 3.14 hereof to be exercised from time to time by the Manager on behalf of the Corporation

3.02 Maintaining Records: The Manager shall have the authority to obtain and maintain records pertaining to the ownership of Units within the Corporation and to obtain and maintain records of mortgage lenders and other parties who may have an interest in the Corporation as provided in the Act, the Manager shall not under any circumstances be construed to be obligated to search out such records but only to record and maintain such records as may be necessary for the effective operation of the Property.

3.03 Employment: The Manager shall have the authority to employ, at the Corporation's sole cost and expense, but in the name of the Manager such on-site servants, agents and independent contractors as are necessary to properly operate, repair and maintain the Property and to pay all proper costs and expenses of so doing provided that without the Corporation's prior written consent the Manager shall not employ or contract

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with any third party (whether pursuant to the powers given it by this Section 3.03, Section 3.12 or any other provision of the Agreement) with whom the Manager is not dealing at arm's length (as the term is considered in the Income Tax Act, Canada)).

3.04 Collections: The Manager shall have the authority to collect and receive all common area fees, maintenance fees or other monies due to the Corporation under the Act and the Bylaws of the Corporation on the behalf of the Corporation and to institute and prosecute in the name of the Corporation or otherwise all such actions, suits or other proceedings as may be necessary in the opinion of the Manager to recover possession of any part of the Property subject to the limitations and restriction as set out in Section 4.10 hereof

3.05 Insurance: Upon the specific instruction of the Corporation, the Manager shall have the authority to ensure and keep insured the Property and the Directors of the Corporation in such amounts and with such insurance companies or underwriters as may be approved by the Corporation.

3.06 Purchases: The Manager shall have the authority to purchase all necessary supplies, materials, equipment and services as may be necessary to operate, repair and maintain the Property at the sole cost and expense of the Corporation.

3.07 Other Operation Costs: The Manager shall have the authority to pay all accounts in connection with the operation of the Property, as instructed by the Corporation including but not limited to utility rates, heating, ventilating and air-conditioning costs, insurance premiums, repair and maintenance costs and all other costs incidental to the operation of the Property except such as are payable by the individual owners of units in the Property.

3.08 Repairs: The Manager shall have the authority to make all necessary repairs to the Property which may, from time to time, come to the attention of the Manager provided that no such repair (other than an emergency repair) shall involve the expenditure of more than ~~one thousand (\$1,000)~~ ^{S.T} Dollars in aggregate during the then current fiscal year unless the repair has been provided for in the Budget approved by the Corporation pursuant to Section 4.16 of the Agreement or unless specifically approved in writing by the Corporation.

3.09 Employees: The Manager shall in its own name engage, supervise and dismiss all employees, agents and independent contractors and pay all necessary deductions to comply with all applicable laws and the Corporation shall reimburse the Manager for the actual direct cost of such employees, agents or contractors.

3.10 Maintenance: The Manager shall be authorized to make arrangements for the heating, ventilating and air conditioning (if required) housekeeping, building and grounds maintenance, snow removal and the provision of all services and equipment necessary to the operation of the Property.

3.11 Rules & Regulations: The Manager shall be authorized to enforce the Bylaws and Rules and Regulations and Policies of the Corporation as recorded in the Bylaws and published from time to time by the Officers of the Corporation.

3.12 Contracts: The Manager shall be authorized to negotiate, enter into and execute contracts on behalf of the Corporation relating to the operation and maintenance of the Property and the provision of utility services without limitation for the supply of utilities, materials services, maintenance, repairs, improvements and alterations provided that no contract shall be for a term of greater than one (1) year, provided further that any

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Two

FIVE HUNDRED (2500)

contract for which the annual cost to the Corporation will exceed ~~Five~~ Thousand (~~Five Hundred~~) Dollars shall be subjected to bid under the following procedures:

S.T

- (a) When reasonably obtainable, a minimum of three (3) bids shall be obtained;
- (b) Each bid shall be solicited in a uniform form so that comparison between the bids may be made on equal terms;
- (c) That the Corporation shall have the right to approve any contract to be made under this Section.

3.13 **Delegation:** The Manager shall be authorized to engage sub-agents at the sole cost and expense of the Manager to perform the obligations and duties of the Manager hereunder and as may be conveniently performed by such sub-agents provided that no such engagement shall in any way relieve the Manager from its obligations and duties hereunder or the Manager's accountability to the Corporation for the performance of its obligations hereunder.

3.14 **Other Powers:** The Manager shall be authorized to do such other acts and things as may be reasonable and necessary to effectively operate and manage the Property.

ARTICLE FOUR - OBLIGATIONS OF MANAGER

4.01 **Best Efforts:** The Manager shall prudently employ its best efforts and exercise the powers and authorities granted to it by Article 3 hereof so as to manage, operate and maintain the Property in an efficient and satisfactory manner and, in carrying out such obligations and duties the Manager shall act in a fiduciary capacity with respect to the protection of and accounting for the Property and the revenues derived therefrom.

4.02 **Initial Inspection:** On assuming the management of the Property, the Manager shall thoroughly inspect the Property and submit a written report to the Corporation containing the opinion of the Manager concerning the present state of repair, maintenance and housekeeping and present level of efficiency of the operation of the Property, together with its recommendations as to any necessary repair and advising on any other matters which may improve the operation, management or value of the Property and any other changes in the management systems for the enhancement of the Property.

4.03 **Periodic Inspections:** The Manager shall carry out periodic physical inspections of the Property, report to the Corporation on any major defects observed and advise on the cost and procedure of making any necessary repairs, alterations, modifications or additions provided that the Manager shall not be required to inspect the Property and report on its state of repair more frequently than four times per year.

4.04 **Owners Records:** The Manager shall use its best efforts to maintain accurate records of information received by it concerning the ownership of units within the Condominium and to report to the Corporation on any changes of Owners which may come to its attention.

4.05 **Operation of the Property:** The Manager shall diligently employ its best efforts to:

- (a) Ensure that the Property is maintained in an attractive condition and in a good and sufficient state of repair;

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- (b) Serve the reasonable needs of the Owners of the Corporation and, as may be required, their tenants;
- (c) Purchase all necessary supplies, equipment and services;
- (d) Make all necessary contracts for or otherwise furnish common area utilities, heating, air conditioning, telephone, window cleaning, waste disposal, pest control, interior maintenance, housekeeping, grounds maintenance and all other services necessary for the operation of the Property;
- (e) Make or cause to be made and supervise all necessary repairs, alterations and redecorate the Property as and when necessary;
- (f) Provide and publish an emergency telephone number at which the representatives of the Manager may be contacted during non business hours to provide emergency services for the Corporation or its members from time to time;
- (g) Use its best endeavours to ensure no claim of lien shall be filed with respect of any work which may be carried out on behalf of the Corporation against the title of the Property and if a claim of lien shall be filed the Manager shall immediately take all necessary steps to have the same removed and discharged at the expense of the Corporation;
- (h) Do all other acts and things required by the Corporation, acting prudently, in the operation, management, maintenance and record keeping of the Property and the assets of the Corporation;

provided that the expenditures for maintenance, repairs, alteration or decorating in excess of the amount specified therefore in the budget submitted pursuant to section 4.16 hereof shall not be made without the prior approval of the Corporation except in case of emergency and if the Manager, in good faith, determines such expenditures are immediately necessary to protect the Property from damage or to prevent injury to person or to prevent loss of life or to maintain services to owners of units.

4.07 **Staff:** The Manager shall employ, discharge and supervise all on-site employees or contractors required for the efficient operation and maintenance of the Property; all on-site personnel (excepting independent contractors and their employees) shall be the employees of the Manager. All employees of the Manager who handle or are responsible for monies in connection with the Property shall be bonded by fidelity bonds in such amounts as the Corporation may reasonably require and the Manager shall pay all salaries, wages, fringe benefits and charges for services rendered by both on-site employees and contractors out of the gross revenues derived from the Property.

4.08 **Government Regulations.** The Manager shall manage the Property in full compliance with all applicable laws and regulations of any federal, provincial, municipal or other competent authority having jurisdiction over the Property and shall maintain all necessary Permits and Licenses in full force and effect and in good standing at all times during the currency of this Agreement and the Manager shall have the authority to alter, repair and upgrade the Property to comply with any applicable law or regulations imposed by any such competent authority.

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4.09 **Insurance:** The Manager shall insure and keep the Property insured at all times during this Agreement in accordance with the instructions of the Corporation by notice in writing directing the Manager to place or arrange and each and every policy shall designate the Corporation and the Manager as coinsureds as their interests may appear and the Manager shall deliver certificates of such insurance evidencing such coverage to the Corporation within thirty (30) days of the issuance or renewal thereof and the Corporation shall cooperate fully with the Manager and any insurer in making delivery of such reports, notices, proofs of claim and other items required in connection with any such insurance policies.

4.10 **Collection of Income:** The Manager shall employ its best efforts to collect promptly all payments due to the Corporation by its members or other parties and any other income due to the Corporation from the Property as and when such amounts shall become due (it being expressly understood that the Manager does not guarantee the collectibility of such payments) and the Manager in the name of the Corporation shall execute and serve such notices, demands or proceedings on delinquent owners or payees as the Manager may deem necessary or proper and in the name of the Corporation the Manager shall commence and prosecute, settle, compromise and conclude any and all legal proceedings against delinquent owners or payees as may be necessary to enforce the collection of common expenses or any other monies due, enforce any covenants or conditions of the Corporation's Bylaws or any other agreements held by the Corporation.

4.11 **Bank Accounts:** The Manager shall deposit all gross revenues derived from the operation of the Property into a separate property management trust account designated on behalf of the Corporation with a Chartered Bank empowered to do business in the Province of Alberta and approved by the Corporation; and the Manager shall not co-mingle any of the gross revenues derived from the Property with its own funds or any other funds held by the Manager on the count of other parties; and from the revenues so deposited the Manager shall be empowered to pay, on behalf of the corporation all operating expenses and costs in connection with the Property (including the compensation of the Manager), aside the amounts referred to in Section 4.12 for the reserve fund and after such payments have been made the Manager shall remit the balance of such gross revenue at such time and in such manner as the Corporation may from time to time direct.

4.12 **Reserve Fund:** The Manager shall establish, if so required by the Corporation, a separate Reserve Fund account on behalf of the Corporation for capital replacements to the Property and for any other monies which the Corporation may be required to hold in Trust. Such monies, where practical, shall be deposited at a Chartered Bank or Trust Company empowered to carry on business in the Province of Alberta and invested in Term Deposits. The Corporation and the Manager acknowledge that they are aware of the investment limitations of Section 35 of the Act.

4.13 **Records:** The Manager shall keep books, accounts and records necessary to reflect and record all revenues and expenditures incurred in connection with the operation and management of the Property which shall be kept at the principal place of business of the Manager and which shall, during normal business hours, be available for inspection by the authorized representatives, delegates or appointees of the Corporation for examination or audit upon notice in writing to the Manager at any time (provided that the cost of any special audits required by the Corporation shall be borne by the Corporation) and the Manager shall provide the Corporation or its representatives (at their own expense) with such copies of records as they may reasonably require; and in addition to the Corporation's records maintained by the Manager the Manager shall also keep and maintain such records as the Corporation may provide to the Manager including but not limited to Minutes of Meetings, Bylaws, Policies of Insurance, Plans of the Property and such other records as may be required by the Manager in the course of fulfilling its duties and obligations hereunder.

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4.14 **Reports:** Within twenty-one (21) days after the last day of each month during the currency of this Agreement the Manager shall furnish the Corporation with an up-to-date operating statement and balance sheet together with a listing of such arrears of payments as the Manager may have knowledge and any disputed amounts and information relating to the operation and management of the Property as the Corporation may reasonably require.

4.15 **Annual Reports:** The Manager shall prepare and deliver to the Corporation within Thirty (30) days after the end of each fiscal year a detailed statement of the revenues and expenditures incurred and paid during the immediately preceding fiscal year (including fees to be paid to the Manager) and particulars of all monies held in trust by the Manager on behalf of the Corporation.

4.16 **Budgets:** The Manager shall prepare and deliver to the Corporation at least forty-five (45) days prior to the commencement of the next ensuing fiscal period an operating budget setting out the projected revenues and expenditures for such period and, unless the Corporation disapproves the proposed budget within thirty (30) days, the said budget shall be deemed to have been approved by the Corporation and the Manager shall be authorized to implement the said budget and impose the assessment of common expenses on the members of the Corporation in accordance with the terms of this Agreement.

4.17 **Overhead:** The Manager shall pay its own normal overhead, office, administrative and business expenses and shall supply at its own expense such administrative and management staff as may from time to time be reasonably required to effectively discharge its duties and obligations hereunder.

4.18 **Meetings:** The Manager or an appointee of the Manager shall, unless otherwise directed by the Corporation, attend one (1) meeting of the Board of Directors of the Corporation per month of duration of not greater than two (2) hours and one (1) Annual General Meeting or Special General Meeting of the Members of the Corporation per year. In the event that the Corporation requires the Manager to attend additional or longer meetings then the Manager shall be entitled to be compensated at a rate of Forty (\$40.00) Dollars per hour for such additional or longer meetings.

4.19 **Registration:** The Manager shall prepare and submit, at the Corporation's sole cost and expense, for registration such changes of Directors and Officers and addresses for the Corporation and changes of Bylaws as the Corporation may from time to time require.

4.20 **Additional Services:** The Manager shall, at the request of the Corporation and at the expense of the Corporation:

- (a) Commence and prosecute proceedings to enforce the Bylaws pursuant to Section 29 of the Act;
- (b) Impose and collect deposits under Section 44 of the Act, give notices to give up possession of Units under Section 45 and 47 of the Act and make applications to the Court under Sections 46 and 47 of the Act.
- (c) Account for deposits held by the Manager on behalf of the Corporation pursuant Section 44 of the Act.
- (d) The Corporation shall reimburse the Manager a rate of Thirty (\$30.00) per hour for any service required under this Section 4.20 upon presentation of the Manager's statement of account for services so rendered.

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4.21 **Exclusions:** Notwithstanding anything else herein contained, the Manager shall have no authority, duty or obligation to:

- (a) Make any physical or structural changes to the Property or to make any other major alterations or additions in or to any improvement on the Property except for such emergency repairs as may be necessary for the preservation of the Property, the Owners and occupants of the Property; or,
- (b) Make any repairs or provide any maintenance of any individual dwelling place that forms a part of the Property where they do not form a part of the Common Property and where the Bylaws of the Corporation require the Owner of the said dwelling unit to make such repairs; or
- (c) Be responsible for the compliance, by an Owner or the Corporation in respect to any ordinances or laws, rules, regulations and whether municipal, provincial or federal or made by any public authority having jurisdiction except to notify the Corporation promptly or forward to the Corporation promptly any orders, complaints, warning, notice, summonses or like documents received by it concerning such matters. The Corporation warrants that, to the best of its knowledge, complies to all such requirements and agrees to indemnify and hold harmless the Manager, its agents, servants and employees of and from all loss, cost, damage, expense of liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules or regulations except where lawfully or negligently omitted or violated by the Manager, or any of its agents, servants or employees

4.22 **Instructions:** The Manager shall abide by and carry out all reasonable and lawful written instructions of the Corporation in connection with the management and operation of the Property

4.23 **Other Duties:** In addition to the foregoing, the Manager shall perform all such services which are necessary and proper to the operation and management of the Property and shall promptly report to the Corporation any conditions concerning the Property that, in the opinion of the Manager, require the attention of the Corporation and in order to properly perform the services required by this Agreement the Manager shall be entitled on behalf of the Corporation to engage such experts and retain such professional advisers as are in the opinion of the Manager necessary or proper in the circumstances

4.24 **Estoppel Certificates:** The Manager shall, when requested by Owners of Units or any person authorized by the Owner in writing, provide Estoppel Certificates as anticipated by Section 31 (3) of the Act and similarly upon receipt of the written request of any Owner, purchaser or Mortgagee of a Unit, and on behalf of the Corporation, provided to the person making such a request all or any of the statements of account, Bylaws of the Corporation, certificates of insurance or other records necessary to satisfy such Owner or other person of the current state of affairs of the Corporation and the Manager shall be entitled to charge, to its own account a reasonable fee to compensate it for its expenses incurred in producing and providing the materials referred to herein. The Manager's fee schedule is appended hereto and forms a part of Schedule C.

4.25 **Unavoidable Delay:** The Manager shall not be responsible for the failure to have performed any of its duties or obligations hereunder which are caused by or result from strikes, unavoidable casualties or for any cause beyond the control of the Manager except for the lack of finances of the Manager.

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4.26 **Licensing** The Manager shall at all times during the term of this Agreement ensure that it is duly licensed under the provisions of the Real Estate Agents Licensing Act so as to enable it to carry out and lawfully perform its duties under this Agreement.

ARTICLE FIVE - OBLIGATIONS OF THE CORPORATION

5.01 **Indemnification:** The Corporation shall indemnify and save harmless the Manager from any and all liabilities, damages, expenses, costs (including costs on a solicitor and his own client basis), charges, claims, demands, causes or causes of action including, without limitation, any liability pertaining to the payment of income or other taxes payable by the owner to any authority having jurisdiction, of any kind or nature whatsoever which the manager may incur or be put to in accordance with the provisions of this agreement except damages resulting from the willful or negligent omission or commission of the Manager, or its servants or agents or its willful or negligent failure to diligently and faithfully discharge its duties and obligations hereunder.

The indemnity granted by the Corporation to the manager as provided herein shall constitute a charge and interest in the property under management equal to the value of the liability or obligation of the manager. Such interest and charge in the property shall survive this agreement and shall continue to be a charge and interest in the property until such time as the liability and obligation of the manager has been satisfied in full.

The Corporation acknowledges and agrees that the charge and interest created by this indemnity and provided herein entitles the manager to register and maintain a Caveat against the title to the subject property

5.02 **Contributions:** In the event that the gross revenues from the Property or the amounts on deposit in the Reserve Fund are insufficient at any time to defray the expenditures necessary for the proper operation of the Property or to pay the cost of any authorized improvements, renovations, replacements or alterations the Manager shall notify the Corporation in writing giving details of such deficiency and the Corporation shall forthwith revise and implement a revised budget for the Property to provide the monies necessary to defray such expenses. In the event that the Manager shall elect to advance its own funds to defray such expense, although this Section shall in no way be construed to obligate the Manager to do so, then the Corporation shall forthwith reimburse the Manager for any funds so advanced.

5.03 **Exculpation:** The Corporation acknowledges that so long as the Manager, its officers and servants have acted in good faith and have exercised reasonable care and due diligence in the performance of their duties hereunder, the Manager shall not be liable for any loss of revenue from the Property or pay damages to or destruction of the Property or for the injury to persons or property or loss of life and the Corporation further acknowledges that the Manager shall not be liable for any depreciation of value of the Property nor shall the Manager be liable for any error of judgment of its officers, servants, agents or independent contractors provided that the Manager has acted in good faith and has exercised reasonable care in the selection of its officers, servants, agents or independent contractors and exercised due diligence in their supervision, guidance and control.

5.04 **Responses:** The Corporation shall promptly respond to all notices and other communications from the Manager and shall at all times keep the Manager informed as to the whereabouts of the responsible officers or employees of the Corporation to be consulted in the event of an emergency or in the event that some major decision concerning the Property must be made immediately.

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5.05 **Liaison:** The Corporation shall designate a representative and an alternate representative from amongst its members who shall be authorized to deal with the Manager on any matter relating to the operation, maintenance and management of the Property and who shall be the exclusive appointee of the Corporation for the purpose of giving direction or instruction to the manager. In the absence of such an appointee, the president of the Corporation shall have the said authority.

5.06 **Documentation:** The Corporation shall promptly provide the Manager with all necessary documents and records in connection with the Property that the Manager may reasonably require to operate, maintain and manage the Property including all Title Documents, policies of insurance, correspondence, records of Owners of units, and full details of the status of Owner's accounts with the Corporation, full particulars of any contracts and all other documentation necessary to the operation of the Property. And the Corporation undertakes to provide the Manager with a registered copy of the Bylaws of the Corporation and to advise the Manager immediately in the event of any changes or amendments to the said Bylaws.

5.07 **Leases and Dispositions:** The Corporation shall promptly provide to the Manager any leases or other dispositions of the common property of the Corporation or any part thereof made by the Corporation and the Manager shall maintain records of such dispositions,

5.08 **Conformity:** The Corporation acknowledges that the Manager will manage the Property in full conformance with the requirements of all applicable laws and that the Manager is authorized to take such action and incur such expenses on behalf of the Corporation as the Manager deems appropriate to comply with such laws.

5.09 **Litigation:** The Corporation shall promptly defend at its own expense any claims, actions or proceedings brought against the Manager and/or the Corporation arising out of or in connection with the operation and management of the Property and subject to Sections 5.01 and 5.03 hereof, the Corporation shall indemnify the Manager from any judgment, loss or settlement on account thereof including all legal fees reasonably incurred by the Manager on a solicitor and his own client basis.

5.10 **Audit:** The Corporation shall have the right, for a period of two (2) years following the Expiry or Termination of this Agreement to conduct examinations of the books and records of the Property maintained by the Manager for the Corporation regardless of where such books and records may be located and in the event that the Corporation finds either weaknesses in internal control or errors in record keeping the Manager shall forthwith correct such defects, weaknesses or deficiencies and inform the Corporation in writing of the action to be taken to correct the same.

ARTICLE SIX - GENERAL PROVISIONS

6.01 **Books and Records:** All books of account, records, documents and correspondence in connection with the Property and all financial statements pertaining to the Property in the possession or under the control of the Manager shall at all times remain the property of the Corporation and all financial statements and reports required under this Agreement shall be prepared on an accrual basis in accordance with Generally Accepted Accounting Principals.

6.02 **Effect of Termination:** The termination of this Agreement shall in no way affect or impair any right which has accrued to either party hereto prior to the date when such termination shall take effect and

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the Manager shall promptly submit any and all records necessary for the continued operation of the Property to the Corporation in order to ensure the uninterrupted operation and management of the Property.

6.03 **Proprietary Interest:** Nothing contained in this Agreement shall be deemed to create or shall be construed as creating any proprietary interest in or to the Property in the favour of the Manager and the Manager shall not have any lien or charge thereon.

6.04 **Licensing:** The Manager shall at all times during the currency of this Agreement maintain in force and full effect such licenses and permits as are required to enable it to perform the various duties and obligations to be performed by the Manager on behalf of the Corporation hereunder.

6.05 **Cooperation:** The Manager and the Corporation shall periodically consult with each other concerning the Bylaws of the Corporation and the Rules and Regulations made by the Corporation and any proposed revisions to the same in order to further the harmonious and satisfactory operation of the Corporation for the common benefit of the Owners, and at the expense of the Corporation the Manager shall provide copies of any revised Bylaws or Rules and Regulations made by the Corporation to Owners with any necessary covering memorandum or letter to clarify the same.

6.06 **Independent Contractor:** The Manager shall be an independent contractor for all purposes and shall not be a partner, employee or guarantor of the Corporation.

6.07 **Disclaimer:** Except to the extent expressly stated herein, any intention to create the relationship of principal and agent between the Corporation and the Manager is disclaimed and nothing in this Agreement shall constitute the Manager as the general agent of the Corporation nor shall any agency be created by the Agreement extend for the purpose beyond the operation, maintenance and management of the Property.

6.08 **Arbitration.** In the event of any dispute regarding the provisions hereof or the performance of the parties hereunder such dispute shall be subject to arbitration in accordance with the provisions of the Arbitration Act, R.S.A. 1970, as amended and the regulations thereunder.

6.09 **Legal Costs.** In the event that either party commences arbitration or legal proceedings to resolve a dispute or enforce any of this Agreement, the successful party to whom costs are awarded by the arbitrators or the Court shall be entitled to complete indemnity for such costs on a solicitor and his own client basis.

6.10 **Governing Law:** The rights and remedies of all the parties hereto and the construction and effect of each and every provision hereto shall be subject to the exclusive jurisdiction of and be construed according to the laws of the Province of Alberta, in the Dominion of Canada, which jurisdiction shall be the forum for any proceedings in connection with the provisions of this Agreement.

6.11 **Time:** Any notices or communications required or permitted hereunder shall be delivered within the time specified in this Agreement and time shall in all respects be the essence of this Agreement provided that wherever the last day for the exercise of any right or the discharge of any duty hereunder shall fall upon a Saturday, Sunday or Statutory Holiday, the party giving such notice or having such obligation or duty shall have until Five O'clock (5:00 P.M.) in the afternoon, Mountain Standard Time on the next succeeding business day to exercise such right or discharge such duty or obligation.

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6.12 **Entire Agreement:** The Agreement, including the Schedules hereto constitutes the entire agreement between the parties hereto, there are not any and shall not be any verbal representation, warranties, undertakings or agreements between the parties hereto and the Agreement may not be altered, amended or modified in any respect except by written instrument signed by the party to be bound thereby.

6.13 **Notices:**

(a) All notices, requests, demands or other communications hereunder shall be in writing and shall be deemed to have been duly given;

(i) If delivered by hand; or,

(ii) If sent by telegraph, cable, telcopier, telex or facsimile to the party to whom such is intended to be given and any notice so delivered or sent shall be deemed to have been duly given on the next succeeding business day following the day on which it was delivered or sent out.

(b) Until changed by notice in the manner aforesaid the addresses of the parties hereto shall be:

(i) The Corporation:

Whitfield Mews Condominiums
Condominium Plan No. 9910542

Calgary, Alberta

(ii) The Manager:

Bowside Property Management Ltd
4, 1420 40th Avenue N.E.,
Calgary, Alberta
T2E 6L1

6.14 **Counterparts:** The Agreement may be executed in one or more counterparts, each of which so executed shall form and constitute an original and all of which together shall constitute one and the same Agreement.

6.15 **Invalidity:** The invalidity of any particular provision of this Agreement shall not affect any other provision hereof and the Agreement shall be construed as if such invalid provision were omitted.

6.16 **Captions:** The captions and headings in this Agreement form no part of hereof and shall be deemed to have been inserted for the convenience of reference only.

6.17 **Assignment:** The Agreement shall not be assigned by the Manager without the prior written consent of the Corporation or by the Corporation without the prior written consent of the Manager provided only that the Manager may, without the consent of the Corporation delegate the performance but not the responsibility for any of the duties and obligations of the Manager hereunder to any independent contractor, expert or professional adviser.

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6.18 Amendment: This Agreement shall not be altered, amended, modified or supplemented except by memorandum in writing signed by the party to be bound thereby and any alteration, amendment, modification or supplement herof shall be null and void and shall not be binding unless made and recorded as aforesaid.

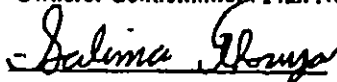
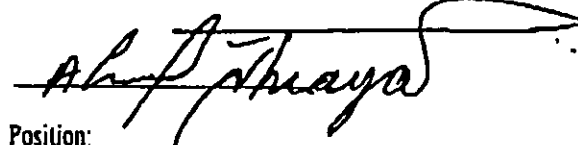
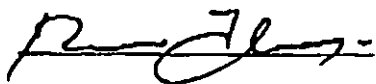
6.19 Waiver: No waiver of any provision of this Agreement shall be deemed or constitute a waiver of any other provision whether similar or not nor shall any such waiver constitute a waiver unless otherwise expressly stated and any waiver to be binding shall either be expressly provided for in the Agreement as being deemed to occur in a designated manner or be in writing and executed by the party to be bound thereby or the solicitor acting on its behalf.

6.20 Binding Effect: This Agreement shall enure to the benefit of and be binding on the parties hereto and their successors and assigns respectively.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the year and date first written above:

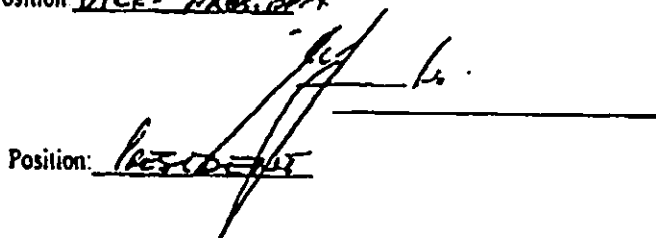
Witness:

Owners: Condominium Plan No. 9910542

Position: DEVELOPER

Position: _____

Bovside Property Management Ltd.

Position: VICE-PRESIDENTPosition: PRESIDENT

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DESCRIPTION OF PROPERTY

This is Schedule A to an Agreement made the 21st day of June, 1999 between The Owners, Condominium Plan 9910542 as the Corporation and Bonside Property Management Ltd. as Manager.

Pursuant to Section 1.01 (7) of the Agreement, the Property is hereby legally described as: Condominium Plan No. 9910542 as Registered at the Office of Land Titles, Southern Alberta District, in the City of Calgary and is located municipally at 153 Whitfield Drive N. E., in the City of Calgary in the Province of Alberta, Canada, together with all improvements, appurtenances, real and personal property attached thereto.

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SCHEDULE C

MANAGER'S COMPENSATION

This is Schedule C to an Agreement made the 21st day of June, 1999 between The Owners, Condominium Plan No. 9910542 as the Corporation and Bowside Property Management Ltd. as Manager.

Pursuant to Section 2.04 of the Agreement the Manager's compensation shall be made in the manner and under the terms hereinafter set out:

1. **Management Fees:** The Manager's compensation for the management and operation of the Property shall be a monthly fee of One Hundred Thirty (\$130.00) Dollars per month and the Manager's compensation for all renewal periods shall be in an amount agreed between the Corporation and the Manager but shall not, in any event be less than the compensation paid during the initial term of the Agreement, and all such fees and compensation shall become due and payable and be assessed as of the first day of each operating month.

2. **N.S.F. Charges:** The Manager shall be entitled to receive to its own account, the payment of any N.S.F. fees billed at Twenty Five (\$25.00) Dollars or charges charged to Owners of Units in the Condominium for the collection of replacement payments required from Owners provided only that the full amount due and any late payment charges assessed against the Owner shall first be collected by the Manager and deposited to the Corporation's Trust account.

3. **Hourly Fees:** The Manager, as provided in the Agreement shall be entitled to charge hourly rates for specific services and such hourly rates shall be invoiced to the Corporation setting out the work undertaken and the time the Manager, its agents, employees or servants have expended on such work; for the purpose of calculating such invoices, and where travel on behalf of the Corporation is required, travel time shall be included in the invoice. The hourly fee schedule shall be:

- (i) During business hours normal to the Manager's business: Thirty (\$30.00) per hour;
- (ii) During non business hours, evenings, weekends or Statutory Holidays: Forty-five (\$45.00) Per Hour.

4. **Fees For Services:** The Manager shall be entitled to compensation for other services provided to Owners of units, their agents or representatives and the Board of Directors of the Corporation as follows:

- | | |
|---|---------|
| (i) Preparation of Estoppel Certificates | \$60.00 |
| (ii) Providing copies of Bylaws | \$20.00 |
| (iii) Providing additional copies of insurance certificates | \$ 5.00 |
| (iv) Providing copies of the Management Agreement | \$20.00 |
| (v) Providing additional copies of Budget | \$ 5.00 |

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- | | | |
|--------|--|----------|
| (vi) | Providing copies of Financial Statements | \$ 5.00 |
| (vii) | Providing Director's & Officers names & addresses | \$ 5.00 |
| (viii) | Providing minutes of meetings | \$10.00 |
| (ix) | Providing statements of account | \$10.00 |
| (x) | Providing and mailing Notices of Meetings, Insurance Certificates, Budgets or other Notices required by the Corporation \$0.20 per page plus postage plus Fifteen (15%) Percent overhead and administration. | |
| (viii) | Providing communications with non-resident owners residing in a country other than Canada cost of telephone charges and or postage as may be required plus Fifteen (15%) overhead and administration. | |
| (ix) | Preparation and registration of Caveats and Discharges at the Office of Land Titles per unit payable upon registration. | \$135.00 |
| (x) | Collection letters (if required) | \$ 5.00 |

5. **Termination Fee:** If the Corporation terminates the Agreement during the initial term after having provided the Manager with Thirty (30) Days prior written notice, the Corporation shall pay the Manager all amounts due and owing to the Manager pursuant to the Agreement as of the date of termination plus a termination fee equal to three months of the Manager's monthly compensation payable under this Agreement.

6. **Sales Taxes:** In addition to the compensation and fees payable hereunder, the Corporation agrees to pay any Provincial or Federal Sales taxes for goods or services and the amounts of such fees as set out in this Schedule shall be deemed to be net of such taxes payable.

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(vi)	Providing copies of Financial Statements	\$ 5.00
(vii)	Providing Director's & Officers names & addresses	\$ 5.00
(viii)	Providing minutes of meetings	\$10.00
(ix)	Providing statements of account	\$10.00
(x)	Providing and mailing Notices of Meetings, Insurance Certificates, Budgets or other Notices required by the Corporation \$0.20 per page plus postage plus Fifteen (15%) Percent overhead and administration.	
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(x)	Collection letters (if required)	\$ 5.00

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6. **Sales Taxes:** In addition to the compensation and fees payable hereunder, the Corporation agrees to pay any Provincial or Federal Sales taxes for goods or services and the amounts of such fees as set out in this Schedule shall be deemed to be net of such taxes payable.

CONDOMINIUM BY-LAWS OF THE OWNERS
CONDOMINIUM PLAN NO. 9910542

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CONDOMINIUM BY-LAWS OF THE OWNERS
CONDOMINIUM PLAN NO. _____

PART I
DEFINITIONS AND INTERPRETATION

1. DEFINITIONS

In these By-Laws, unless the context or subject matter requires a different meaning:

- (a) "Act" means The Condominium Property Act, Revised Statutes of Alberta, 1980, Chapter C-22, as amended from time to time, or any statute or statutes substituted therefor;
- (b) "Board" means the Board of the Corporation;
- (c) "By-Laws" mean the By-Laws of the Corporation, as amended from time to time;
- (d) "common expense" or "common expenses" means the expenses of performance of the objects and duties of the Corporation and all expenses specified as common expenses in these By-Laws. Unless otherwise expressed, "common expense" or "common expenses" shall include, without restricting the generality of the definition thereof, all cost and expense to the Corporation incidental to the use or ownership of all property owned by or in which the Corporation has any interest and whether real or personal property, including, without limiting the generality of the foregoing, any assessments or contributions to cover contingencies and/or replacements and/or additional anticipated common expenses and/or deficiencies from the prior year or years;

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- (e) "common property" means so much of the parcel as is not comprised in any unit shown on the Condominium Plan;
- (f) "Condominium Plan" means the plan registered by the Developer under the Act as No.
- (g) "Corporation" or "the Corporation" means the corporation constituted under the Act by the registration of the Condominium Plan;
- (h) "Developer" means 400037 ALBERTA LIMITED;
- (i) "Insurance Trustee" means a trust company authorized to carry on the business of a trust company under the laws of Alberta selected from time to time by resolution of the Board;
- (j) "Manager" means the professional manager first retained by the Developer or any successor contractually appointed by the Board;
- (k) "owner" means a person who is registered as the owner of the fee simple estate in a unit in the Condominium Plan;
- (l) "parcel" means the land comprised in the Condominium Plan;
- (m) "Project" or "entire Project" means the parcel and all buildings, improvements, recreational facilities, chattels and property of every kind situate within, under or upon such parcel (except those chattels which are the separate property of the owners or occupiers of units);
- (n) "special resolution" means a resolution:

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- 001-77662-537
- (i) passed at a properly convened meeting of the Corporation by a majority of not less than Seventy-Five percent (75%) of all the persons entitled to exercise the powers of voting conferred by the Act or these By-Laws and representing not less than Seventy-Five percent (75%) of the total unit factors for all the units; or
 - (ii) signed by not less than Seventy-Five percent (75%) of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these By-Laws and representing not less than Seventy-Five percent (75%) of the total unit factors for all the units.

(o) "unanimous resolution" means a resolution:

- (i) passed unanimously at a properly convened meeting of the Corporation by all the persons entitled to exercise the powers of voting conferred by the Act or these By-Laws and representing the total unit factors for all the units; or
- (ii) signed by all persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these By-Laws;

(p) "unit" means an area of a building within the parcel designated as a unit by the Condominium Plan, and the term may include more than one unit if owned by the same party;

(q) "unit factor" means the unit factor for each unit as more particularly described in the Condominium Plan.

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Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these By-Laws, and other expressions used in the By-Laws and not defined in the Act or in these By-Laws have the same meaning as may be assigned to them in The Land Titles Act of Alberta, as amended from time to time, or in any statute or statutes passed in substitution thereof; words importing the singular number include the plural, and vice versa, words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

2. INTERPRETATION

The headings used throughout these By-Laws are inserted for reference purposes only and are not to be considered or taken into account in construing or interpreting the terms or provisions of any By-Law.

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PART II
DUTIES OF THE OWNERS AND RULES AND
REGULATIONS OF THE CONDOMINIUM PROJECT

3. A. AN OWNER SHALL:

- (a) permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to enter his unit for the purpose of inspecting the unit and maintaining, repairing or renewing pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the unit and capable of being used in connection with the enjoyment of any other unit or common property, or for the purpose of maintaining, repairing or renewing common property, or for the purpose of ensuring that the By-Laws are being observed;
- (b) forthwith carry out all work that may be ordered by any municipality or public authority in respect of his unit, other than such work as may be for the benefit of any building within the parcel generally and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- (c) repair and maintain his unit, including all windows and doors, and keep it in a state of good repair, reasonable wear and tear and such damage as is insured against by the Corporation excepted; and shall maintain in a reasonable manner any area which is located on any part of the common property to which the owner has been granted exclusive use pursuant to By-Law 59 and which is not accessible, in the sole opinion of the Board of the Corporation, for cutting by power mowers, and the plants and landscaping, if any therein, and if the owner shall not maintain such lawns, plants and landscaping to a

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standard similar to that of the common areas the Corporation may give One (1) month's notice to the owner to this effect and if such notice has not been complied with at the end of that month, then the Corporation may carry out such work and shall have a lien against the estate or interest of the non-complying owner served with such notice, and the provisions of By-Laws 46 and 48 shall have effect;

- (d) use and enjoy the common property and any property owned by the Corporation or in which it has any interest (herein sometimes called "Corporation property") in such manner as to not unreasonably interfere with the use and enjoyment thereof by the owners or their families or visitors or others;
- (e) notify the Corporation forthwith upon any change of ownership;
- (f) observe and abide by all rules and regulations established from time to time by the Board for the safe and orderly flow of traffic in or on the parcel, including, but without limiting the generality of the foregoing, speed limits and directional controls; and
- (g) comply strictly with and cause all his tenants, family, visitors and other occupants of his unit to comply with these By-Laws and with such rules and regulations as may be adopted pursuant thereto from time to time.

B. AN OWNER SHALL NOT:

- (a) use his unit or the common property for commercial or professional purposes, including auction sales, garage sales and other sales, or for any purpose which may be illegal or injurious to the reputation of the Project;

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- 130-29035-140
- (b) make or permit noise in or about any unit, the common property or the Corporation property which, in the opinion of the Board, is a nuisance or unreasonably interferes with the use and enjoyment of a unit, the common property of the Corporation by any other owner. No instrument or other device shall be used within a unit which, in the opinion of the Board, causes a disturbance or interferes with the comfort of other owners;
 - (c) keep household animals or pets of any kind in his unit, the common property or the Corporation property after Seven (7) days' notice from the Board to remove any animal or pet;
 - (d) keep any other kind of animal or any livestock or fowl whatsoever in his unit, the common property or the Corporation property;
 - (e) use or permit the use of his unit other than as a single family dwelling, except where a unit comprises a parking space within a building, in which case, it shall be utilized exclusively for parking of an automobile, as provided in Clause (x) hereof, unless authorized by unanimous resolution of the Corporation;
 - (f) do any act or permit any act to be done, or alter or permit to be altered his unit in any manner, which will alter the exterior appearance or the structure comprising his or any other units;
 - (g) permit laundry to be hung other than inside the unit;
 - (h) permit, erect or hang over or from or cause to be erected or to remain outside any window or door or any other part of a unit or on the common property, fences, barriers, partitions, awnings, shades or screens or any other matter or thing without the consent in writing

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of the Board first had and obtained, which consent the board may arbitrarily withhold or subsequently withdraw. In the event such consent is withheld or withdrawn, the owner shall forthwith remove the item. No television antenna or similar structure or appurtenances thereto shall be erected on or fastened to any unit except in connection with a common television antenna or cable system as authorized by the Board, and then, only in accordance with the regulations therefor which may be established by the Board;

- (i) do anything or permit anything to be done or bring or keep anything in his unit, the common property or the Corporation property which will or would tend to increase the risk of fire or the rate of fire insurance premiums with respect thereto;
- (j) do anything or permit anything to be done by any occupier of his unit in his unit, the common property or the Corporation property that is contrary to any statute, ordinance, by-law or regulation of any government authority whether Federal, Provincial, Municipal or otherwise;
- (k) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place chairs, tables, children's play things, devices or toys or other objects on the lawns and grounds so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds within the parcel;
- (l) deposit household refuse and garbage other than in containers to be stored inside a unit or in such other location as the Board may designate in writing from time to time;

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- (m) erect, place, allow, keep or display signs, billboards, advertising matter or other notices or displays of any kind on the common property, Corporation property or in or about any unit in any manner which may make the same visible from the outside of the unit without the prior approval of the Board; PROVIDED, HOWEVER, this clause shall not apply to the Developer;
- (n) use any part of the common property, Corporation property or any designated parking stall which may be designated for or assigned to another owner by the Board, for the parking or operation of any motor vehicles except in accordance with permission in writing from the Board, nor shall he obstruct or permit his family, guests or visitors to obstruct any sidewalks, walkways, passages or driveways, entrances, exits, or parking areas or facilities;
- (o) shake mops or dusters of any kind nor throw anything out any windows in his unit or on common property, nor permit anything of this kind to be done;
- (p) allow his unit or privacy area to become unsanitary or unsightly in appearance;
- (q) make or cause to be made any structural, mechanical or electrical alterations or additions to his unit without first having the design specifications of such alteration or addition approved in writing by the Board. Any alteration or addition made by an owner without such approval may be restored or removed by the Board or its duly authorized representative or representatives, and any costs incurred by the Corporation as a result thereof shall forthwith be paid by such owner to the Corporation and shall bear interest at the rate of Eighteen percent (18%) per annum from the time such costs are incurred until paid;

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- (r) permit any member of his household, guests or visitors to trespass on the privacy area granted to another owner;
 - (s) when the purpose for which a unit is intended to be used is shown expressly or by necessary implication on or by the registered Condominium Plan, use his unit for any other purpose or permit the same to be used;
 - (t) wash cars except in such a manner as will not cause nuisance or annoyance to other owners, and in such place and at such times as the Board may from time to time by regulation set forth or direct, and no repairs or adjustments to automobiles shall be carried out on any common property or Corporation property, nor shall any commercial vehicles be brought onto any common property or Corporation property without the written consent of the Board of a manager or nominee thereof, save in the course of delivery to or removal from the respective premises;
 - (u) use or permit any other person to use recreation facilities, except in accordance with rules and regulations respecting the use thereof which the Board from time to time by regulation sets forth or directs;
 - (v) allow the area around his unit to become untidy. The board shall be at liberty to remove any rubbish or clean up the common area in close proximity to an owner's premises to its satisfaction and charge the expense to the owner;
 - (w) do any act or thing or neglect or fail to do any act or thing which would render invalid any insurance in force and maintained by the corporation or which would increase the premium therefor;

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- (x) allow trailers, campers, boats, snowmobiles, trail bikes, all terrain vehicles or similar vehicles or equipment to be parked or stored other than in his exclusive parking areas or in his unit acquired for parking;
 - (y) allow or cause any household or personal effects or articles belonging to him to be kept anywhere, except inside his respective unit when not in actual use, and each owner will comply with all reasonable requests of the Board or its representative that all household or personal effects or articles, including bicycles, toys and like things belonging to an owner's household be put away inside such unit when not in actual use;
 - (z) prevent or prohibit access to and use of exterior water taps on his unit for purposes of maintaining common property;
 - (aa) use a toilet, sink, tub, basin or other plumbing fixture for a purpose other than that for which it is constructed; and
 - (bb) use his unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that may cause nuisance or hazard to any occupier of a unit (whether an owner or not) or the family of such an occupier;

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PART III
THE CORPORATION

4. FURTHER DUTIES OF THE CORPORATION

In addition to the duties of the Corporation set forth in the Act, the Corporation shall:

- (a) control, manage, maintain and administer the common property and any Corporation property for the benefit of all of the owners and for the benefit of the entire Project;
- (b) keep in a state of good and serviceable repair and properly maintain the fixtures, fittings, recreational facilities and other apparatus and equipment used in connection with the common property and any Corporation property, including, without limiting the generality of the foregoing, all elevators, escalators and related equipment located in or on the parcel;
- (c) maintain the lawns, gardens and walkways on the common property and any Corporation property, excepting privacy areas as herein referred to;
- (d) maintain and repair (including renewal where reasonably necessary) any pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the parcel and any public walkways which are capable of being used in connection with the enjoyment of more than one unit or common property or any Corporation property;
- (e) on the written request of an owner or registered mortgagee of a unit, produce to the owner or mortgagee, or a person authorized in writing by the owner or mortgagee, the policy or policies (or a certified copy of the

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policy or policies) of insurance effected by the Corporation, and the receipt or receipts (or certified copies thereof) for the last premium or premiums in respect thereof;

(f) maintain and repair the following:

(i) the exterior of the buildings, excluding windows and doors (except as to matters of colour and regularity of painting or finishing of exterior surfaces of doors and garage doors, which shall be within the jurisdiction of the Corporation), but including roofs and including painting and refurbishing of the whole of the exterior of the buildings usually painted at time intervals to be recommended by the Board or at such more frequent intervals as may be decided by the Corporation;

(ii) all fencing, posts, roadways, ramps, steps, terraces, plazas, driveways and sidewalks within the common property; and

(iii) all other outside hardware and accoutrements affecting the appearance, useability, value or safety of the common property or the units;

(g) collect and receive all contributions towards the common expense paid by the owner and deposit same in a separate account with a chartered bank or trust company or the Manager;

(h) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the Corporation, including, but not limited to, management fees, maintenance expenses, fire and liability insurance and other maintenance expense charged against or referable to any

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Corporation property, common property lighting, snow removal and landscape maintenance, water and sewer services, cost of legal, accounting and auditing services and appraisal fees and cost of a Manager, if any, and such other costs as to the Board seem justifiable in the management or administration of the entire Project;

- (i) remove ice, snow, slush and debris from and keep and maintain all walkways, roadways, ramps, driveways, parking lots and areas designated or intended for pedestrian and/or vehicular traffic;
- (j) on the written request of a first mortgagee of a unit to supply to such first mortgagee copies of the minutes of all general meetings (both annual and extra-ordinary;
- (k) upon the written request of an owner, purchaser or mortgagee of a unit, the Corporation shall, within Twenty (20) days of receiving that request, provide to the person making the request One (1) or more of the following as requested by that person:
 - (i) a statement setting forth the amount of any contributions due and payable in respect of a unit;
 - (ii) the particulars of:
 - (1) any action commenced against the Corporation and served upon the Corporation;
 - (2) any unsatisfied judgment or order for which the Corporation is liable; and
 - (3) any written demand made upon the Corporation for an amount in excess of FIVE THOUSAND DOLLARS (\$5,000) that, if not met, may result in

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an action being brought against the Corporation;

- (iii) the particulars of or a copy of any subsisting management agreement;
- (iv) the particulars of or a copy of any subsisting recreational agreement;
- (v) a copy of the current budget of the Corporation;
- (vi) a copy of the most recent financial statement of the Corporation;
- (vii) a copy of the By-Laws of the Corporation; and
- (viii) a copy of any minutes of proceedings of a general meeting of the Corporation or of the Board;

- (1) obtain and retain by contract the services of a professional management firm for such purposes and on such terms as the Board may from time to time decide.

5. FURTHER POWERS OF THE CORPORATION

In addition to the powers of the Corporation set forth in the Act, the Corporation may:

- (a) purchase, hire or otherwise acquire real and/or personal property:
 - (i) for the maintenance, repair or replacement of any real or personal property of the Corporation or the common property; or

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- (ii) in connection with their enjoyment of the real and personal property of the Corporation or the common property;

PROVIDED that real property shall only be acquired or disposed of on approval by special resolution of the Corporation;

- (b) borrow monies required by it in the performance of its duties or the exercise of its powers if approved by special resolution;
- (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by combination of those means;
- (d) invest, as it may determine, any monies in the fund for administrative expenses in accordance with the provisions of the Act;
- (e) make an agreement with any owner or occupier of a unit for the provision of amenities or services by it to the unit or to the owner or occupier thereof;
- (f) grant a lease to an owner or grant to an owner the right to exclusive use and enjoyment of part of the common property, or special privileges in respect thereof, the grant to be determinable on reasonable notice, unless the Corporation by special resolution otherwise resolves;
- (g) make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use,

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enjoyment, safety and cleanliness of recreational facilities, if any, and other parts of the common property or of any Corporation property;

- (h) do all things reasonable necessary for the enforcement of the By-Laws and for the control, management and administration of the common property generally and of any Corporation property;
- (i) provide and maintain out of the contributions to be levied by the Corporation towards the common expenses, or otherwise, such amount as the Board may determine from time to time to be fair and prudent for a contingency reserve fund. The contingency reserve fund shall be an asset of the Corporation;
- (j) establish a fund for administrative expenses, sufficient, in the opinion of the Board of the Corporation, for the control, management and administration of the common property, for the payment of any premiums of insurance and the discharge of any other obligations of the Corporation and invest, as the Board may determine, any monies in the said fund;
- (k) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- (l) raise amounts so determined by levying contributions on the owners in proportion to the unit factor for their respective units or as otherwise herein provided;
- (m) (i) recover from any owner by an action for debt or otherwise any sum of money expended by the Corporation for repairs to or work done by it or at its direction, and whether or not to comply with any notice, demand or order of or by a local

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authority or any other authority having jurisdiction in respect of that portion of a building comprising the unit of the appropriate owner.

- (ii) any contribution levied, as hereinbefore provided, is due and payable on the passing of a resolution by the Board to that effect and in accordance with the terms of the resolution and may be recovered by an action for debt or otherwise by the Corporation:

(1) from the owner entitled at the time when the resolution was passed; and

(2) from the owner entitled at the time when the action was instituted;

both jointly and severally;

(n) charge interest on any contribution or other monies owing to it by any owner or other person;

(o) join any organization serving the interests of the Corporation and assess the membership fee in the organization as part of the common expenses;

(p) authorize the Manager in writing, to carry out any of the duties and powers of the Corporation or Board herein contained.

6. THE CORPORATION AND THE BOARD

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

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7. COMPOSITION OF BOARD

Until the first annual general meeting of the owners, the Board shall consist of a nominee or nominees of the Developer. Thereafter, the Board shall consist of not less than Three (3) nor more than Seven (7) who are owners or spouses or nominees of owners or who are representatives of mortgagees who have notified the Corporation of their interests, and they shall be elected at each annual general meeting.

8. ELECTION TO BOARD

At each annual general meeting of the Corporation, all the members of the Board shall retire from office and the Corporation shall elect a new Board.

9. RE-ELECTION TO BOARD

A retiring member of the Board shall be eligible for re-election.

10. REMOVAL FROM BOARD

Except where the Board consists of all owners, the Corporation may, by resolution at an extra-ordinary general meeting, remove any member of the Board before the expiration of his term of office and appoint another owner in his place, to hold office until the next annual general meeting.

11. CASUAL VACANCY

Any vacancy on the Board may be filled by the members of the Board appointing a person to fill that vacancy for the remainder of the term.

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12. QUORUM

A quorum of the Board is Two (2) where the Board consists of Four (4) or less members, and Three (3) where it consists of Five (5) or more members.

13. OFFICERS

At the first meeting of the Board held after each annual general meeting of the Corporation, the Board shall elect from among its members a Chairman, a Vice-Chairman, a Treasurer and a Secretary who shall hold their respective offices until the conclusion of the next annual general meeting of the Corporation or until their successors are elected or appointed.

14. ABSENCE OF CHAIRMAN

Where the Chairman is absent from any meeting of the Board, or vacates the chair during the course of any meeting, the Vice-Chairman shall act as the Chairman and shall have all the duties and powers of the Chairman while so acting. In the absence of both the Chairman and Vice-Chairman, the members present shall from among themselves appoint a Chairman for that meeting who shall have all the duties and powers of the Chairman while so acting.

15. FURTHER DUTIES

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

16. MAJORITY VOTE

At meetings of the Board all matters shall be determined by simple majority vote. The Chairman of the Board shall have a casting vote in addition to his original vote.

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17.

POWERS OF BOARD

The Board may:

- (a) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of said Board not less than Seven (7) days' notice of a meeting proposed by him, specifying the reason for calling the meeting; PROVIDED that the Board shall meet at the call of the Chairman on such notice as he may specify without the necessity of the Chairman giving reasons for the calling of the meeting;
- (b) appoint or employ for and on behalf of the Corporation such agents and servants as it thinks fit in connection with the control, management and administration of the common property and Corporation property and the exercise and performance of the powers and duties of the Corporation;
- (c) subject to any restriction imposed or direction given at a general meeting of owners, delegate to One (1) or more of the members of the Board such of its powers and duties as it thinks fit, and at any time revoke such delegation; and
- (d) obtain and retain by contract the services of the Manager or of any professional real property management firm or professional real property manager or agent for such purposes and upon such terms as the Board may from time to time decide all in accordance with the Act.

18.

DUTIES OF BOARD

The Board shall:

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- (a) keep minutes of its proceedings;
- (b) cause minutes to be kept of general meetings;
- (c) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- (d) prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual general meeting;
- (e) on application of an owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at all reasonable times;
- (f) at least once in each year, cause the books and accounts of the Corporation to be audited by a chartered accountant or certified general accountant and shall submit the report of the auditor to the annual general meeting of the Corporation and the cost of such audit shall be an obligation of the Corporation;
- (g) Within Fifteen (15) days of a person becoming or ceasing to be a member of the Board, file, at the Land Titles Office, or in any other register required by law, a notice in the prescribed form stating the name and address of that person and the day the person became or ceased to be, as the case may be, a member of the Board; and
- (h) unless otherwise resolved by special resolution of the Corporation, employ for and on behalf of the Corporation an independent professional management agency, agent or manager as the Manager to supervise, manage, carry out and perform any and all of the duties of the Corporation, subject always to the control and direction of the

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Corporation and the Board. Without limiting the generality of the foregoing, if any group of persons entitled to vote, representing Twenty-Five percent (25%) of the total unit factors of the units, shall at any time be dissatisfied with the fitness or suitability of such Manager employed as aforesaid or the adequacy of the work or service performed by him, such group of persons may, by requisition addressed to the Corporation, require the calling of an extra-ordinary general meeting; and upon such requisition being made as aforesaid, the Board shall forthwith call an extra-ordinary general meeting of the Corporation to consider the complaint or complaints of such group of persons, and the continuance or termination of the employment or a replacement shall be considered and determined by ordinary resolution at such meeting, and the Board shall govern itself according to such resolution. The Manager employed by the Board as aforesaid need not devote his full time to the performance of duties of the Corporation so long as those duties are performed in good and sufficient fashion. Until such time as all units in the Condominium are sold by the Developer, such Developer may act as Manager, subject to all the provisions of this paragraph and these By-Laws, and carry out and perform all of the duties of the Corporation. Such management shall be terminable by the Board on Sixty (60) days' notice in any event. If the Board so determines, the Developer may, subject to all of the provisions of this paragraph and these By-Laws, be continued or re-employed as Manager from time to time after the sale of all units by the Developer.

19. VALIDITY OF ACTS

All acts done in good faith by the Board are, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any member of the

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Board, as valid as if the member had been duly appointed or had duly continued in office.

20. VACATION OF OFFICE

The office of a member of the Board shall be vacated if the member:

- (a) becomes bankrupt under the Bankruptcy Act (Canada, or any legislation passed in substitution therefor or replacement thereof; or
- (b) is more than Thirty (30) days in arrears in payment of any contribution required to be made by him as an owner; or
- (c) is the subject of a certificate of incapacity issued under The Mental Health Act, 1972, or any legislation passed in substitution therefor or replacement thereof; or
- (d) is convicted of an indictable offence for which he is liable to imprisonment for a term of not less than Two (2) years; or
- (e) resigns his office by serving notice in writing upon the Corporation; or
- (f) is absent from Three (3) consecutive meetings of the Board, without permission of the Board, and it is resolved at a subsequent meeting of the Board that his office be vacated; or
- (g) in the case of a company which is a member of the Board, if the company shall become bankrupt or make an assignment for the benefit of creditors or if proceedings are

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commenced to wind up the company otherwise than for the purpose of amalgamation or reconstruction.

21. SIGNING AUTHORITIES

The Board shall determine, by resolution from time to time, which officer or officers or other persons shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities not required to be under corporate seal.

22. CORPORATE SEAL

The Corporation shall have a corporate seal, which shall at no time be used or affixed to any instrument except in the presence of at least Two (2) members of the Board or in the presence of any One (1) or more members of the board as may be authorized from time to time by resolution of the Board, who shall each sign every instrument to which the corporate seal is affixed, except that where there is only One (1) member of the Corporation, his signature shall be sufficient for the purpose for this By-Law, and if the only member is a company, the signature of its appointed representative on the Board shall be sufficient for the purpose of this By-Law.

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PART IV
MEETINGS

23. FIRST MEETING

The first annual general meeting shall be called by the Board in accordance with the requirements of the Act. Subsequent annual general meetings shall be held once in each calendar year, and not more than Fifteen (15) months shall elapse between the date of one annual general meeting and that of the next.

24. EXTRA-ORDINARY GENERAL MEETINGS

All general meetings other than the annual general meetings shall be called extra-ordinary general meetings.

25. COVENING MEETINGS

The Board may, whenever it thinks fit, and shall, upon a requisition in writing by owners representing not less than Twenty-Five percent (25%) of the total unit factors for all the units or upon the request in writing from mortgagees holding registered mortgages against units in respect of which corresponding unit factors represent not less than Twenty-Five percent (25%) of the total unit factors under the Condominium Plan, convene an extra-ordinary general meeting.

26. NOTICE OF GENERAL MEETINGS

Seven (7) days' notice of every general meeting specifying the place, the date and the hour of meeting, and in the case of special business, the general nature of such business, shall be given to all owners and first mortgagees who have notified their interests to the Corporation.

Notice shall be given to the owner and to a mortgagee in the manner prescribed in these By-Laws, but the accidental

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ommission to give notice to an owner or mortgagee or non-receipt by an owner or mortgagee does not invalidate the meeting or any proceedings thereat.

In computing the number of days notice of a general meeting required under these By-Laws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted.

27. SPECIAL BUSINESS

All business shall be deemed special that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the Board, reports from the Manager, officers and committees of the Corporation, or at any extra-ordinary general meeting.

28. QUORUM

Save as in these By-Laws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business and One-Third (1/3) of the persons entitled to vote present in person or by proxy shall constitute a quorum.

29. ADJOURNMENT FOR LACK OF QUORUM

If, within One-Half (1/2) hour from the time appointed for a general meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same place and time; and if, at the adjourned meeting, a quorum is not present within One-Half (1/2) hour from the time appointed for the meeting, the persons entitled to vote who are present shall be a quorum.

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30.

CHAIRMAN

The Chairman of the Board shall be the Chairman of all general meetings or, in his absence from the meeting or in case he shall vacate the chair, the Vice-Chairman of the Board shall act as Chairman; PROVIDED ALWAYS that, if the Chairman and Vice-Chairman be absent or shall vacate the chair or refuse to act, the meeting shall elect a Chairmen.

31.

ORDER OF BUSINESS

The Order of Business at general meetings, and as far as is appropriate at all extraordinary meetings, shall be:

- (a) if the Chairman or the Vice-Chairman of the Board shall be absent, the election of the Chairman of the Meeting;
- (b) calling of the roll and certifying the proxies;
- (c) proof of notice of meeting or waiver of notice;
- (d) reading and disposal of any unapproved minutes;
- (e) report of officers;
- (f) report of committees;
- (g) consideration of the accounts;
- (h) election of Board, if necessary;
- (i) unfinished business;
- (j) new business; and
- (k) adjournment.

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32. SHOW OF HANDS SUFFICIENT

At any general meeting, a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any owner or registered mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. A demand for a poll may be withdrawn.

33. WHEN POLL REQUIRED

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

34. VOTES OF OWNERS

On show of hands, each owner shall have one vote; on a poll, the number of votes that a person may cast shall correspond to the unit factors for the respective units represented by that person.

35. METHOD OF VOTING

On a show of hands or on a poll, votes may be given either personally or by proxy.

36. PROXY

An instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney, and may be either

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general or for a particular meeting. A proxy need not be an owner.

37. ELIGIBILITY TO VOTE

Except in cases where, by or under the Act, a unanimous resolution is required, no owner is entitled to vote at any general meeting unless all contributions payable in respect of his unit have been duly paid to the date of such vote; PROVIDED, HOWEVER, an owner's ineligibility to cast a vote does not affect the right of the first mortgagee to vote in accordance with the Act.

38. CO-OWNERS: ELIGIBILITY

Co-owners may vote by proxy, but only if the proxy is jointly appointed by them or by one of the co-owners appointed by the other or all others, as the case may be, and in the absence of such proxy, co-owners are not entitled to vote on a show of hands except when a unanimous resolution is required by the Act, but any one co-owner demand a poll.

39. CO-OWNERS: SHARE OF VOTE

On any poll, each co-owner is entitled to such part of the vote applicable to a unit as is proportionate to his interest in the unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interest in the unit of the joint owners as do not vote personally or by individual proxy.

40. SUCCESSIVE INTERESTS

Where owners are entitled to successive interests in a unit, the owner entitled to the first interest is alone entitled to vote, whether on a show of hands or a poll.

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41. TRUSTEE

Where an owner is a trustee, he shall exercise the voting rights in respect of the unit to the exclusion of persons beneficially interested in the trust, and these persons shall not vote.

42. MORTGAGEE

Notwithstanding provisions of these By-Laws with respect to appointment of a proxy where the owner's interest is subject to a registered mortgage, and where the mortgage or these By-Laws or any statute provides that the power of vote conferred on an owner may or shall be exercised by the mortgagee, and where the mortgagee has given written notice of his mortgage to the Corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote.

43. SIGNED RESOLUTION

Where a resolution of the members of the Corporation requires a majority vote, that resolution signed in person or by proxy by all the persons who, at a properly convened annual general meeting or general meeting of the Corporation, would be entitled to vote, shall have the same effect as a resolution duly passed at the meeting.

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PART V
ASSESSMENTS

44. ASSESSMENTS FOR COMMON EXPENSES AND BUDGETS

- (a) The common expenses of the Corporation shall, without limiting the generality hereof, include the following:
- (i) all levies or charges on account of electricity, water, gas and fuel service supplied to the Corporation for the common property and for the benefit of all owners and such levies or charges against the real or personal property of the Corporation;
 - (ii) management fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees of the Corporation;
 - (iii) all the charges on account of lawn maintenance and for ice, snow and debris removal from common property, excepting privacy areas and such charges for the Corporation property;
 - (iv) all charges on account of lighting or electrical fixtures situated on common property and/or all parking facilities, except only those which are on account of parking units and are separately metered in connection therewith and billed to the owners, and such charges for the Corporation property;
 - (v) all charges on account of maintenance for these portions of a unit for which the Corporation is responsible under these By-Laws;
 - (vi) all charges on account of maintenance for common property for which the Corporation is responsible

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under these By-Laws and for maintenance costs in respect of the Corporation property;

- (vii) all insurance costs in respect of the insurance for which the Corporation is responsible under these By-Laws and/or the Act, including the fees and disbursements of the Insurance Trustee;
- (viii) all realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising the Corporation property which is not included in the Condominium Plan; and
- (ix) all charges and payments due pursuant to any easement.
- (b) Budget Procedure: Prior to the 1st day of December in each calendar year, the Corporation shall cause to be prepared a budget setting out, by categories, its best estimate of the common expenses of the Corporation for the next calendar year. The budget shall include a reasonable provision for contingencies and replacements, plus any deficiencies from the previous year or years. In preparing the budget, the Corporation shall deduct any surplus accumulated in the preceding year, but shall exclude the amount then outstanding in the contingency reserve fund.
- (c) The common expenses set forth in each assessment shall be payable by each owner to the Corporation, or to any other person, firm or corporation to whom the Corporation shall direct payment to be made from time to time, in Twelve (12) equal consecutive monthly installments payable, in advance, on the first day of each month, the first installment to be made on the first day of the

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month immediately following receipt of such notice of assessment.

- (d) All payments of whatsoever nature required to be made by each owner and not paid within Ten (10) days from the due date for payment shall bear interest at the rate of Eighteen percent (18%) per annum from the date when due until paid. All payments on account shall first be applied to interest and then to the assessment payment first due.
- (e) Within Ten (10) days following written application therefor by the owner, the Corporation shall furnish to the owner a statement setting forth as of its date the amount of any unpaid assessments then due from such owner and the amount outstanding, if any, in the contingency reserve fund and belonging to the Corporation, but contributed by each owner.
- (f) The omission by the Corporation Board or the management agent, to affix the assessment hereunder for the next ensuing year, shall not be deemed a waiver or modification in any respect of the provisions of these By-Laws, or release of the owner or owners from their obligation to pay the assessments or special contributions, or any installments thereof, for any year or period, but the assessments fixed for the preceding year shall continue until new assessments are fixed. No owner can exempt himself from liability for his contributions toward the common expenses by waiver of the use or enjoyment of any of the common property or the Corporation property or by vacating or abandoning his unit.

45. SPECIAL ASSESSMENTS

If, at any time after the cessation of management by the Developer, it appears that the annual assessment or contribution

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towards the common expense will be insufficient to meet the common expenses, the Corporation may assess and collect a special contribution or contributions against each unit in an amount sufficient to cover the additional anticipated common expense. The Corporation shall give notice of such further assessment to all owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each owner in the manner and on the date or dates specified in the notice. Each such special contribution shall be determined and assessed against the owners in proportion to their unit factor as shown in the Condominium Plan. All such special contributions shall be payable within Ten (10) days of the due date for payment as specified in the notice, and if not paid, shall bear interest at the rate of Eighteen percent (18%) per annum from the due date until paid.

46. DEFAULT IN PAYMENT AND LIEN FOR UNPAID AMOUNTS

- (a) The Corporation shall and does hereby have a lien on and a charge against the estate or interest of any owner for any unpaid assessment, installment or payment due to the Corporation, which lien shall be a prior paramount lien against such estate or interest [subject only to the rights of any registered first mortgagee] and any municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the unit title or interest of such owner. The Corporation shall have the right to file a caveat or encumbrance against the unit title or interest of such owner in respect of the lien or charge for the amount of such unpaid assessment, installment or payment and for so often as there shall be any such unpaid installment or payment; PROVIDED that each such caveat or encumbrance shall not be registered until after the expiration of Thirty (30) days following the due date for the first payment in arrears. As further and better security each owner, responsible for any such unpaid assessment,

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installment or payment which is in arrears for more than Thirty (30) days, shall give to the Corporation a mortgage or encumbrance for the full amount thereof, and all installments and/or payments and interest thereon at the rate of Eighteen percent (18%) per annum from the due date or dates for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time.

- (b) Any other owner or person, firm or corporation whatsoever may pay any unpaid assessment, installment or payment after the expiration of Thirty (30) days following the due date for payment by the owner in default, with respect to a unit, and upon such payment, such party, person, firm or corporation shall have a first, paramount lien, subject to the estates or interests hereinbefore mentioned, and shall be entitled to file a caveat or encumbrance in respect of the amount so paid on behalf of the owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this provision.
- (c) Mortgage protection: Notwithstanding all other provisions hereof any lien, charge or security created, as hereinbefore mentioned and referred to in the preceding paragraphs, shall to subject always and subordinate to, and shall not affect the rights of the holder of, any indebtedness secured by any registered first mortgage and the Corporation or other party shall, upon the request of such first registered mortgagee, at the expense of such other party or the Corporation, as the case may be, execute and deliver such postponements, agreements or instruments of subordination as the said mortgagee shall reasonably require to fully and effectively establish or maintain its priority as a first registered

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mortgagee in respect of a unit title against which it has registered its mortgage.

47. ESTOPPEL CERTIFICATES

Any certificate as to the owners' position with regard to expense assessments or otherwise, issued by the Corporation, signed by Two (2) officers and under the corporate seal, or signed by the appointed property manager shall be deemed an estoppel certificate, and the Corporation and all of the owners shall be estopped from denying the accuracy of such certificate against any mortgagee, purchaser or other person dealing with the owner; but this shall not prevent the enforcement against the owners of all obligations of the owners, whether improperly stated in such estoppel certificate or not.

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PART VI
MISCELLANEOUS

48. VIOLATION OF BY-LAWS

- (a) Any infraction or violation of or default under these By-Laws of any rules and regulations established pursuant to these By-Laws on the part of an owner, his servants, agents, licensees, invitees or tenants may be corrected, remedied or cured by the Corporation and any costs or expenses expended or incurred by the Corporation in correcting, remedying or curing such infraction, violation or default shall be charged to such owner and shall be added to and become part of the assessment of such owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest at the rate of Eighteen percent (18%) per annum until paid.
- (b) The Corporation may recover from an owner, by an action for debt in any court of competent jurisdiction, any sum of money which the Corporation is required to expend as a result of any act or omission by the owners, his servants, agents, licensees, invitees or tenants, which violates these By-Laws or any rules or regulations established pursuant to these By-Laws, and there shall be added to any judgement, all costs of such action, including costs as between solicitor and client. Nothing herein shall be deemed to limit any right of any owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies.
- (c) In addition, the Corporation may exercise the powers provided for in Section 29 of the Act (or any provision

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passed in substitution therefor), and impose a penalty through its Board, not exceeding any statutory limits in effect from time to time.

49. DEVELOPER'S RIGHTS

During such time as the Developer of the Corporation is the owner of One (1) or more units, it shall have the right to maintain any such unit or units, whether owned or leased by it, as a display unit or units and to carry on all sales functions it considers necessary from such unit or units. In particular, but without limiting the generality of the foregoing, the Developer shall be entitled to bring and allow prospective purchases in and upon the common property and portions thereof.

50. DAMAGE OR DESTRUCTION

- (a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine, within Thirty (30) days of the occurrence, whether there has been substantial damage and shall give notice thereof to the Insurance Trustee and the first mortgagee of the units immediately upon such determination. For the purpose of this paragraph, substantial damage shall mean damage to the extent of Fifty percent (50%) or more of the replacement value of all units and common property immediately prior to the occurrence. Unless there has been substantial damage and the owners who represent Three-Fourths (3/4) or more of the unit factors by resolution resolve not to proceed with repair or restoration within One Hundred (100) days after damage or destruction, the Board shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The obligation to repair hereunder is mutually exclusive of the general obligation to maintain and does not include the repair or improvements made to any unit by any owner after registration of the Condominium Plan.

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The Board or the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a common expense and the Board may assess all the unit owners for such deficiency as part of the common expense.

Where there has been substantial damage and the owner or owners who represent Three-Fourths (3/4) or more of the unit factors duly resolve within One Hundred (100) days after the damage or destruction not to repair, the Board shall make application to terminate the condominium status of the parcel in accordance with the provisions of the Act, and each of the owners shall be deemed to consent to such application. Upon termination of the condominium status;

- (i) any liens or charges affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the interest of the respective owners in the parcel;
- (ii) the proceeds of insurance shall be paid firstly to the Insurance Trustee and then to the owners and mortgagees as their respective interests may appear; and
- (iii) where it has been determined that there has been substantial damage, as aforesaid, the Board shall so notify the Insurance Trustee and all mortgagees which have given written notice of their respective mortgages to the Corporation.

- (b) No owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the

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property or person of the owner arising from any defect or want of repair of the common property or any part thereof.

- (c) The Corporation shall not be responsible to the owner for any loss, damage or expense caused by an overflow or leakage of water from any adjoining building(s) or by the breaking or bursting of any pipes or plumbing fixtures, or in any other manner whatsoever, unless such damage shall result from the negligent act or omission on the part of the Corporation, its servants, agents, employees or officers.
- (d) Where the Corporation is required to enter a unit for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the unit and capable of being used in connection with the enjoyment of any other unit or the common property, the Corporation and its servants, employees and agents shall, in carrying out any work or repairs, do so in a proper and workmanlike manner and shall make good any damage to the unit occasioned by such works and restore the unit to its former condition, leaving the unit clean and free from debris.
- (e) An owner shall indemnify and save harmless the Corporation from the expense of any maintenance, repair or replacement rendered necessary to the common property, to other Corporation property or to any unit by his act or omission or by that of any member of his family or his or their guests, servants, agents, invitees, licensees or tenants, but only to the extent that such expense is not met by the proceeds of insurance carried by the Corporation.

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51. INSURANCE

The Board, on behalf of the Corporation, shall obtain and maintain at all times, insurance on all of the units (including the bathroom and kitchen facilities initially installed therein, but excluding furnishings and other property brought into or installed in units by unit owners), and all the insurable common property and all insurable property, both real and personal, of any nature whatsoever of the Corporation, to the full replacement value thereof, without deduction for depreciation, and without restricting the generality of the foregoing, such insurance shall provide and include the following:

- (a) coverage for fire, extended perils and such other perils as from time to time the Board shall deem advisable;
- (b) coverage to the full replacement value of all buildings and other fixed improvements comprising the Project and all chattels and other property belonging to the Corporation or forming part of the common property;
- (c) adequate coverage for boiler insurance, if any boilers or pressure vessels exist;
- (d) coverage for such other risks or causes as the Board may determine or as may be determined by special resolution of the Corporation;
- (e) that no breach of any statutory condition or other condition of any policy by any unit owner or the Corporation shall invalidate the insurance or forfeit the insurance and, in the event of such breach by any unit owner or the Corporation, the insurance may only be subject to forfeiture or defence of breach of condition insofar as the separate interest of the person or party in breach are concerned;

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- (f) that no breach of any statutory or other condition of any policy by the Corporation or an owner shall invalidate the policy as against any mortgagee in any way or to any extent; and
- (g) standard mortgagee endorsements in favour of all mortgagees who have notified their interests to the Corporation.

The Board, on behalf of the Corporation, shall cause a separate loss payable endorsement to be issued in respect of any policies issued pursuant to the paragraph immediately preceding this paragraph in favour of the Insurance Trustee. Subject to the provisions of the Act, which shall govern in all circumstances, insurance proceeds realized under any policy of insurance obtained and maintained by the Corporation and insuring against fire and any other supplemental perils or against boiler damage shall be paid as follows:

- (a) if the proceeds are less than FIVE THOUSAND DOLLARS (\$5,000.00) to the Corporation which shall apply such proceeds to the repair and restoration of the damage or loss; and
- (b) if the proceeds are equal to or in excess of FIVE THOUSAND DOLLARS (\$5,000.00) to the Insurance Trustee who shall apply such proceeds to the repair and restoration of the damage or loss (save as hereinafter provided).

In the event that it is resolved by unanimous resolution of the Corporation or is ordered by a Court under the Act that the Corporation shall not repair or restore the damage or that the Corporation shall be then terminated as to some or all units, then the Insurance Trustee shall apportion the proceeds between all those owners whose units or common property interests, or both, are affected by the loss or damage and the Corporation, as their interest may appear, in accordance with By-Law 50.

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In making any apportionment hereunder, the Insurance Trustee shall have regard to the interest of all owners, mortgagees and the Corporation, and shall make a just and equitable apportionment. Any apportionment proposed by the Insurance Trustee shall be first notified to all the owners, mortgagees who have notified the Corporation of their mortgages and the Corporation, and no distribution of proceeds shall be made until after the expiry of Thirty (30) days after the last of such parties has been notified. If any of such parties shall dispute the apportionment made by the Insurance Trustee, then such party must notify the Insurance Trustee in writing within Thirty (30) days of his receipt of notice as aforesaid. If no party disputes the proposed distribution, the Insurance Trustee may proceed with the distribution as proposed. If any such party shall dispute the proposed distribution, the Insurance Trustee shall refer the matter to the Court authorized to deal with schemes and terminations under Sections 50 - 52 of the Act, and the distribution shall be settled and determined by such Court on such terms and conditions as it may deem just and equitable.

Nothing in this section shall restrict the right of unit owners to obtain and maintain insurance of any kind in respect of the ownership or use or occupation of their unit or their personal liability as permitted by the Act or as otherwise permitted by law.

Notwithstanding the foregoing, an owner may and, upon the written request of his mortgagee, an owner shall carry insurance on his own unit as permitted by the Act, provided that the liability of the insurers issuing insurance obtained by the Board shall not be affected or diminished by reason of insurance carried by a unit owner.

In no event shall the insurance coverage obtained and maintained by the Board be brought into contribution with insurance purchased by owners or their mortgagees.

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Policies of physical damage insurance may contain co-insurance on a stated-amount basis, only if and as long as the following requirements to appraise are met. All policies of physical damage insurance shall contain waivers by the insurers of invalidity arising from any acts of the insured and of any rights of subrogation against the Corporation and the owners, or any of them, and shall provide that such policies may not be cancelled or substantially modified without at least Sixty (60) days' prior written notice to all of the insureds, including all mortgagees of units who have given prior written notice to the Corporation of their interests. Such policies shall also provide that the Insurance Trustee shall have the right, at its sole option, to obtain a cash settlement (without deduction for depreciation) in the event of substantial damage to the condominium buildings and the determination by resolution of the persons entitled to vote or by order of the Court of Law having jurisdiction in that behalf to terminate the condominium status of the buildings, and the insurer's option to reconstruct the damaged premises shall be deleted or waived. The Insurance Trustee shall act as and be an agent on behalf of the Corporation and owners for the purpose of and with authority to adjust and settle losses in respect of all policies of insurance affected by the Board. Prior to obtaining any policy of fire insurance, or any renewal thereof, the Board shall obtain an appraisal from a qualified and reputable appraiser of real property of the full replacement value of the buildings and other improvements comprising the Condominium, including all of the units, all common property and all property of the Corporation, and the board shall review the insurance coverage and maintain it at the levels required by these By-Laws and suggested by the said appraisals, provided that failure to obtain a prior or any appraisal shall not invalidate or affect any insurance coverage placed by the Corporation.

The Board shall also obtain and maintain public liability insurance insuring the Corporation, the Board and the owners against any liability to third parties or to the owners and their invitees, licensees or tenants, incident to the ownership or use

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of the Condominium units therein, and all common property and all property owned by the Corporation. Limits of liability under such insurance shall not be less than ONE MILLION DOLLARS (\$1,000,000) for any one person injured or for any one accident, and shall not be less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000) for property damage per occurrence. The limits and coverage shall be reviewed at least annually by the Board and increased in its discretion. The policy or policies shall provide cross-liability endorsements whereby the rights of a named insured under the policy or policies shall not be prejudiced as respects its, his, her or their action against another named insured.

All policies of insurance shall name as insured both the Corporation and the owners from time to time of all units within the parcel, and the Board shall also (as aforesaid) be covered under the liability policy.

The Corporation shall, immediately upon the occurrence of any substantial damage to any of the improvements forming part of the Condominium property, notify both the registered mortgagees of all units affected who have notified their interests to the Corporation of such damage, such notice to be given by registered mail.

52. LEASING OF UNITS

In the event that any owner desires to lease or rent his unit, he shall furnish to the Corporation an undertaking, in form satisfactory to the Corporation, signed by the proposed lessee or occupant, that the proposed lessee or occupant of the unit will comply with the provisions of the Act and of the By-Laws of the Corporation. The owner shall not be released from any of his obligations and shall be jointly and severally liable with the proposed lessee or occupant with respect to such obligations.

The Corporation is authorized to:

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- (a) impose and collect and deal with damage deposits under Section 44 of the Act (or any provision passed in substitution therefor);
 - (b) give notices to give up possession of residential units under Section 45 of the Act (or any provision passed in substitution therefor); and
 - (c) make applications to the Court under Sections 46 and 47 of the Act (or any provisions passed in substitution therefor).

53. SEVERABILITY

The provisions hereof shall be deemed independent and severable and the invalidity, in whole or in part, of any By-Law does not affect the validity of the remaining By-Laws which shall continue in full force and effect as if such invalid portion had never been included herein.

54. NOTICES

Unless otherwise expressly provided in these By-Laws, service of any notice required to be given under the Act or under these By-Laws shall be well and sufficiently given if sent by prepaid registered mail to the owner at the address of his residential unit or if left with him or some adult person at the said address or to the Corporation at its address as shown on the Condominium Plan at Calgary, Alberta, or to a mortgagee at its address supplied to the Corporation. Any notice given by post shall be deemed to have been sent and received within Seventy-Two (72) hours after it is posted. An owner or a mortgagee may, at any time in writing, advise the Corporation of any change of address at which notices shall be served or given, and thereafter, the address specified therein shall be deemed to be the address of such owner or a mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement

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or other writing required or permitted to be given hereunder or, pursuant to the Act and these By-Laws.

55. NOTICE OF DEFAULT TO MORTGAGEES

Where a mortgagee has notified the Corporation of its interest, any notice of default sent to an owner shall also be sent to the mortgagee.

56. DEBT RETIREMENT ON TERMINATION

Subject to the provisions of the Act and these By-Laws, upon termination of the Corporation for any purpose, all debts of the Corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the owners in proportion to their unit factors.

57. APPOINTMENT OF REPRESENTATIVE BY COMPANY

A company which is a member of the Board may, by proxy, power of attorney or resolution of its directors, appoint such person as it thinks fit to act as its representative on the Board and to attend meetings thereof and vote at such meetings on behalf of the company, and such representative shall be entitled to so act, provided notice in writing thereof, shall have been given to the Board. Where a company is the only member of the Board, a minute or resolution signed by its representative, or by the alternate of its representative duly appointed pursuant to the paragraph next following, shall be deemed to be a resolution of the Board.

58. ALTERNATE REPRESENTATIVE

A representative of a company on the Board may appoint any person, whether another owner or not, and whether a member of the Board or not, to serve as his alternate representative on the Board and, as such, to attend and vote in his stead at meetings of

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the Board and to do anything specifically provided for in these By-Laws. Such alternative shall, if present, be included in the count for quorum and if he be a member of the Board, he shall be entitled to Two (2) votes, one as a member of the Board and the other as an alternate representative of a member of the Board. If the representative so directs, notice of meetings of the Board shall be sent to the alternate representative and not to the appointing representative. An alternate representative shall ipso facto vacate office as an alternate representative of a member of the Board if and when the appointing representative vacates the office of a representative of a member of the Board or removes the alternate representative from office as alternate representative, and any appointment or removal under this By-Law shall be made in writing under the hand of the representative making the same.

59. PRIVACY AREA AND PARKING AREAS

The Board may, from time to time and as may be appropriate, designate and assign to each owner a portion of the common property to be used exclusively by such owner as a fence-enclosed or partially fence-enclosed back yard, a partially fence-enclosed front yard, a front or rear entrance, steps, a balcony and/or one or more patio decks, all of which are referred to herein as privacy areas. While any such privacy area is not included in the Condominium Plan as part of a Condominium unit and shall not be deemed to be an area leased pursuant to Section 25.1 of the Act, any such privacy area shall be maintained at the sole expense of the owner to whom it has been assigned; PROVIDED THAT the Board shall be responsible for removing ice, slush and snow from the driveway and outside parking areas, structurally maintaining the parking areas to a standard considered reasonable by the Board, and mowing all grass within privacy areas which are, in the sole discretion of the Board, accessible for cutting with power mowers. If the owner shall fail to properly maintain any such privacy area assigned to him after Ten (10) days' notice to him to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance

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corrected and the owner affected shall reimburse the Board for all monies expended and all costs incurred in correction of said maintenance problem and pay interest thereon at the rate of Eighteen percent (18%) per annum after demand for payment. The term "privacy area" does not include any fence or similar structure bordering any designated privacy area.

60. AMENDMENT OF BY-LAWS

These By-Laws, or any of them, may be added to, amended or repealed by special resolution of the Corporation and not otherwise.

61. REALTY TAXES

(a) The realty taxes and other municipal and governmental levies or assessments against land, including improvements comprising all or any part of the units and the common property comprising the Condominium Project, shall be assessed and imposed in accordance with the provisions of the Act, but until such time as the assessing authority assesses each unit and the share in the common property appurtenant thereto pursuant to the Act such realty taxes and other municipal and governmental levies or assessments, shall be apportioned and adjusted equally amongst all the owners.

(b) The realty taxes and other municipal and governmental levies or assessments against the Corporation property (which is not included in the Condominium Plan) shall be included in the common expenses of the Corporation and dealt with as such in accordance with the provisions of these By-Laws.

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NON-PROFIT CORPORATION

62.

The Corporation is not organized for profit. No member of the Corporation or Board or person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or enure to the benefit of any member of the Board. The foregoing, however, shall neither prevent nor restrict the following:

- (a) reasonable compensation may be paid to any member or manager while acting as an agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation; and

- (b) any member or manager may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

INDEMNIFICATION OF INDIVIDUALS

63.

The Corporation shall indemnify every manager, officer or employee and his or her heirs, executors and administrators against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a Manager or officer of the Corporation, except as to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence, dishonesty, fraud or willful misconduct. All liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason of arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as common expenses.

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CCBL - CHANGE OF BY-LAWS
DOC 1 OF 1 DRR#: 8966180 ADR/MLAKER
LINC/S: 0027850791

1206062 REGISTERED 2000 07 26
JBM - CHANGE OF BOARD MEMBERS
DOC 1 OF 1 DRR#: 8774863 ADR/MLAKER
LINC/S: 0027850791

See 001206062
for original documents

Registered in error as a
Change of board members