

Terrace Ridge

Condominiums

P.O. Box 1274, Grande Cache, Alberta T0E 0Y0

Condominium By-Laws

Pursuant to

Condominium Property Act of Alberta

BY-LAWS

OF THE OWNERS:

CONDOMINIUM PLAN 7720002

BY-LAWS

OF THE OWNERS: CONDOMINIUM PLAN NO. 7720002

TABLE OF CONTENTS

PART I - DEFINITIONS AND APPLICATION.....	1
1.1 Definitions	1
1.2 Application	3
PART II - THE OWNERS	5
2.1 Duties of Owners	5
PART III - THE CORPORATION.....	7
3.1 Board of Management of the Corporation Eligibility for the Board	7
3.2 REMOVAL OR DISQUALIFICATION FROM THE BOARD	7
3.3 CASUAL VACANCY	8
3.4 QUORUM FOR MEETING OF THE BOARD	8
3.5 CHAIRMAN OF THE BOARD.....	8
3.6 VOTING AT BOARD MEETINGS	8
3.7 DUTIES OF THE CORPORATION.....	8
3.8 POWERS OF THE CORPORATION	10
3.9 ENFORCEMENT OF BY-LAWS AND SANCTIONS FOR FAILURE TO COMPLY WITH BY-LAWS...	11
3.10 OFFICERS OF THE CORPORATION	11
3.11 DUTIES OF THE OFFICERS	11
3.12 SEAL OF THE CORPORATION.....	11
3.13 SIGNING AUTHORITIES	11
3.14 DUTIES OF THE BOARD	11
3.15 POWERS OF THE BOARD.....	12
PART IV - MEETINGS.....	15
4.1 PROCEDURE AT MEETINGS	15
4.2 CONVENING OF MEETINGS	15
4.3 NOTICE OF MEETINGS	15
4.4 BUSINESS.....	15
4.5 CHAIRMAN OF MEETING	16
4.6 QUORUM REQUIRED	16
4.7 ADJOURNMENT FOR LACK OF QUORUM.....	16
4.8 RESOLUTIONS	16
4.9 METHOD OF TAKING A POLL	16
4.10 EQUALITY OF VOTES	16

Terrace Ridge Condominium Corporation

4.11	VOTING.....	16
4.12	MANNER OF VOTING	17
4.13	PROXIES.....	17
4.14	ENTITLEMENT TO VOTE.....	17
4.15	VOTE BY CO-OWNERS	17
4.16	SUCCESSIVE INTERESTS	17
4.17	TRUSTEE VOTE	18
4.18	SIGNED RESOLUTIONS	18
4.19	OBSERVANCE OF BY-LAWS AND SEVERABILITY.....	18
4.20	AMENDMENT OF BY-LAWS	18
PART V -	MISCELLANEOUS PROVISIONS	19
5.1	FINANCIAL STATEMENT	19
5.2	EXPENDITURES BY MANAGER	19
5.3	BONDING OF MANAGER.....	19
5.4	ESTOPPEL CERTIFICATES.....	19
5.5	MORTGAGEES REPRESENTED ON BOARD.....	19
5.6	NOTICE OF DEFAULT TO MORTGAGEE	19
5.7	CASH RESERVES.....	19
5.8	NOTICE.....	20
5.9	INSURANCE.....	20
5.10	APPORTIONMENT OF PROCEEDS.....	21
5.11	OWNER'S INSURANCE	22
5.12	TERMS OF INSURANCE.....	22
5.13	PUBLIC LIABILITY INSURANCE	23
5.14	NOTIFICATION OF DAMAGE.....	23
5.15	INSURANCE DEDUCTIBLE.....	23
PART VI -	OCCUPATION AND USE OF UNITS	25
6.1	OWNER'S USAGE.....	25
6.2	ONE FAMILY ONLY AND RENTAL RESTRICTIONS.....	25
6.3	ALTERATIONS	25
6.4	FIRE HAZARD	26
6.5	WATER.....	26
6.6	PLUMBING	26
6.7	COMBUSTIBLE MATERIALS.....	26
6.8	SIGNS	26
6.9	TELEVISION.....	26
6.10	DECORATING	27
6.11	LAUNDRY.....	27
6.12	WINDOWS.....	27
6.13	ANIMALS.....	27
6.14	DEBRIS	27
6.15	TENANTS AND OCCUPIERS	27
6.16	GARBAGE	28

Terrace Ridge Condominium Corporation

6.17	NOISE	28
6.18	HEALTH	28
6.19	PRIVACY	28
6.20	OBSTRUCTIONS.....	29
6.21	PERSONAL BELONGINGS	29
6.22	PARKING AREAS.....	29
6.23	PRIVATE VEHICLES	29
6.24	MOTOR VEHICLES	29
6.25	VEHICLE AND PARKING REGULATIONS.....	30
PART VII - PROVISIONS GOVERNING THE USE OF THE COMMON PROPERTY		31
7.1	USE AND ENJOYMENT	31
7.2	CARE AND MAINTENANCE OF PRIVACY AREAS	31
7.3	EXCLUSIVE USE.....	31
7.4	SIDEWALKS AND WALKWAYS.....	31
7.5	LANDSCAPING AND OTHER COMMON PROPERTY.....	32
7.6	ANIMALS ON COMMON PROPERTY	32
7.7	COMBUSTIBLE MATERIAL ON COMMON PROPERTY	32
7.8	STRUCTURES ON COMMON PROPERTY	32
7.9	ANTENNAS	32
7.10	SIGNS	32
7.11	PERSONAL PROPERTY	33
7.12	SALES	33
7.13	TRAFFIC SPEED AND DIRECTIONAL CONTROL	33
7.14	RECREATIONAL USE	33
PART VIII - MISCELLANEOUS		35
8.1	MAINTENANCE	35
8.2	COMMON EXPENSES	35
8.3	ASSESSMENT FOR COMMON EXPENSES	36
8.4	DEFAULT IN PAYMENT OF ASSESSMENTS AND LIEN FOR UNPAID ASSESSMENTS, INSTALLMENTS AND PAYMENTS	37
8.5	MORTGAGE PROTECTION	38
SCHEDULE A		39

BY-LAWS**OF THE OWNERS: CONDOMINIUM PLAN NO. 7720002**

The By-Laws of a Condominium Corporation form a contract between the Condominium Corporation and the Unit Owners and between each Unit Owner and all other Unit Owners. The Board of Directors has the duty to enforce the By-Laws of the Corporation. The By-Laws set out the rules governing how the Corporation will be managed and administered and the rules governing the use of the Common Property and the Units. The By-Laws cannot be changed by the Board of Directors. They can only be changed by Special Resolution of the Owners.

PART I - DEFINITIONS AND APPLICATION**1.1 DEFINITIONS**

These By-laws have been enacted by The Owners: Condominium Plan No. 720002 to replace the By-laws set out in the Condominium Property Act being Chapter C-22 of the Revised Statutes of Alberta, 1980, and amendments thereto. The following definitions shall apply to all parts of these By-laws:

- (a) "Act" shall mean the Condominium Property Act, being Chapter C-22 of the Revised Statutes of Alberta, 1980 as amended, and any statute or statutes which may be passed in substitution for or replacement of such Act, including the Condominium Property Regulation, Alberta Regulation 168/2000 and all amendments or replacements. Any reference herein to Sections of the Act shall be deemed to include any succeeding Sections or Sections passed in substitution therefore;
- (b) "Board" means the Board of Directors of the Corporation elected pursuant to Part III of these By-laws and as provided in Section 28 of the Act or any section passed in substitution therefore;
- (c) "Building" means the building situate on the parcel as shown on the Condominium Plan;
- (d) "Builder" means Jodoin Developments Ltd.;
- (e) "By-laws" mean the By-laws of the Corporation, as amended from time to time and includes any bylaws passed in substitution of them;
- (f) "Common Expenses" means all expenses incurred in the performance of the objects and duties of the Corporation and all expenses specified as Common Expenses in these By-laws;
- (g) "Common Property" means so much of the parcel as is not comprised in any unit shown on the Condominium Plan;
- (h) "Condominium Plan" means the plan registered by the Builder under the Act and referred to as Condominium Plan No. 7720002;

- (i) "Condominium Property" means, collectively, the Units and the Common Property;
- (j) "Corporation" means the corporation constituted under Section 25 of the Act by the registration of the Condominium Plan and referred to as The Owners: Condominium Plan No. 7720002;
- (k) "Directors" means duly elected members of the Board of the Corporation;
- (l) "Extra-Ordinary General Meeting" means a meeting of the Corporation convened in accordance with Section 4.2 hereof;
- (m) "Insurance Trustee" means a person or a trust company authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on ordinary resolution of the Corporation. If no Insurance Trustee is designated in these By-laws, then the insurance trustee shall be the Corporation;
- (n) "Insured Hazard" means fire, tempest, storm, Act of God or other hazard required hereunder to be insured against by the Corporation;
- (o) "Maintenance Areas" means any decks, balconies or patio areas attached to any Unit, together with those areas, being part of the Common Property, immediately adjacent to each Unit, the area and location of which shall be determined by the Board from time to time, and which areas the Board deems suitable for private use in conjunction with the respective adjoining Units;
- (p) "Manager" means a person, firm or corporation appointed as manager pursuant to By-law 3.14(h) hereof;
- (q) "Mortgagee" means the holder of a mortgage registered against the title to one or more units;
- (r) "Ordinary Resolution" means a resolution:
 - i) passed at a properly convened meeting of the Corporation by a majority of all persons entitled to exercise the powers of voting conferred by the Act or the By-Laws and representing a majority of the total Unit Factors for all the Units; or,
 - ii) signed by a majority of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or the By-Laws and representing a majority of the total Unit Factors for all the Units;
- (s) "Owner" means a person who is registered as the Owner of the fee simple estate in a unit in the condominium property;
- (t) "Parcel" means the land comprised in the Condominium Plan;
- (u) "Person" includes a corporation, and the heirs, executors, administrators or other legal representatives of a person;
- (v) "Privacy "Areas" means those areas, being part of the Common Property, which comprise fence-enclosed yard areas, decks, balconies, patio areas and sidewalks, immediately adjacent to each

unit, the area and location of which are shown on the Condominium Plan or if not shown shall be determined by the Board from time to time, and which areas are suitable for private use in conjunction with the respective adjoining units;

(w) "Special Resolution" means a resolution:

- i) passed at a properly convened meeting of the Corporation by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred by the Act or these By-laws and representing not less than 75% of the total Unit Factors for all the Units, or
- ii) signed by not less than 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 75% of the total Unit Factors for all the Units;

(x) "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;

(y) "Unit" means an area designated as a Unit by the Condominium Plan;

(z) "Unit Factor" means the Unit Factor for each Unit as more particularly described in the Condominium Plan.

1.2 APPLICATION

- a) Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these By-laws and other expressions used in these By-laws and not defined in the Act or in these By-laws have the same meaning as may be assigned to them in the Land Titles Act of Alberta, as amended from time to time, or in any statute or statutes passed in substitution thereof or replacement thereof, unless the context otherwise requires.
- b) These By-laws are to be read with all changes of number and gender required by the context and the word "Owner" or "Owners" shall be read as "Tenant" or "Tenants", "Resident" or "Residents", "Occupier" or "Occupiers" as the context may require.
- c) The rights and obligations given or imposed on the Corporation or the owners under these By-Laws are in addition to any rights or obligations given or imposed on the Corporation or the owners under the Act.

The headings in the body of these By-laws form no part of these By-laws but shall be deemed to be inserted for convenience of reference only. In the event of any conflict between these By-Laws and the Act, the Act shall prevail.

PART II - THE OWNERS

2.1 DUTIES OF OWNERS

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, sewer lines 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 the building generally;
- c) Pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit; repair, maintain and keep in a state of good repair his Unit and interior windows (those windows not on an exterior wall) in, attached to or immediately adjacent to the Unit (whether or not such windows or part thereof are part of the Common Property), damage by “Insured Hazard” excepted;
- d) Use and enjoy the Common Property in such a manner as not unreasonably to interfere with the use and enjoyment thereof by other Owners or their families or visitors;
- e) Not use his Unit or permit it to be used in any manner or for any purpose which may be illegal or injurious, or that will cause any insurance maintained by the Corporation to be cancelled or declined or its premium rates increased or that will cause nuisance or hazard to any occupier of a Unit (whether an Owner or not) or the family of such an occupier;
- f) Notify the Corporation forthwith in writing upon any change of ownership or of any mortgage or other dealing in connection with his Unit;
- g) Comply with and cause all his tenants, family, visitors and other occupants of his Unit to comply with the By-laws and the regulations (if any) of the Corporation in force from time to time;
- h) Pay to the Corporation when due all Common Expenses levied or assessed against his Unit together with interest on any arrears thereof at the rate of eighteen (18%) per cent per annum calculated from the date due until payment;
- i) Indemnify the Corporation and pay to the Corporation any legal expenses and costs incurred as a result of any action taken by the Corporation, whether by suit or otherwise, against him/her to enforce any Bylaws of the Corporation or to receive any monthly assessment owing to the Corporation or to enforce the Restrictive Covenant. Such legal

costs as between a solicitor and his own client and such other costs as may be reasonably incurred shall be charged to his/her Unit, together with interest at the Interest Rate, and such costs shall be recoverable in the same manner as provided in the Act for the recovery of condominium fees in arrears;

- j) Deposit with the Board or with any Manager appointed by the Board twelve (12) post-dated cheques in an amount equal to the monthly condominium fee assessment payable. Any owner who has not fully paid all condominium fees as of December 31st of the preceding year shall be responsible for the entire year's assessed condominium fees on January 1st; and
- k) Not use the Maintenance Area immediately adjacent to his Unit for the storage of personal belongings or other goods and chattels except those that may be permitted by the Board.
- l) Should any Owner have any suggestions, questions or complaints, these shall be in writing and addressed to the Corporation in an envelope marked to the attention of the Board of Directors. The Board shall not be required to act on any suggestion, question or complaint that is not in writing and properly submitted to the Corporation.

PART III - THE CORPORATION

3.1 BOARD OF MANAGEMENT OF THE CORPORATION ELIGIBILITY FOR THE BOARD

- a) The Board, for the benefit of the Corporation and all Owners and Mortgagees, shall have vested in it the powers of the Corporation and shall enforce the provisions hereof. The Board (subject to the following) shall consist of not less than three (3) nor more than seven (7) persons, fifty per cent (50%) of whom shall be elected for a period of two (2) years at the first Annual General Meeting and the remaining persons for a period of one (1) year. At each subsequent Annual General Meeting those elected shall be elected for two (2) years. All such elections shall take place at an Annual General Meeting (although members may also be elected at Extra-Ordinary General Meeting). Where there are no Mortgagees and not more than three (3) Owners, the Board shall consist of all Owners or such person or persons in such number as the Owners of all Units may designate. If a Unit has more than one (1) Owner, only one such Owner may sit on the Board at one time;
- b) Ownership of a Unit is not necessary for election and membership on the Board, however two third (2/3) of the Board Members shall be owners. Any person who has attained the age of majority shall be eligible for nomination and election to the Board provided that no Owner who is indebted to the Corporation for any assessments, installments or other payments which are more than thirty (30) days overdue shall be eligible for election or membership on the Board;
- c) At any election of Directors each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled on the Board;
- d) A retiring member of the Board shall be eligible for re-election; and
- e) All Board Members shall, as a condition of nomination to the Board, make full disclosure of any direct or indirect relationships to the Condominium Corporation such as a private company, public company, partnership or proprietorship employed by the Condominium Corporation or any pecuniary interest not mentioned.

3.2 REMOVAL OR DISQUALIFICATION FROM THE BOARD

- a) Except where the Board consists of all the Owners, the Corporation may by Ordinary Resolution at an Extra-Ordinary General Meeting remove any member of the Board before the expiration of his term of office and appoint another person in his place to hold office until the next Annual General Meeting;
- b) The office of a Board Director shall, ipso facto, be vacated:
 - i) If he becomes insolvent or falls more than thirty (30) days in arrears in payment of any assessments, installments or other payments required to be made by him as an Owner as herein set forth, and if he fails to cure his default within ten (10) days after written notice from any other Board member requiring him to cure such default;
 - ii) if he becomes of unsound mind, or mentally incompetent, or a lunatic, or dies;
 - iii) if he is convicted of an indictable offence;

- iv) if he resigns his office by writing, served upon the Corporation or delivered to another Director of the Corporation;
- v) if he be absent from meetings of the Board for three (3) meetings without leave and his co-directors resolve at the next board meeting that his office be vacated. The Board may reinstate the director at its discretion by holding a vote at the next board meeting; or,
- vi) if he becomes bankrupt under the Bankruptcy Act R.S.C. 1985. c. B-3 or any legislation passed in substitution therefore.

3.3 CASUAL VACANCY

Any casual vacancy on the Board which occurs between General Annual Meetings may be filled by resolution of the remaining members on the Board until the next Annual General Meeting of the Corporation.

3.4 QUORUM FOR MEETING OF THE BOARD

Except where there is only one (1) person who owns all Units in the condominium (in which case the quorum shall be one), a quorum of the Board is two (2) where the Board consists of four (4) or less members, three where the Board consists of five (5) or six (6) members, and four (4) where it consists of seven (7) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due notice of the meeting.

3.5 CHAIRMAN OF THE BOARD

The President, and in his absence the Vice-President (if any) shall act as Chairman of the Board. In the absence of both the President and Vice-President at any meeting of the Board then at the commencement of such meeting the Board shall elect a Chairman for the meeting. The Chairman shall have a casting as well as an original vote, and if any chairman vacates the chair during the course of a meeting the Board shall choose in his stead another chairman who has the same rights of voting.

3.6 VOTING AT BOARD MEETINGS

At meetings of the Board all matters shall be determined by simple majority vote.

3.7 DUTIES OF THE CORPORATION

The Corporation shall:

- a) Control, manage and administer the Common Property for the benefit of all the Owners and for the benefit of the Condominium Property;
- b) Do all things required of it by the Act, these By-laws, the Common Property rules and other rules and regulations of the Corporation in force from time to time;
- c) Where practical (subject always to any obligations imposed by these By-laws or the corporation upon any Owners to maintain any part of the Common Property over which such Owners are granted exclusive rights of use by the Corporation, including without limitation Privacy Areas), establish and maintain suitable lawns and gardens on the Common Property;

- d) Maintain and repair (including renewal where reasonably necessary) pipes, wires, cables, ducts, conduits, sumps, plumbing, sewers, and other facilities for the furnishing of utilities for the time being existing in the parcel and capable of being used in connection with the enjoyment of more than one (1) Unit or the Common Property;
- e) Upon written request therefore made by a Unit Owner or the holder of any mortgage registered against a Unit, or the duly authorized agent of such Owner or Mortgagee, provide such Owner or Mortgagee with either a duplicate original or certified copy of all fire and other peril, all boiler, and all liability insurance policies and endorsements maintained by the Corporation, as well as all renewal certificates or certified copies of replacing policies and further shall, without request therefore being required, provide the same to the registered first Mortgagee of any Unit who has notified the corporation of its mortgage, including all renewal certificates or replacing policies issued at any time and from time to time while such mortgage remains undischarged;
- f) Administer, maintain and utilize for maintenance of common property a Capital Replacement Reserve Fund adequate to secure the Corporation's maintenance and repair obligations hereunder;
- g) Call a General Meeting of the Owners and Mortgagees once in each calendar year, and in all cases allow no more than fifteen(15) months to elapse from one Annual General Meeting to the next, however the expectation would be that the Annual General Meetings would be roughly twelve (12) months apart;
- h) Control, manage, administer, maintain and repair all land and chattels and other property whatsoever owned by the Corporation;
- i) Provide adequate garbage receptacles on the Common Property for use by all of the Owners and provide for regular collection there from;
- j) Subject to any obligations imposed by these By-laws or the Corporation upon any Owners to maintain any part of the Common Property over which such Owners are granted exclusive rights of use by the Corporation (including without limitation Privacy Areas), maintain the Common Property notwithstanding that maintenance may be required as a result of reasonable wear and tear, or otherwise; provide and maintain adequate parking facilities for all the Owners; and provide and maintain reasonable outside lighting;
- k) Maintain and keep in a state of good repair, as may be required as a result of reasonable wear and tear or otherwise the following:
 - i) all outside surfaces of the Units, including without limiting the generality of the foregoing, exterior of doors, roofing materials and exteriors of roofs, exteriors of walls, eaves troughs and exterior drains, and exterior beams, trim and windows but excluding window crank assemblies, window latches and screens;
 - ii) all fencing, posts, driveways, and sidewalks;
 - iii) all other outside hardware and accoutrements affecting the appearance, usability, value or safety of curbs, sidewalks, parking areas and other common facilities;
- l) Provide and maintain in full force all such insurance as is required by the Act and by the provisions of these By-laws to be maintained by the Corporation and enter into insurance trust agreements from time to time as required by the Insurance Trustee and approved by the Board; and,
- m) At all times keep and maintain for the benefit of the Corporation and all Owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and

approvals provided to the Corporation pursuant to Section 46 of the Act (or any provision passed in substitution therefore).

3.8 POWERS OF THE CORPORATION

The Corporation may, subject to the provisions of the Act:

- a) Purchase, hire or otherwise acquire personal and/or real property for use by the Corporation, or by the Owners in connection with their enjoyment of Common Property or their Units or any of them, 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 provided that the Corporation shall not borrow in excess of Five Thousand Dollars (\$5,000.00) on any single occasion or incur aggregate indebtedness at any time exceeding Twenty Thousand Dollars (\$20,000.00) without such borrowing or incurring of debt being approved by Ordinary Resolution of the persons entitled to vote at meetings of the Corporation;
- c) Secure the payment 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 funds for administrative expenses to the extent permitted by law for trustees under the Trustee Act of Alberta;
- 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 to an Owner the right to exclusive use and enjoyment of Common Property (including without limitation Privacy Areas), or special privileges in respect thereof; but, except for the provisions hereof relating to parking privileges attached to each Unit, any such grant shall be determinable on reasonable notice unless the Corporation by Unanimous Resolution otherwise resolves;
- g) Do all things reasonably necessary for the enforcement of the By-laws and the control, management and administration of the Common Property and any part of the Units with which it may be concerned, including without limitation the following:
 - i) commence and prosecute proceedings under Section 36 of the Act (or any provision passed in substitution therefore);
 - ii) impose, collect and deal with damage deposits under Section 53 of the Act (or any provision passed in substitution therefore) provided that damage deposits required shall not exceed the maximum allowable under the Act. At the time of passing these By-Laws the maximum deposit allowable under the Act is one (1) month's rent per Unit;
 - iii) give notices to give up possession of Units pursuant to Section 54 and make applications to the court under Sections 55 and 56 of the Act (or any provision passed in substitution for the said sections); and
 - iv) impose and collect fines, imposed as a result of the contravention of By-laws or the non-payment or late payment of amounts owing to the Condominium Corporation, as determined from time to time by the Board of Directors.

- h) Pay an annual honorarium or salary, or stipend, to a member or members of the Board as may be determined from time to time by ordinary resolution of the Corporation;
- i) On ordinary resolution of the Corporation require that all members of the Board of Managers shall be bonded by recognized bonding institutions in an amount of not less than \$10,000.00, the cost of such bonding to be a common expense of the Corporation.

3.9 ENFORCEMENT OF BY-LAWS AND SANCTIONS FOR FAILURE TO COMPLY WITH BY-LAWS

The Corporation shall, in addition to any rights granted hereunder, have the right to enforce the By-Laws in accordance with Section 35 of the Act. The Corporation may impose a fine upon an owner who, having been given two (2) written notices to correct a By-Law infraction, which notices clearly state the possibility of a fine if there is continued non-compliance, fails to rectify the infraction. Said fines shall be Fifty Dollars (\$50.00) and may increase incrementally to One Hundred Dollars (\$100.00), Two Hundred and Fifty Dollars (\$250.00), Five Hundred Dollars (\$500.00) and to no higher than One Thousand Dollars (\$1000.00), if there is continual non-compliance with the By-Laws.

3.10 OFFICERS OF THE CORPORATION

The Board shall from time to time elect a President, a Secretary and a Treasurer and may elect a Vice-President to be officers of the Corporation.

3.11 DUTIES OF THE OFFICERS

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

3.12 SEAL OF THE CORPORATION

The Corporation shall have a Seal which shall at no time be used except as authorized by resolution of the Board and in the presence of at least two (2) members of the Board, who shall sign the instrument to which the Seal is affixed; provided, however, that if there are no Mortgagees of any Units and all Units are owned by one person, then the affixing of the Corporate Seal need be attested by only one (1) member of the Board who is or represents the Owner of all the Units.

3.13 SIGNING AUTHORITIES

The Board shall determine, by resolution from time to time, which officer or officers shall sign cheques, drafts and other instruments and documents not required to be under Corporate Seal and may authorize the Manager to sign the same with or without co-signing by any officer or officers.

3.14 DUTIES OF THE BOARD

The Board shall:

- a) Cause minutes to be kept of its proceedings which shall, unless the Board otherwise decides, be kept by the Secretary;
- b) Cause minutes to be kept of general meetings which shall, unless the Board otherwise decides, be kept by the Secretary;

- 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 such receipts and expenditures take place, the keeping of said books, unless the Board otherwise decides, to be the responsibility of the Treasurer;
- d) Cause to be prepared proper accounts relating to all monies of the Corporation and the income and expenditures thereof, for each annual general meeting, such preparation, unless the Board otherwise decides, to be the responsibility of the Treasurer;
- e) On application of an Owner or Mortgagee or any person authorized in writing by one of them, make the books of account and all minutes of the meetings of the Corporation and the meetings of the Board available for inspection at all reasonable times, and further provide to any Owner or Mortgagee who makes specific request therefore copies of all minutes of all meetings of the Corporation and of the Board;
- f) On application of an Owner or Mortgagee, or any person authorized in writing by one of them, give a complete statement of the standing of any Unit with regard to Common Expense assessments and with regard to fulfillment of all Owners' obligations in connection with the project and/or his Unit and copies of current financial statements and/or statements of Common Expenses of the Corporation;
- g) Cause to be assessed to each Owner in proper proportion his contribution towards Common Expenses and Capital Replacement Reserve Funds for future maintenance and other Common Expenses and enforce payment of same as more particularly hereinafter set forth;
- h) Unless and except as otherwise resolved by Special Resolution of the Corporation, employ for and on behalf of the Corporation an independent professional management agency, agent or manager (herein referred to as the "Manager") to supervise, manage, carry out and perform any and all of the duties of the Corporation set out in Clauses (a), (b), (c), (d), (e), (h), (i), (j), (k) (1), and (m) of Section 3.7 hereof and such other duties as the Board may determine from time to time, subject always to the control and direction of the Corporation and the Board, such Manager to be reasonably fit and suited to perform such duties.
- i) Upon the written request of an Owner, purchaser or Mortgagee of a Unit provide the particulars and materials required to be provided under Sections 44, 45, and 48 of the Act (or any provisions passed in substitution therefore);
- j) At all times keep and maintain in force all insurance required hereunder and by the Act to be maintained by the Corporation and from time to time settle, determine and enter into insurance trust agreements in form and on terms required by the Insurance Trustee;
- k) Without limitation of its other duties and powers, exercise and perform the powers and duties of the Corporation under By-law 3.8(g) hereof;
- l) Create and maintain, and exact by common expense levy, a Capital Replacement Reserve Fund for the purpose of repair, replacement and refurbishment of Common Property and apply such funds and the proceeds thereof from time to time to such purposes and update the Capital Replacement Reserve Fund at least every five (5) years; and
- m) Cause all the obligations of the Corporation under By-law 3.7 hereof to be well and truly observed and performed.

3.15 POWERS OF THE BOARD

The Board may:

- a) Meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, but it shall meet when any Director gives to the other members not less than seven (7)

- days' notice of a meeting proposed by him specifying the reason for calling the meeting and the time and place of the meeting;
- b) Employ or authorize the Manager to employ for and on behalf of the Corporation such other agents and servants as it thinks fit in connection with the control, management and administration of the Common 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, delegate to one (1) or more of the Directors such of its powers and duties as it thinks fit, and at any time revoke such delegation; and
 - d) Set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for the expenses it incurs in producing and providing any documents or copies thereof required under the Act or hereunder.

PART IV - MEETINGS

4.1 PROCEDURE AT MEETINGS

- a) All meetings of the Board and general meetings shall be conducted according to the parliamentary rules of procedure, and the latest edition of Robert's Rules of Order shall be the procedure manual for the Corporation.
- b) All general meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings.

4.2 CONVENING OF MEETINGS

The Board may, whenever it thinks fit, and shall upon a requisition in writing made by persons entitled to vote representing not less than fifteen (15%) per cent of the total Unit Factors for Units, convene an Extra-Ordinary General Meeting. The Board will convene Annual General Meetings as and whenever required by the provisions of these By-laws.

4.3 NOTICE OF MEETINGS

Seven (7) days' notice of every general meeting, including Extra-Ordinary General Meetings, specifying the place, the date and the hour of meeting and, in case of special business, the general nature of that business, shall be given to all Owners and registered first Mortgagees who have notified their interests to the Corporation but accidental omission to give that notice to any Owner or to any registered first Mortgagee or non-receipt of that notice by any Owner or any registered first Mortgagee does not invalidate any proceedings at any such meeting. Notice of any meeting may be waived by persons entitled to vote before or after the meeting and a waiver shall cure any defect in the giving of or any failure to give notice.

4.4 BUSINESS

All business shall be deemed special that is transacted at an Annual General Meeting with the exception of the consideration of accounts, reports of officers (and approval thereof), ratification of prior acts and proceedings of the Board and officers, and election of Directors to the Board, and all business whatsoever that is transacted at an Extra-Ordinary General Meeting shall be deemed special. The order of business at general meetings, and as far as is practical at all Extra-Ordinary General Meetings, shall be:

- a) election of Chairman of the meeting;
- b) calling of the roll and certifying proxies;
- c) proof of notice of meeting or waiver of notice;
- d) reading and approval of all unapproved minutes;
- e) reports of officers;
- f) reports of committees;
- g) ratification of past actions of the Board and of any Officers of the Corporation;
- h) election of the Board;
- i) business arising from the minutes;
- j) new business; and,
- k) adjournment.

4.5 CHAIRMAN OF MEETING

The President and, in his absence, the Vice-President (if any) of the Corporation shall act as Chairman of the meeting. In the absence of both the President and Vice-President then at the commencement of the meeting, a Chairman of the meeting shall be elected.

4.6 QUORUM REQUIRED

Except as otherwise provided in these By-laws, no business shall be transacted at any meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business. Persons entitled to vote present in person or by proxy representing no less than one quarter (1/4) of the Units constitute a quorum at any general meeting.

4.7 ADJOURNMENT FOR LACK OF QUORUM

If within one-half hour from the time appointed for a general meeting a quorum is not present the meeting shall stand adjourned to the corresponding day in the next week at the same place and time and if at the adjournment meeting a quorum is not present within one-half hour from the time appointed for the meeting, the persons entitled to vote who are present constitute a quorum.

4.8 RESOLUTIONS

At any meeting, a resolution moved or proposed at the meeting shall be decided on a show of hands unless a poll is demanded by a person entitled to vote present in person or by proxy, and unless a poll is so demanded a declaration by the Chairman that a resolution has on a show of hands been carried is conclusive proof of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution, but a demand for a poll may be withdrawn.

4.9 METHOD OF TAKING A POLL

A poll, if demanded, shall be taken in such manner as the Chairman thinks fit and the result of the poll shall be deemed to be the resolution passed at the meeting at which the poll was demanded.

4.10 EQUALITY OF VOTES

In the case of equality in the votes, whether on the show of hands or on a poll, the Chairman of the meeting is entitled to a casting vote in addition to his original vote.

4.11 VOTING

On a show of hands each person entitled to vote shall have one (1) vote. On a poll the votes of persons entitled to vote shall correspond with the Unit Factors for the respective Units owned by or mortgaged to them. Except for those matters requiring a Special Resolution or Unanimous Resolution all matters shall be determined by a simple majority vote.

4.12 MANNER OF VOTING

On a show of hands or on a poll, votes may be given either personally or by proxy, and on a show of hands, the person entitled to vote and voting may indicate that he is showing hands with respect to a number of votes, provided that his proxy is in order, and the votes shall be so counted.

4.13 PROXIES

An instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney, and may be either general or for a particular meeting, but a proxy need not be an Owner or Mortgagee.

4.14 ENTITLEMENT TO VOTE

There are no restrictions or limitations on the right to vote other than the following:

- a) such restrictions (if any) as are set out in the Act;
- b) where an Owner's interest in a unit is subject to a registered mortgage, notice of which mortgage has been given to the Corporation, a power of voting conferred upon such Owner by the Act or by these By-laws,
 - i) if a Unanimous Resolution is required, may not be exercised by the Owner, but is exercisable by the registered Mortgagee first entitled in priority, and
 - ii) in other cases, is exercisable by the Mortgagee first entitled in priority, and may not be exercised by the Owner, if such Mortgagee is present personally or by proxy,
 - iii) and this provision shall apply whether or not Section 26 of the Act continues in force in its form at the time of the registration of the Condominium Plan, unless the Act is amended to require otherwise.
- c) Where the Owner of a Unit is in default of any of these Bylaws, neither the Owner nor any Mortgagee of the Unit shall be entitled to vote at any meetings of the Corporation until such time as the default has been cured.

4.15 VOTE BY CO-OWNERS

- a) If a Unit is owned by more than one person, those Co-Owners may vote personally or by proxy; and
 - i) in the case of a vote taken by a show of hands, those Co-Owners are entitled to one vote between them; and,
 - ii) in the case of a vote taken by a poll, a Co-Owner is entitled to that portion of the vote applicable to the Unit as is proportionate to his interests in the Unit.
- b) A Co-Owner may demand that a poll be taken.

4.16 SUCCESSIVE INTERESTS

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the Corporation the Mortgagee under

such mortgage) is alone entitled to vote, whether on a show of hands or a poll, and this By-law is applicable whether by the Act a Unanimous Resolution of Owners is required or not.

4.17 TRUSTEE VOTE

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 the latter may not vote.

4.18 SIGNED RESOLUTIONS

- a) A resolution of the Board in writing signed by all of its members shall be as effective as a resolution passed at a Meeting of the Board duly convened and held.
- b) Subject to the provisions of the Act, any resolution of the Corporation determined upon or made without a general meeting and evidenced by writing, signed in person or by proxy by all the persons who at a properly convened meeting of a Corporation would be entitled to exercise the powers of voting under the Act and these Bylaws shall be as valid and effectual as a resolution duly passed at a meeting of the Corporation and shall take effect as and be a Unanimous Resolution.

4.19 OBSERVANCE OF BY-LAWS AND SEVERABILITY

The Corporation, the Board and all Owners, tenants and other occupants of Units shall observe and obey all such By-laws as are applicable to each of them and as amended from time to time whether or not such By-laws or any parts thereof are registered at the Land Titles Office.

If any provision or provisions of these By-laws are or become illegal or not enforceable, it or they shall be deemed to be arid shall be separate and severable from these By-laws and the remaining provisions of these By-laws shall remain in full force and effect as if the severable provision or provisions had not been included in these By-laws.

4.20 AMENDMENT OF BY-LAWS

The By-laws or any of them may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise. Except where By-laws are amended by a signed Special Resolution under By-law 4.18(b) hereof, thirty (30) days' prior notice of any proposed changes to the Bylaws must be given to all Owners and to all Mortgagees who have notified their interest to the Corporation, such notice to specify the changes that are proposed or to be considered.

PART V - MISCELLANEOUS PROVISIONS

5.1 FINANCIAL STATEMENT

The financial statements shall be subject to a financial review prepared by a qualified accountant. This review shall be undertaken at least every second year, or as required by a general meeting.

5.2 EXPENDITURES BY MANAGER

Any Manager appointed by the Board may, from time to time, make expenditures not to exceed One Thousand Dollars (\$1,000.00) without specific approval of the Board, but any expenditure in excess of One Thousand Dollars (\$1,000.00) must be approved by the Board.

5.3 BONDING OF MANAGER

Any Manager and employee of the Manager who handle Corporation funds shall be bonded for at least one (1) year's projected expenditures, unless otherwise decided at a general meeting, provided that bonding protection for a Manager of a condominium project is obtainable in the Province of Alberta at reasonable cost.

5.4 ESTOPPEL CERTIFICATES

Any certificate as to an Owner's position with regard to common expense assessments or otherwise, issued by the Corporation, signed by two (2) Directors or the 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 Unit Owner; but this shall not prevent the enforcement against the Unit Owner(s) of all obligations of the Unit Owner(s) whether improperly stated in such Estoppel Certificate or not. The form and contents of such Certificate shall be as determined by resolution of the Board.

5.5 MORTGAGEES REPRESENTED ON BOARD

Notwithstanding By-law 3.1(b) hereof, a Mortgagee or Mortgagees of a Unit or Units (or a nominee or other representatives of the Mortgagee(s) may sit on the Board of Directors whether or not there shall be arrears in the assessments against the Unit or Units on which his (or their) mortgage or mortgages are held.

5.6 NOTICE OF DEFAULT TO MORTGAGEE

Any notice of default sent by the Board or the Corporation to an Owner shall also be sent to all those Mortgagees holding registered mortgages of such Owner's Unit who have notified the Corporation of their mortgages.

5.7 CASH RESERVES

The Board shall provide for the maintenance of such cash reserves for replacement of improvements and equipment and of such operational reserves as it deems desirable from time to time.

5.8 NOTICE

Every notice, demand or request permitted or required to be given or served hereunder shall be deemed to be properly and effectively given or served:

- a) upon the Corporation if delivered by hand to the office of the Manager of the Corporation, if any, or mailed by depositing the same in a post box, enclosed in a postage prepaid envelope addressed to the Corporation at its registered address shown on the Condominium Plan;
- b) upon an Owner by delivery by hand to the Owner (and if there is more than one Owner of a Unit then to any one of such Owners) or by mail by depositing the notice in a post box, enclosed in a postage prepaid envelope addressed to the Owner at the municipal address of his Unit; and,
- c) upon a Mortgagee of a Unit by delivery by hand to the Mortgagee (or if a corporation to a person in authority with such Mortgagee) or by mail by depositing the notice in a post box, enclosed in a postage prepaid envelope addressed to the Mortgagee at the municipal address of such Mortgagee notified to the Corporation; provided, however, that any notice providing for or contemplating any meeting or any acts or steps that would, if approved or taken, involve or include amendment of these By-laws or the winding up of the Corporation shall (if given by mail) be given by prepaid registered mail addressed to the Mortgagee as aforesaid.

The Corporation may change its address for service by giving notice to each Owner and Mortgagee in writing in manner aforesaid and causing the change in address to be recorded upon the Condominium Plan at the Land Titles Office. A Mortgagee of a Unit may change its address for service by giving notice in writing of the change to the Corporation in manner aforesaid. Any notices, demands or requests served by mail as aforesaid shall be deemed to have been received forty-eight (48) hours after the time of mailing, provided, however, that if there shall be an interruption of mail service, the notice shall not during such interruption be given by mail but shall be given by personal delivery or personal service.

5.9 INSURANCE

The Board on behalf of the Corporation shall obtain and maintain at all times insurance on all of the Units (including the bath room and kitchen fixtures initially installed therein but excluding furnishings and other property brought into or installed in Units by Unit Owners, current or predecessors), and all the insurable Common Property and all insurable property both real and personal of any nature whatsoever of the Corporation, that provides for settlement 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 that provides for settlement to the full replacement value of all buildings and other fixed improvements comprising the Condominium Property 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 defense of breach of condition insofar as the separate interest of the person or party in breach are concerned;
- 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;
- g) standard Mortgagee endorsements in favour of all Mortgagees who have notified their interests to the Corporation;
- h) coverage for errors and omissions by the Board and its officers so long as such insurance is obtainable at reasonable cost; and,
- i) an Inflation Guard endorsement providing for automatic increase of the policy coverage limits in accordance with increases in replacement costs.

5.10 APPORTIONMENT OF PROCEEDS

- a) 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 paragraph (a) of this By-law 5.9 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:
 - i) if the proceeds are less than Twenty-Five Thousand Dollars (\$25,000.00), to the Corporation which shall apply such proceeds to the repair and restoration of the damage or loss, and
 - ii) if the proceeds are equal to, or in excess of, Twenty-Five Thousand Dollars (\$25,000.00), to the Insurance Trustee who shall apply such proceeds to the repair and restoration of the damage or loss (save as hereinafter provided).
- b) In the event that it is resolved by resolution of the Corporation that meets the requirements of the Act for termination of the condominium status of the parcel, or is ordered by a court under the Act, that the Corporation shall not repair or restore the damage or that the Corporation shall then be terminated as to some or all Units, then the Insurance Trustee shall firstly 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 interests may appear) and secondly shall pay such proceeds as follows:
 - i) firstly, to the Mortgagees of all Units that are affected by the damage as their interests may appear and to the extent loss (including Common Property Loss) is apportioned to the respective Units (the Mortgagee's priorities to accord with their priorities as encumbrances against the respective Units); and,

- ii) secondly, to the Owners of all the Units that are affected by the damage to the extent of the loss apportioned to each and to the Corporation to the extent of the loss apportioned to it, as their interests may appear.
- c) In making any apportionment hereunder, the Insurance Trustee shall have regard to the interests of all Owners, Mortgagees, and the Corporation, and shall make a just and equitable apportionment. Any apportionment proposed by the Insurance Trustee shall first be notified to all the Owners, all the Mortgagees whose mortgages are registered at the Land Titles Office or have been notified to the Corporation, 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. Any notice under this paragraph that is given by mail shall, notwithstanding By-law 5.8 hereof, be given by prepaid registered mail. 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 59 to 61 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.

5.11 OWNER'S INSURANCE

- a) Nothing in Section 5.09 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.
- b) 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.
- c) 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.

5.12 TERMS OF INSURANCE

Policies of physical damage insurance may only contain co-insurance on a stated-amount basis (and not on any other basis) and 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 any defense based on co-insurance and 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 insured's including all Mortgagees of Units who have given prior written notice to the Corporation of their interests. Such policies shall also provide that the Corporation shall have the right at its sole option to obtain (to the extent permitted by law) a cash settlement (without deduction for depreciation) in the event of substantial damage to the Condominium Property and the determination by Unanimous 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 building and the insurer's option to reconstruct the damaged premises shall be deleted or waived. The Corporation shall act as and be an agent on behalf of the 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 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 Property 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. Copies of the appraisals obtained from time to time shall be provided to any Owner, purchaser or Mortgagee of a Unit who requests the same.

5.13 PUBLIC LIABILITY INSURANCE

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 of the Units therein, and all Common Property and all property owned by the Corporation. Limits of liability under such insurance shall not be less than Two Million (\$2,000,000.00) Dollars for any one person injured or for any one accident and shall not be less than One Million (\$1,000,000.00) Dollars 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.

- a) 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.
- b) All policies of insurance shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the insured's including all Mortgagees of Units who have given prior written notice to the Corporation of their interests.

5.14 NOTIFICATION OF DAMAGE

The Corporation shall, immediately upon the occurrence of any substantial damage to any of the improvements forming part of the condominium property, notify the Mortgagees of all Units affected who have notified their interests to the Corporation of such damage, such notice to be given by personal delivery or by registered mail.

5.15 INSURANCE DEDUCTIBLE

Owner Responsibility

In the event that a claim is made under any policy of insurance maintained by the Corporation and the cause of the loss for the claim is made is due to the ownership, use or occupancy of the Unit or to an act or omission of an Owner, Occupant or Tenant of an Owner or member of their families or guests, invitees or licensees of such Owner, the Owner shall bear any insurance deductible with respect to the loss for which the claim is made.

In the event that a claim is made under any policy of insurance maintained by the Corporation and the cause of the loss for the claim is made is due to the ownership, use or occupancy of the Unit or to an act or omission of an Owner, Occupant or Tenant of an Owner or member of their

families or guests, invitees or licensees of such Owner, and if the Corporation pays the deductible, then the Owner shall immediately reimburse the Corporation for any insurance deductible paid by the Corporation with respect to the loss for which the claim is made, the amount of same to be recoverable by the Corporation, in addition to any other remedies it may have at law, as a contribution levied against and owed by the said Owner.

Corporation Responsibility

In the event that a claim is made by an Owner under any policy of insurance maintained by the Corporation and the cause of the loss for the claim is made is due to the ownership, use or occupancy of the Unit or to an act or omission of the Corporation, its officers, the Board of Directors or its members or the employees or agents of any of the foregoing, the Corporation shall bear any insurance deductible with respect to the loss for which the claim is made. The onus of proof of cause or neglect shall be upon the Owner.

PART VI - OCCUPATION AND USE OF UNITS

6.1 OWNER'S USAGE

- a) An Owner shall not:
 - i) use his Unit for any purpose that may be illegal or injurious to the regulation of the Building or the Parcel;
 - ii) make undue noise in or about any Unit or Common Property; or,
 - iii) keep any animals in his Unit or on the Common Property other than the pets authorized under Section 6.13 hereof.
- b) When the purpose for which a Unit is intended to be used is shown expressly or by necessary implication upon the Condominium Plan, the Owner thereof shall not use or permit the user of such Unit for any other purpose;
- c) Obstruct or interfere with any other Owner's access to his Unit or any privacy area given to any other Owner's or third parties exclusive use by the Corporation.

6.2 ONE FAMILY ONLY AND RENTAL RESTRICTIONS

- a) Each Unit shall, as a rule, be occupied only as a one-family residence by the Owner of the Unit and his family or a tenant of the Owner and that tenant's family;
- b) However, an Owner who intends to rent his Unit to an individual, a company or a corporation, shall obtain prior permission from the Board and shall undertake in writing that he will limit the number of tenants or occupants to a maximum of four (4) per Unit except when renting to a tenant and that tenant's family.
- c) No Unit shall be used in whole or in part for any commercial or professional purpose involving the attendance of the public at such Unit, and without limiting the generality of the foregoing no Unit or part thereof shall be used as an office by a doctor, dentist, chiropractor, lawyer, accountant, druggist, or other professional person, and
- d) No Unit shall be operated as a Bed and Breakfast, motel or transition house.

6.3 ALTERATIONS

No alterations, additions, decoration, re-decoration, changes or installations shall be made on or adjoining the outside of any Units by any Owner without the prior consent in writing of the Board, and no structural alteration shall be made to the outer boundaries of any Unit including walls (whether partition walls, bearing walls or otherwise), ceiling and floor or to any bearing walls or structures within the Unit or to any exterior door or window and no changes shall be made in the plumbing, drainage system or electrical system within or outside any Unit, by any Owner without the prior written consent of the Board. All alterations shall be in accordance with Statutes and Municipal By-Laws and with the Alberta Building Code.

6.4 FIRE HAZARD

No owner shall do or permit anything to be done in the parcel or in any Unit or bring or keep anything thereon which will in any way increase the risk of fire or the rate or availability of fire insurance on any building comprising part of the Condominium Property, or on property kept therein, or obstruct or interfere with the rights of other Owners, or in any way injure or unreasonably annoy them or conflict with the laws relating to fires or with the regulations of the local Fire Department or with any insurance policy upon any building comprising part of the Condominium Property or any part thereof or conflict with any of the rules or ordinances of the Municipal Health Department or with any Statute or Municipal By-law or with the Alberta Building Code or with any other law whatsoever.

6.5 WATER

Water shall not be left running unless in actual use in or outside any Unit.

6.6 PLUMBING

Toilets, sinks, tubs, drains, sumps and other water apparatus shall not be used for any purpose other than those for which they are constructed, and no sweepings, garbage, rubbish, rags, ashes, or other substances shall be thrown therein.

6.7 COMBUSTIBLE MATERIALS

No stores of gasoline or other combustible or inflammable goods or materials and no offensive goods, provisions or materials shall be kept in any Unit.

6.8 SIGNS

No signs, billboards, notices or other advertising matter of any kind shall be placed on any part of a Unit without the written consent of the Board first being obtained; provided, however, that the foregoing shall not prevent an Owner from displaying reasonable "For Sale" signs in respect of the offering of his Unit for sale (the acceptability of any such signs to be determined by the Board).

6.9 TELEVISION

- a) No television antenna, aerial, tower or similar structure or appurtenances thereto shall be erected on or fastened to any Unit without the consent in writing of the Board except by the Corporation for or in connection with a common television cable or other distribution or reception system; and,
- b) Consent will be given for a satellite dish to be installed only if the following conditions are met:
 - i) Consent must be obtained from the Property Manager, particularly as to where the satellite dish shall be located;
 - ii) The satellite dish must be professionally installed; and
 - iii) the satellite dish must be no larger than thirty-two inches (32") in diameter.

6.10 DECORATING

No portion of a Unit required to be maintained by the Corporation shall be painted, decorated or otherwise affected by anyone other than the Corporation without the consent in writing of the Board.

6.11 LAUNDRY

No laundry shall be hanged other than inside a Unit.

6.12 WINDOWS

No awnings or shades shall be erected over the outside of the windows, nor shall any articles be hanged or placed on any outside window sills of a Unit.

6.13 ANIMALS

- a) No animal, livestock, fowl or pet of any kind shall be kept in any tenant-occupied Unit.
- b) No animal, livestock, fowl or pet of any kind shall be kept in any Owner-occupied Unit unless approved by the Board, which approval the Board may arbitrarily withhold and may, if given, withdraw any time on fifteen (15) days' notice.
- c) There shall be a limit of two (2) four-legged pet only per Owner-occupied Unit.
- d) Notwithstanding the generality of the foregoing, if the Board, in its sole discretion, deems any animal whatsoever to be causing unreasonable disturbance to other Unit Occupants or to be a hazard to or harmful to any Common Property or to other Owners or Unit Occupants, then the Owner of the Unit or the Occupant of the Unit in which such animal is kept shall forthwith, on notice from the Board, remove or cause to be removed, such animal from his Unit and such animal shall thereafter not be kept in that Unit at any time;
- e) All Owners and Occupants shall immediately remove any feces left by their pet(s) or any pets visiting or staying in their Units, on the Common Property. Notwithstanding or limiting the foregoing, this shall include balconies, decks and yards including the back yards. If any Owner or Occupant fails to remove said feces, then the Corporation may cause the feces to be removed and may assess any costs incurred against the Unit Owner as a Unit Assessment;
- f) A penalty or fee may be imposed from time to time at the discretion of the Board upon Unit Owners who have pets residing in their units.

6.14 DEBRIS

Nothing may be thrown out of the windows or doors of a Unit.

6.15 TENANTS AND OCCUPIERS

Prior to leasing, renting or granting possession of his Unit to any tenant or occupier, an owner shall:

- a) Give notice in writing to the Corporation of the tenancy or other occupancy, (see Schedule A);
- b) Comply with the damage deposit requirements (if any) of the Corporation;
- c) Cause the tenant or occupier to undertake in writing to be bound by and comply with the By-laws of the Corporation; and
- d) Give notice in writing that the maximum number of tenants or occupants set in By-Law 6.2(b) will not be exceeded;

provided that nothing herein shall in any way remove, waive or alter the responsibility of each Owner for the performance of all By-laws for all persons using or occupying his Unit.

6.16 GARBAGE

Owners shall tightly wrap and tie their garbage and shall deposit their garbage as directed by the Board, and shall observe all By-laws and regulations of the local authority in that regard. The following additional rules shall be observed with respect to the trash equipment:

- a) Debris shall be completely drip free before it leaves a Unit and carried to the designated area in a drip-proof container;
- b) Cartons, boxes, cans and bottles shall be taken by the Owner to the local recycling depot;
- c) Grass clippings shall be taken by the Owner to the local composting site;
- d) Crates, sticks of wood, bulky items or other solid material shall be taken by the Owner to the local dump;
- e) Vacuum cleaner bags must be wrapped in a securely tied bag or package and then placed in the designated area for pick up; and,
- f) Disposal of household appliances or old vehicles, that incur a cost according to Municipal By-Laws, shall be the sole responsibility of the Owner.

6.17 NOISE

Owners, their families, guests, tenants, visitors and servants shall not create or permit creation of or continuation of any noise or nuisance which, in the opinion of the Board or the manager, may or does disturb the comfort and quiet enjoyment of the property by other Owners, their families, guests, visitors, and persons having business with them and no noise caused by any instrument or other device or otherwise, which in the opinion of the Board may disturb the comfort of the other Owners shall be permitted. Without limiting the generality of the foregoing no noises shall be permitted or caused that exceeds the following decibel (db) limits (as measured by a sound meter approved by the Board for use):

- a) 15 db between the hours of 11:00 p.m. and 8:00 a.m., and
- b) 30 db between the hours of 8:00 a.m. to 11:00 p.m.

6.18 HEALTH

- a) No Owner shall do anything or permit anything to be done that is contrary to any of the provisions, rules or ordinances of any statute or municipal By-law or injurious to health or the regulation of the Units or in any way in violation of any laws whatsoever; and
- b) Units must be kept clean and in good order and free of insects and vermin.

6.19 PRIVACY

No Owner shall trespass, or permit any occupant of his Unit to trespass, on any part of the Common Property to which another Owner is entitled to exclusive occupation, and, without the prior written consent of the Board, no Owner shall have any right of access to those parts of the Common Property used from time to time as a utility area, maintenance area or any other part of the Common Property used for the care, maintenance or operation thereof.

6.20 OBSTRUCTIONS

No Owner shall erect or plant or cause to be erected or planted any fence, screen, barrier, awning, shade, partition, tree, shrub or flower on, or which overhangs any part of, the property not exclusively occupied by such Owner, without the prior written consent of the Board. No Owner shall erect or plant or cause to be erected or planted any fence, screen, barrier, awning, shade, partition, tree or hedge upon the Privacy Area adjoining his Unit without the prior written consent of the Board. The consents required by this By-law may be arbitrarily withheld.

6.21 PERSONAL BELONGINGS

All Owners will cause all articles belonging to their household, other than patio furniture and other articles appropriately kept on the fenced Privacy Area at the back of their respective Units, to be kept in their respective Units when not in actual use, and each Owner will comply with all reasonable requests of the Board or its representative that bicycles, toys and like articles belonging to the Owner's household be put away inside such Owner's Unit when not in actual use. BBQs, patio furniture and other articles shall not be kept on the front lawn or on the common property adjacent to any Unit.

6.22 PARKING AREAS

Any parking stall or stalls and parking plug-in facilities appurtenant thereto (if any) assigned to any Unit by the Board are for the sole use of the Owner of such Unit. Each Unit shall be assigned at least one (1) parking stall by the Board, the location of which shall be selected by the Board in its sole discretion and shall be subject to change from time to time by the Board, provided that in making any changes the Board shall have due regard to the interests of all of the Owners and occupants within the condominium project situate on the parcel and will not unfairly or unreasonably discriminate against any Owners or occupants. If any parking plug-in facility is provided with or in connection with any parking stall, any person given the right to exclusive use of such stall shall be responsible for keeping such facility in good repair and condition at all times during the period of such Owner's entitlement to exclusive use; and the Corporation may at its option require such Owner to pay all electrical charges for and in connection with such facility and may cause such facility to be connected to such Owner's electrical meters.

6.23 PRIVATE VEHICLES

No motor vehicle other than a licensed private passenger vehicle shall be parked in any parking spaces within the Condominium Property without the prior written consent of the Board.

6.24 MOTOR VEHICLES

- a) No motor vehicle shall be driven on any part of the Condominium Property other than on a driveway or parking space;
- b) No motor vehicles, recreational vehicle, trailer, tent trailer, boat trailer or other trailer, boat, snowmobile, mechanical toboggan, machinery or equipment of any kind shall be parked on any part of the Condominium Property other than as permitted by the Board in writing or as provided in Sections 6.22 and 6.23 hereof;
- c) No repairs or adjustments to motor vehicles or automobiles may be carried out on the Common Property; and,

- d) A private passenger automobile which is not being used from day to day or which is undergoing repairs of any nature or which is unlicensed shall not be parked or located upon the Common Property or any part thereof; and all automobiles may be parked only in locations properly paved or graveled and provided for them.

6.25 VEHICLE AND PARKING REGULATIONS

Vehicles on the site shall be driven and parked in accordance with the following regulations:

- a) Parking is prohibited within fifteen feet (15') of the fire hydrants;
- b) Parking is not permitted in any area other than designated parking areas;
- c) Speed is restricted to the posted speed limit at all times;
- d) Snowmobiles and all-terrain vehicles are prohibited from operating on Common Property;
- e) Upon notification of the Property Manager by any Owner or tenant, any vehicles in violation of subsections (a) or (b) of 6.25 will be towed from the Property at the expense of the owner of the vehicle.

PART VII - PROVISIONS GOVERNING THE USE OF THE COMMON PROPERTY

7.1 USE AND ENJOYMENT

The Owner of each Unit shall have the right to the exclusive use and enjoyment of such portions of the Common Property as may be designated by the Corporation. Without limiting the generality of the foregoing, the Corporation may grant to the Owner of each Unit, on such terms and conditions as the Corporation may determine, the right and license to exclusive use of the Privacy Area immediately adjoining his Unit, providing however, that the Corporation at its sole option may at any time and from time to time withdraw and terminate such right for any or all Units upon giving sixty (60) days' notice to all Owners of Units for which such right is terminated (provided that in so doing it shall not unfairly or unreasonably discriminate against any Owners or occupants.) In addition, the Corporation shall designate parking stalls behind the Unit as exclusive use areas for the benefit of the Owners of that Unit.

7.2 CARE AND MAINTENANCE OF PRIVACY AREAS

Each Owner shall (whether or not he is granted any exclusive right or license to use) keep and maintain all portions of all lawns, shrubs and other landscaping in or upon the Privacy Area immediately adjacent to his Unit in neat, trim, clean and well-groomed condition and in a generally well-cared-for state consistent with good and proper lawn and landscaping care, and shall keep all landings and steps within or upon such Privacy Area free and clear of obstruction, dirt, snow, ice and refuse of any kind; provided, however, that such obligations to provide care and maintenance may be terminated or suspended by the Corporation in its sole discretion for any such area as to which no right to exclusive use is enjoyed or held by any Owner at or during the time of such termination or suspension.

The area and location of the Privacy Area adjacent to each Unit, if not shown on the Condominium Plan, shall be determined by the Board.

The Corporation and its servants and agents shall, notwithstanding the grant of any right, license or privilege of exclusive use of any Privacy Area to any Owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such Privacy Area for the purpose of carrying out any of the duties or functions of the Corporation.

7.3 EXCLUSIVE USE

The Owner of a Unit has no right to use any portion of the Common Property designated by the Corporation for the exclusive use of the Owner of any other Unit.

7.4 SIDEWALKS AND WALKWAYS

The sidewalks, walkways, passages, driveways and parking areas shall not be obstructed by any Owner, his family, guests, tenants or visitors or used by them for any other purpose than for ingress and egress to and from their respective Units; and parking areas shall not be used for any purpose other than the

parking of motor vehicles and no Owner shall trespass in any parking areas or upon any parking plug-in facility which the Owner of another Unit is entitled to use and occupy exclusively.

7.5 LANDSCAPING AND OTHER COMMON PROPERTY

Owners, their families, guests, tenants, visitors and servants shall not harm, mutilate, destroy, waste, alter or litter any part or parts of the Common Property or of the property (real or personal) of the Corporation, including without limitation any and all parts of the buildings and other fixed improvements forming part of the Common Property, any landscaping works (including trees, grass, shrubs, hedges, flowers, and flower beds) and any and all chattels owned or kept by the Corporation.

7.6 ANIMALS ON COMMON PROPERTY

No animal, livestock, fowl or pet of any kind shall be kept on or allowed to run at large over any part of the Common Property.

7.7 COMBUSTIBLE MATERIAL ON COMMON PROPERTY

No stores of gasoline or any other combustible or inflammable goods or materials, and no offensive goods, provisions or materials of any kind shall be kept on any part of the Common Property.

7.8 STRUCTURES ON COMMON PROPERTY

- a) No building or structure shall be erected, placed, located, kept or maintained on the Common Property except only by the Corporation;
- b) No trailer either with or without living, sleeping, or eating accommodation and no tent, or shed or portable building shall be placed, located, kept or maintained on the Common Property except with the prior written approval of the Board, and if any such chattel or other item has been approved by the Board, the Board may subsequently withdraw such approval in which event the chattel or other item shall be forthwith removed by the Owner;
- c) No part of the Common Property shall be used for the erection, placing or maintenance of clotheslines, incinerators, garbage disposal equipment, recreation or athletic equipment, fences or other barriers, hedges, trees, gardens or other vegetation, or for the disposal of rubbish, garbage or waste except only by the Corporation or the Board or by an Owner with the prior written approval of the Board.

7.9 ANTENNAS

No antenna, aerial, tower or appurtenances thereto shall be erected on any part of the Common Property except only by the Corporation, except as outlined in By-Law 6.9.

7.10 SIGNS

No signs, billboards or other advertising matter of any kind and no notices of any kind shall be placed on any part of the Common Property without the prior written consent of the Board except as otherwise hereby permitted.

7.11 PERSONAL PROPERTY

The Corporation will not be responsible for any damage or loss whatsoever caused by or to any property of any kind or nature whatsoever in the parking areas or other areas provided in the Common Property nor will it be responsible for any loss or damage from any cause whatsoever to any contents in any Unit. The insuring of any contents within the Units is the responsibility of the individual Owners solely.

7.12 SALES

No auction sale or other sale shall be held in or about the Condominium Property without consent in writing of either the Manager of the Condominium or the Board.

7.13 TRAFFIC SPEED AND DIRECTIONAL CONTROL

All Owners shall 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 (without limiting the generality of the foregoing) speed limits and directional controls.

7.14 RECREATIONAL USE

No portions of the common areas designated for recreational use shall be used by any Owner and no Owner shall permit any other person to use such areas except only in accordance with the rules therefore which shall be established from time to time by the Manager or the Board, for the Corporation.

PART VIII - MISCELLANEOUS

8.1 MAINTENANCE

- a) Each Owner shall be responsible for ice and snow removal from his own Unit's step. The Corporation shall regularly maintain grass, trees, shrubs and walks in or abounding Common Property on behalf of the Owners proportionally, and the Corporation shall maintain parking areas and Common Property lighting; provided, however, that the Corporation shall not be responsible for such care and maintenance of any Privacy Areas as is the responsibility of individual Owners pursuant to the provisions of By-law 6.22 and/or 7.2 hereof.
- b) Each Owner shall be responsible for the repair and maintenance of his Unit, and shall also be responsible for the care and maintenance of the Privacy Area immediately adjoining his Unit and any parking plug-in facility used by such Owner as and to the extent provided by By-laws 6.22 and 7.2 hereof. Should any Owner fail to maintain and/or repair in a manner satisfactory to the Board or its representative those items for which he is responsible after ten (10) days written notice to do so given by the Board or its representative, then the Board, or its representative, may do or cause to be done the maintenance or repair and the Owner affected is obliged to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such maintenance and/or repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation and such monies shall be a charge upon his Unit to the same extent as they would be if they were common expense charges assessed upon his Unit;
- c) Notwithstanding anything to the contrary herein expressed or implied, each Owner shall be responsible for damage caused to all items referred to in By-law 3.7(k) i to v hereof by any willful or negligent acts of himself, members of his family, his tenants or members of their families, his invitees, contractors or licensees that are not required by these By-laws to be insured against by the Corporation (or in fact insured against by it whether required or not); and should any Owner fail to repair in a manner satisfactory to the Board or its representative those items so damaged, as aforesaid, after ten (10) days written notice to do so given by the Board or its representative, then the Board, or its representative, may do or cause to be done such repair and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labor, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation and such monies shall be a charge upon his Unit to the same extent as they would be if they were Common Expense charges assessed upon his Unit.

8.2 COMMON EXPENSES

The Common Expenses of the Corporation shall, without limiting the generality of the definition thereof in Part I hereof, include the following:

- a) All levies or charges on account of electricity, water, gas and fuel services supplied to the Corporation;
- b) The cost of and charges for all management fees;

- c) All costs and charges on account of landscaping, and maintenance of and snow removal from Common Property;
- d) All reserves for repairs and replacements of Common Property and portions of Units or buildings the repair or replacement of which is the responsibility of the Corporation;
- e) All costs of and charges for maintenance and repair of those portions of each Unit for which the Corporation is responsible;
- f) All costs of and charges for maintenance and repair of Common Property for which the Corporation is responsible;
- g) All costs of and charges for insurance for which the Corporation is responsible;
- h) All costs of and charges for all manner of consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all legal and accounting fees and disbursements;
- i) Reserves for the Capital Replacement Reserve Fund;
- j) All salaries and other benefits for services of any caretakers or maintenance personnel;
- k) All fees and charges of the Insurance Trustee; and,
- l) The amount of all costs and expenses whatsoever, including (without limitation) all maintenance and repair costs, taxes, financing charges, common expense Unit charges, and all utilities charges, for or in respect of any Unit owned by the Corporation itself.

8.3 ASSESSMENT FOR COMMON EXPENSES

- a) At least thirty (30) days prior to the beginning of each calendar year, the Board or, at its request, the Manager, shall estimate the amount of the Common Expenses that will be incurred or required in such calendar year (including a reasonable allowance for contingencies and replacements plus any deficiencies from the previous year and less any expected income and any surplus from the fund collected in the previous year) which estimate of Common Expenses is herein called "estimated Common Expenses". Each year's estimated Common Expenses shall be apportioned, levied and assessed to and upon the Owners in proportion to the Unit Factors as shown on the Condominium Plan. In addition thereto, the Board may levy and assess the Owners in like proportion for any additional, special or other common expenses not provided for in the said annual budgets as and whenever the Board determines such levies and assessments to be desirable for the care, maintenance and administration of the Corporation or the Common Property (including without limitation establishment or replenishment of Capital Reserve Funds). If the amounts so estimated prove inadequate for any reason, including non-payment of an Owner's assessment, the Board may at any time, and from time to time, levy a further assessment or such further assessments as are required in like proportions as hereinbefore provided. Each Owner shall be obligated to pay any and all assessments made pursuant to this provision to the Board or the Manager to the account of the Corporation, as directed by notice, in equal monthly installments on or before the first day of each month during the calendar year for which such assessment is made or in such other reasonable manner as the Board or the Manager with the consent of Board (as the case may be) shall designate, and further pay interest on all assessments or payments in arrears at the rate of eighteen (18%) per cent per annum calculated from the due date until payment.
- b) The omission by the Board before the expiration of any year, to fix the assessments hereunder for that or for the next 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 these By-laws, or release of the Owner or Owners from their obligations to pay the assessments, or any installments thereof for that or any

subsequent year, but the monthly installment fixed for the preceding year shall continue until new installments are fixed. No Owner can exempt himself from liability for his contributions towards the Common Expenses by waiver of use or enjoyment of any of the Common Property or by vacating or abandoning his Unit.

- c) The Treasurer of the Board or the Manager shall keep detailed accurate records in chronological order of the receipts and expenditures affecting the Common Property, specifying and itemizing the maintenance and repair expenses of the Common Property and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by an Owner at convenient business hours on week days.

8.4 DEFAULT IN PAYMENT OF ASSESSMENTS AND LIEN FOR UNPAID ASSESSMENTS, INSTALLMENTS AND PAYMENTS

- a) The Corporation shall and does have a lien and charge upon and against the estate or interest of the Owner for any unpaid assessment, installment or payment (including interest on arrears) due to the Corporation in respect of his Unit, which lien shall be a first, paramount lien against such estate or interest subject only to the rights and priorities of the Mortgagee under any mortgage registered against such Unit prior to the date that the assessment, installment or payment fell due and the rights of any municipal or local authority in respect of unpaid realty taxes, assessments or levies of any kind against the Unit title or interest of such Owner but subject also to the provisions of the Act and the Land Titles Act of Alberta. The Corporation shall have the right to file a caveat 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 assessment, installment or payment, provided that each such caveat 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 each such unpaid assessment, installment or payment which is in arrears for more than thirty (30) days shall, upon demand of and at the sole option of the Corporation, give to the Corporation a mortgage or encumbrance for the full amount thereof, providing for their payment on demand with assessed fines and interest thereon at the Interest Rate calculated from the due date 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. Nothing herein shall restrict or abrogate any rights or remedies given to the Corporation by or under the Act. The Corporation shall be entitled to be paid by the defaulting Owner the costs (including without limitation legal costs on a solicitor-and-client basis) incurred in preparing and registering the caveat and realizing upon and enforcing the charge caveated, recovering the arrears and in discharging the caveat and shall not be obliged to discharge any caveat until all arrears of the Owner (including interest and all such costs) are fully paid.
- b) Any other Owner or person, firm or corporation whatsoever may pay any unpaid assessment, installment or payment (plus interest and costs if any) 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 being made, 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 in respect of the amount so paid on behalf of the Owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this provision.
- c) Notwithstanding any other term, condition or provision herein contained or implied, each unpaid assessment, installment or payment (together with interests and costs as aforesaid) shall be a

separate, distinct and personal debt and obligation of the Owner against whom the same is assessed and such subsequent Owners as the Act may provide and collectible as such. Any action, suit or proceeding to recover such debt or to realize on any judgment therefore shall be maintainable as a separate action, suit or proceeding without foreclosing, or waiving the lien, charge or security securing the same.

8.5 MORTGAGE PROTECTION

Notwithstanding all other provisions hereof, the Corporation's lien, charge or security provided for in Section 8.4 hereof shall be subject always and subordinate to, and shall not affect the rights of, the holder of any mortgage registered against a Unit prior to the recording of the Corporation's lien or charge upon the Unit title, and the Corporation or the Board shall, upon the request of such registered Mortgagee, at the expense of the Corporation execute and deliver such postponements, agreements or instruments of subordination as the Mortgagee shall reasonably require to fully and effectively establish or maintain its priority over the assessments, installments or payments due to the Corporation.

SCHEDULE A

NOTICE TO THE OWNERS: CONDOMINIUM PLAN NO. 7720002 pursuant to S.53(1) of the Condominium Property Act of Alberta (“the Act”)

RE: INTENTION TO RENT UNIT NO. _____

MUNICIPALLY DESCRIBED AS _____

THAT I/WE, the undersigned, as Owner(s) of the above mentioned property hereby give you notice of my/our intention to rent the said Unit(s)

(a) on or about the _____ day of _____ 20 ____
(the “Possession Date”)

(b) at a rental of \$ _____ per month.

THAT the tenant(s) may be served with documents pursuant to the Act or the Bylaws of the Corporation care of the Unit address subsequent to the Possession Date.

THAT I/WE undertake to supply you with the names and telephone numbers of the tenant(s) within twenty (20) days of the Possession Date.

THAT I/WE may be served with any documents pursuant to the Act or the Bylaws at:

_____.

SIGNED this _____ day of _____ 20____.
