

BY-LAWS
OF
YELLOWKNIFE CONDOMINIUM
CORPORATION # 6 GOLD CITY ESTATES

BY-LAWS TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS

1.1 Definitions, Interpretations and Applications Page 5

1.2 Miscellaneous Provisions Page 6

ARTICLE 2 THE OWNERS

2.1 Duties of the Owners Page 7

ARTICLE 3
THE CORPORATION

3.1 Duties of the Corporation Page 9

3.2 Powers of the Corporation Page 10

ARTICLE 4
THE CORPORATION AND THE BOARD

4.1 Number on the Board and Qualifications Page 12

4.2 Retirement From and Re-election To the Board Page 12

4.3 Removal From the Board Page 12

4.4 Casual Vacancy on the Board Page 12

4.5 Quorum for the Board Page 12

4.6 Officers of the Board Page 12

4.7 Chair of the Board Meetings Page 13

4.8 Duties of the Officers Page 13

4.9 Votes of the Board Page 13

4.10 Signing Authority Page 13

4.11 Further Powers of the Board Page 13

4.12 Additional Duties of the Board Page 14

4.13 Defect in Appointment to the Board Page 15

4.14 Vacating Office of Board Member Page 15

4.15 Corporate Seal Page 15

ARTICLE 5 THE MEMBERS

5.1 Annual General Meetings Page 16

5.2 Extraordinary General Meetings Page 16

5.3 Notice of General Meetings Page 16

5.4 Proceedings at General Meetings Page 16

5.5 Quorum for General Meetings Page 17

5.6 Adjournment for Lack of Quorum Page 17

5.7 Chair for General Meetings Page 17

5.8 Order of Business Page 17

5.9 Voting Generally Page 18

5.10 Poll Votes Page 18

5.11 Voting Calculation Page 18

5.12 Votes Personally or by Proxy Page 18

5.13 Proxies Page 18

5.14 Eligibility to Vote Page 19

5.15 Vote by Co-Owners Page 19

5.16 Resolution of the Owners Page 19

5.17 Trustee Vote Page 19

5.18 Voting Rights of Mortgagee Page 19

5.19 Observance of By-laws and Severability Page 19

ARTICLE 6 DAMAGE

6.1 Damage or Destruction Page 20

ARTICLE 7 INSURANCE

7.1 Insurance Page 21

ARTICLE 8 COMMON EXPENSES

8.1 Assessments for Common Expenses and Budgets Page 24

8.2 SpecialAssessments Page 26

8.3 Default in Payment of Assessments..... Page 26

ARTICLE 9 MISCELLANEOUS

9.1 Estoppel Certificate Page 27

9.2 Leasing of Units Page 28

9.3 Severability Page 28

9.4 Notices Page 28

9.5 Notice of Default to Mortgagees..... Page 29

9.6 Debt Retirement on Termination Page 29

9.7 Company which is Member of the Board Page 29

9.8 AlternativeBoardRepresentative..... Page 29

9.9 Privacy Areas and Parking Areas..... Page 29

9.10 RealtyTaxes Page 30

9.11 Indemnification of Directors Of Officers and Managers Page 30

9.12 Non-ProfitCorporation Page 30

ARTICLE 10 RESTRICTIONS

10.1 Use and Occupancy Restrictions Page 31

10.2 Use and Enjoyment Page 34

10.3 ExclusiveUse Page 34

10.4 Maintenance Page 35

10.5 Amendment of By-laws Page 35

ARTICLE 1**DEFINITIONS**1.1 Definitions, Interpretations and Applications

The following definitions shall apply to all parts of these By-laws, unless the context or subject matter requires a different meaning:

- . (a) "Act" means the Condominium Act, R.S.N.W.T. 1988, c. C-15, as amended from time to time or any statute or statutes passed in substitution therefore;
- . (b) "Board" means the board of directors of the Corporation, elected in accordance with these By-laws;
- . (c) "By-laws" means the by-laws of the Corporation, as amended from time to time;
- . (d) "Common Expenses" mean the expenses associated with the objects and duties of the Corporation, and includes any other expenses specified in these By-laws as being common expenses;
- . (e) "Common Elements" means so much of the Parcel as is not comprised in or does not form part of any Unit shown on the Condominium Plan;
- . (f) "Condominium Plan" means the plan registered in the Land Titles Office of the Northwest Territories with respect to Yellowknife Condominium Corporation # 6;
- . (g) "Corporation" means the Corporation constituted under the Act by the registration of the Condominium Plan;
- . (h) "Exclusive Use Areas" means those areas being part of the Common Elements designated in the plan for the Exclusive Use by one or more of the Unit Owners;
- . (i) "Exclusive Use" means the rights of usage over Exclusive Use Areas by the Owners or persons permitted by the Owners to be in possession, which rights and restrictions are regulated in these By-laws. The right given in these By-laws over Privacy Areas shall be deemed to apply to Exclusive Use Areas;
- . (j) "Insurance Trustee" means such Person or company as the Board may appoint or, if such company should decline or be unable to act as trustee, then such trust company selected from time to time on ordinary resolution of the Corporation;
- . (k) "Interest Rate" means that rate of interest per annum as determined by the Board from time to time by motion which may be or shall become payable hereunder by an Owner in respect of monies owing by the Owner to the Corporation. If the Board fails or neglects to set the Interest Rate by motion, the Interest Rate shall be deemed to be 24 per cent per annum;
- . (l) "Manager" means a manager retained by the Corporation or any successor contractually appointed by the Board;
- . (m) "Mortgagee" means the holder of the first mortgage registered against the title to one or more Units;
- . (n) "Owner" means a Person who is registered as the owner of the fee simple estate in a Unit in the condominium property and where the term "owner" is used in Article 10, that term includes a tenant;

- . (o) "Parcel" or "Project" means the land comprised in the Condominium Plan;
- . (p) "Person" includes a Corporation and the heirs, executors, administrators or other legal representatives of a Person;
- . (q) "Privacy Areas" means those areas, being part of the Common Elements, which comprise yards, walkways, stairs and parking areas 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;
- . (r) "Special Resolution" means a resolution:
 - . (i) passed at a properly convened meeting of the Corporation, for which at least seven (7) days notice specifying the proposed resolution has been given, by a vote of members owning not less than sixty-six and two thirds per cent ($66\frac{2}{3}\%$) of the total Unit Factors for all the Units; or
 - . (ii) signed by not less than sixty-six and two thirds per cent ($66\frac{2}{3}\%$) of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these By-laws and representing not less than sixty-six and two thirds per cent ($66\frac{2}{3}\%$) of the total Unit Factors for all the Units;
- . (s) "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 representing the total Unit Factors for all 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 by these By-laws;
- . (t) "Unit" means an area designated as a Unit by the Condominium Plan and by reference to the floors, walls and ceilings within a building and only that portion of those floors, walls or ceilings that forms part of the Unit. A unit includes the finishing material that is in the interior of that unit, including any lath and plaster, panelling, gypsum board, panels, flooring material or coverings or any other material that is attached, laid, glued or applied to the floor, wall or ceiling, all pipes, wires, ducts, conduits, 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 only one Unit or Common Element and includes all doors and windows;
- . (u) "Unit Factor" means the unit factor for each Unit as more particularly specified or apportioned and described in and set forth on the Condominium Plan;

1.2 Miscellaneous Provisions

- . (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 (Northwest Territories), as amended from time to time or in any statute or statutes passed in substitution therefore;

- . (b) these By-laws are to be read with all changes of number and gender required by the context, and words importing persons include firms and corporations and vice versa, where the context so requires;
- . (c) The headings used throughout these By-laws are inserted for reference;
- . (d) The rights and obligations given or imposed on the Corporation or the Owners under these By-laws are in addition to any rights and obligations given or imposed on the Corporation or the Owners under the Act;
- . (e) If there is any conflict between the By-laws and the Act, the Act prevails;

ARTICLE 2

THE OWNERS

2.1 Duties of the Owners An Owner shall:

- . (a) Permit the Corporation and its agents and persons authorized by the Corporation at all reasonable times on notice (except in the case of emergency when no notice is required), to enter his Unit for the purpose of inspecting the Unit and maintaining, repairing or renewing pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or Common Elements, or for monitoring the use of any utility or for the purpose of ensuring that the By-laws are being observed or for the purpose of doing any work for the benefit of the Corporation generally;
- . (b) Forthwith carry out all work that may be ordered by any municipality or public authority in respect of his Unit and pay all rates, taxes, charges, outgoings and assessments that may be payable in respect to his Unit;
- . (c) Repair and maintain his Unit, and areas allocated to his Exclusive Use subject to the provisions hereof relating to Privacy Areas and parking areas, including all glass in windows in or attached to the Unit and the doors and garage door which provide the means of ingress and egress from a Unit, but excluding outer boundaries, walls and other outside surfaces and roofs and eavestroughs and all other outside hardware and accoutrements affecting the appearance, use-ability, value or safety of the Unit, and keep it in a state of good repair, except such maintenance, repairs and damage as are insured against by the Corporation or for which the Corporation is responsible pursuant to these By-laws; and shall maintain in a reasonable manner any area which is located on or which comprises any part of the Common Elements to which the Owner has been granted Exclusive Use pursuant to these By-laws. An Owner shall maintain and repair (including renewal where reasonably necessary) pipes, wires, ducts, conduits, 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 only one Unit or Common Element. The Corporation may give ten (10) days' notice to the Owner to maintain to this effect and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work; and the costs associated therewith shall be paid for in accordance with these By-laws;

- . (d) Receive the written permission of the Corporation before undertaking alterations to the exterior or structure or to the plumbing, mechanical or electrical systems of the Unit;
- . (e) Use and enjoy the Common Elements in accordance with these By-laws and all rules and regulations prescribed by the Corporation and in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other Owners, lessees, their families or visitors;
- . (f) Not use the Unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any occupier of another Unit (whether an Owner or not) or the family of such an occupier; and not to use the Unit in any manner that will cause any insurance maintained by the Corporation to be cancelled or declined or its premium rate to be increased;
- . (g) Notify the Corporation forthwith upon any change of ownership or of any mortgage, lease or other dealing in connection with the Unit;
- . (h) Comply strictly with these and any other By-laws of the Corporation and with such rules and regulations as may be adopted pursuant thereto from time to time and cause, all occupiers, tenants and visitors to the Unit to similarly comply;
- . (i) Pay to the Corporation when due all Common Expenses levied or assessed against his Unit together with interest on any arrears thereof at the Interest Rate calculated from the due date;
- . (j) Pay all bills which are the owner's responsibility, including, without limiting the generality of the foregoing, all bills for propane and other utilities required to maintain each Unit;
- . (k) Not to use the Privacy Area or Common Elements immediately adjacent to the Unit for the storage of personal belongings or other goods and chattels, except those that may, by regulation, be permitted;
- . (l) Maintain a policy of insurance for public liability to cover areas over which the Unit Owner has been granted Exclusive Use; such policy to be in an amount satisfactory to the Board;
- . (m) To keep all stairs, sidewalks and parking areas over which the Unit Owner has the right to Exclusive Use, free of ice, snow and debris;
- . (n) Indemnify and save harmless the Corporation from the expense of any maintenance, repair or replacement rendered necessary to the Common Elements by his act, neglect or carelessness or by that of any member of his family or their guests, servants, agents or tenants, but only to the extent that such expense is not met by the proceeds of insurance carried by the Corporation.

ARTICLE 3
THE CORPORATION

3.1 Duties of the Corporation

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

- . (a) Control, manage, maintain, repair and administer the Common Elements (except as hereinbefore and hereinafter set forth) and all real property, chattels, personal property or other property owned by the Corporation for the benefit of the entire condominium Project;
- . (b) Do all things required of it by the Act, these By-laws and any other rules and regulations in force from time to time;
- . (c) Where practical and subject always to any obligations imposed by these By-laws of the Corporation upon any Owners to maintain any part of the Common Elements 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 Elements;
- . (d) Maintain and repair (including renewal where reasonably necessary) pipes, wires, ducts, conduits, 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 unit or Common Elements;
- . (e) Provide and maintain in force all such insurance as is required by the Act and by the provisions of these By-laws and enter into insurance trust agreements from time to time as required by the Insurance Trustee and approved by the Board and, on the written request of an Owner or registered Mortgagee, produce and when requested provide to the Owner or Mortgagee, a certified copy of the policy or policies of insurance effected by the Corporation or a certificate of memorandum thereof and the receipt or receipts for the last premium or premiums in respect thereof;
- . (f) Subject to any obligations imposed by these By-laws or by the Corporation upon any Owners to maintain any part of the Common Elements over which such Owners are granted exclusive rights of use by the Corporation (including without limitation privacy areas), maintain the Common Elements notwithstanding that maintenance may be required as a result of reasonable wear and tear, or otherwise; provided and maintain adequate parking facilities for all the Owners; and provide and maintain reasonable outside lighting;
- . (g) 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, exteriors of doors (with the exclusion of garage doors), roofing materials and exteriors of roofs, eavestroughs and exterior drains, and exterior beams, trim and steps;
 - . (ii) all fencing, posts, driveways and sidewalks;
 - . (iii) all other outside hardware and accoutrements affecting the appearance, usability, value or safety of the Parcel or the units;

- . (h) 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 the Act;
- . (i) Collect and receive all contributions towards the Common Expenses and deposit same in a separate account with a chartered bank or trust company;
- . (j) Provide and maintain out of the assessments to be levied by the Corporation towards the Common Expenses or otherwise such amount as the Board may determine from time to time to be fair and prudent for a replacement reserve fund, and the replacement reserve fund shall be an asset of the Corporation;
- . (k) Pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the Parcel, the Corporation and the Owners as the Board may deem justifiable in the management or administration of the entire condominium Project;
- . (l) Remove ice, snow, slush and debris from and keep and maintain in good order and condition all areas of the Common Elements designated for vehicular or pedestrian traffic or outside parking and keep and maintain in good order and condition any drainage swale(s) and all grassed or landscaped areas of the Common Elements PROVIDED THAT the maintenance of any exclusive area designated to an Owner under these By-laws shall be the prime responsibility of the Owner to whom such Exclusive Use Area has been assigned;
- . (m) Provide adequate garbage receptacles or containers on the Common Elements for use by all the Owners and provide for regular collection therefrom;
- . (n) Not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, municipality or local authority;
- . (o) Call a general meeting of the Owners and Mortgagees once in each calendar year, and in all cases allow no more than fifteen months to elapse from one general meeting to the next.

3.2 POWERS OF THE CORPORATION

The Corporation shall be authorized to:

- . (a) Purchase, hire or otherwise acquire personal and/or real property for use by Owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the Common Elements; provided that real property shall only be acquired or disposed of on approval by Special Resolution;
- . (b) Borrow monies required by it in the performance of its duties or the exercise of its powers provided that each such borrowing in excess of 25% of the current year's Common Expenses budget has been approved by Special Resolution;
- . (c) Secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage any property vested it, or by any combination of those means;
- . (d) Invest as it may determine any contributions towards the Common Expenses, in accordance with the Act;

- . (e) Make an agreement with any Owner, tenant or other occupier of a Unit for the provision of amenities or services by it to the Unit or to the Owner, tenant or occupier thereof;
- . (f) Grant to an Owner the right to Exclusive Use in respect of any Privacy Area adjoining or relating to such Unit on such terms and conditions as may be determined by the Board from time to time provided that such right shall have a term of not more than fifty years, shall be granted only to the Owners or purchasers under agreement for sale of such Unit, shall be available for the benefit only of Owners, purchasers, tenants and other lawful occupants of such Unit, shall not be assignable to anyone who is not an Owner or purchaser by agreement for sale of such Unit, and shall be terminable on thirty days notice by the Corporation as against any grantee (lessee) or assignee who ceases to be an Owner or purchaser by agreement for sale of such Unit;
- . (g) Grant to an Owner the right to Exclusive Use and enjoyment of Common Elements, 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 terminated on reasonable notice unless the Corporation by Special Resolution otherwise resolves;
- . (h) To do all things reasonably necessary for the enforcement of these By-laws and for the control, management and administration of the Common Elements generally including the commencement of an action and all subsequent proceedings relating thereto;
- . (i) Determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- . (j) Raise amounts so determined by levying assessments on the Owners in proportion to the Unit Factors for their respective units or as otherwise herein provided;
- . (k) Charge interest on any contribution or Common Expenses owing to it by an Owner at the Interest Rate set out in these By-laws;
- . (l) Pay an annual honorarium or stipend to members of the Board in the manner and in the amounts as may be from time to time determined by ordinary resolution at a general meeting;
- . (m) Make rules and regulations it considers necessary or desirable from time to time in relation to the enjoyment, safety and cleanliness of the Common Elements, including provision for fines for the breach of the By-laws, common facilities or other assets of the Corporation;
- . (n) Establish a fee or charge for any service provided by the Corporation to the Owners, the Mortgagees of the Owners or any person purchasing a Unit from an Owner and the conditions and circumstances upon which such fees or charges shall be levied;
- . (o) Establish a fee or charge for any materials, photocopies and documents provided by the Corporation to the Owners, the Mortgagees of the Owners or any person purchasing a Unit from an Owner and the conditions and circumstances upon which such fees or charges shall be levied; and
- . (p) Establish the Interest Rate.

ARTICLE 4**THE CORPORATION AND THE BOARD**

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

4.1 Number on the Board and Qualifications

The Board shall consist of not less than three nor more than eleven members selected from Owners of the units, spouses of Owners or representatives of mortgagees who have notified their interests to the Corporation. A Board member must be 19 years of age or older. Where a Unit has more than one Owner, only one Owner in respect of that Unit may sit on the Board at any point in time.

4.2 Retirement From and Re-election To the Board

At each annual general meeting of the Corporation all the members of the Board shall retire from office and the Corporation shall elect a new Board. A retiring member of the Board shall be eligible for re-election.

4.3 Removal From the Board

The Corporation, may by resolution at an extraordinary general meeting, remove any member of the Board before the expiration of his term of office and appoint another Owner in his place, to hold office until the next annual general meeting.

4.4 Casual Vacancy on the Board

Where a vacancy occurs on the Board, the remaining members of the Board may appoint a Person to fill that office for the remainder of the former member's term provided such a Person qualifies for membership.

4.5 Quorum for the Board

Starting with the first annual general meeting and thereafter, a quorum of the Board is three where the Board consists of five or less members and four where the Board consists of six or seven members and five where it consists of eight or nine members and six where it consists of ten or eleven members.

4.6 Officers of the Board

The Board shall from time to time elect a President and may elect a Secretary, Treasurer and/or Vice-President. The President shall be the Chair of the Board and shall have a casting vote in addition to his original vote. A

Person ceases to be an officer of the Corporation if he ceases to be a member of the Board. Where a Person ceases to be an officer of the Corporation, the Board shall designate from its members a Person to fill that office for the remainder of the term.

4.7 Chair of the Board Meetings

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

4.8 Duties of the Officers

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

4.9 Votes of the Board

At meetings of the Board all matters shall be determined by simple majority vote. A resolution of the Board in writing signed by all of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.

4.10 Signing Authority

The Board shall determine by resolution from time to time, which officer or officers shall sign cheques, drafts and other instruments and documents (including banking forms) not required to be under corporate seal and may authorize the Manager to sign the same with co-signing by any officer or officers.

4.11 Further 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, and it shall meet when any member of the Board gives to the other members of the Board not less than three (3) days' notice of a meeting proposed by him/her, specifying the reason for calling the meeting. In addition, the Board shall meet at the call of the President, on such notice as he/she may specify without the necessity of giving reasons for the calling of the meeting;
- . (b) Appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the Common Elements and the exercise and performance of the powers and duties of the Corporation;
- . (c) Subject to any restriction imposed or direction given at a general meeting of Owners, delegate to one or more members of the Board such of its powers and duties as it thinks fit, and at any time and in writing revoke such delegation;

- (d) Obtain and retain by contract the services of a Manager or of any real property management firm or Real Property Manager or agent for such purposes (including but not so as to limit the generality of the foregoing supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide 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. The Manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion. Any such contract shall provide for the contract Manager to maintain a fidelity bond for the benefit of and in the name of the Corporation, and such bond shall be in an amount at least equal to one-half (1/2) of the approved budget of the Corporation in any given fiscal year and the total amount of any replacement reserve funds. At all times when the Board consists only of nominees of the Developer no such contract shall provide for an initial term in excess of one (1) year; until such time as all units in the condominium are sold by the builder (initial owner) such builder may act as Manager subject to the provisions of this paragraph;
- (e) Enter into an insurance trust agreement in the form and on the terms required by any Insurance Trustee, and maintain in force all insurance required in these By-laws and in the Act; and
- (f) Take such action as the Board determines is necessary to fulfil the duties and obligations of the Corporation and to exercise the powers of the Corporation as established by these By-laws.

4.12 Additional Duties of the Board The Board shall:

- (a) Keep minutes of its proceedings and, upon written request, provide copies thereof to Owners and Mortgagees who have notified their interests to the Corporation;
- (b) 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 or otherwise requested under these By-laws or the Act;
- (c) Cause minutes to be kept of general meetings of the Owners and, upon written request, provide copies thereof to Owners and Mortgagees who have notified their interests to the Corporation;
- (d) Cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- (e) Prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual general meeting; and to maintain such books of accounts in a current condition;
- (f) Maintain financial records of all the assets, liabilities and equity of the Corporation;
- (g) Cause to be prepared and distributed to each Owner and to each Mortgagee who has notified its interest to the Corporation a copy of the audited Financial Statement of receipts of contributions of all Owners towards the Common Expenses and disbursements made by the Corporation and a copy of the Auditor's Report within ninety (90) days of the end of the fiscal year of the Corporation;
- (h) 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 therefor copies of all minutes of all meetings of the Corporation and the Board;

- (i) 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 fulfilment of all owners' obligations in connection with the Project and/or his Unit;
- (j) File or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in address for service on the Corporation.

4.13 Defect in Appointment to the Board

All acts done in good faith by the Board, are, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any member of the Board, as valid as if the member had been duly appointed or had duly continued in office.

4.14 Vacating Office of Board Member

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

- (a) By notice in writing to the Corporation resigns his office; or
- (b) Is in arrears more than sixty (60) days of any contribution, levy or assessment required to be made by him as an Owner or becomes bankrupt; or
- (c) Is found lunatic or becomes of unsound mind, or dies; or
- (d) Is convicted of an indictable offence for which he is liable to imprisonment; or
- (e) Is absent from meetings of the Board for a continuous period of four (4) consecutive meetings without the consent of a majority of the remaining members of the Board and a majority of the remaining members of the Board resolve at the next subsequent meeting of the Board that his office be vacated; or
- (f) He ceases to qualify for membership pursuant to these By-laws or any future By-laws properly passed by the Corporation;
- (g) In the case the member of the Board is a company, if the company becomes bankrupt or makes an assignment for the benefit of the creditors; or if proceedings are commenced to wind-up the company for purposes other than amalgamation or reconstruction.

4.15 Corporate Seal

The Corporation shall have a common seal, which shall be adopted by resolution and which shall at no time be used or affixed to any instrument except in the presence of at least one member of the Board or by such persons as may be authorized from time to time by resolution of the Board, except that where there is only one member of the Corporation, his signature shall be sufficient for the purposes of this By-law, and if the only member is a company, the signature of its appointed representative on the Board shall be sufficient for the purpose of this By-law.

ARTICLE 5

THE MEMBERS

5.1 Annual General Meetings

Annual general meetings shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one annual general meeting and that of the next.

5.2 Extraordinary General Meetings

All general meetings other than annual general meetings shall be called extraordinary general meetings.

- (a) The Board may whenever it thinks fit and shall upon requisition in writing by Owners representing not less than twenty-five percent (25%) of the total Unit Factors for all the units or upon the request in writing from Mortgagees holding registered mortgages (and who have notified their interest to the Corporation) against units in respect of which corresponding Unit Factors represent not less than twenty-five percent (25%) of the total Unit Factors or a combination of such Owners or Mortgagees entitled to vote with respect to twenty-five percent (25%) of the total Unit Factors, convene an extraordinary general meeting;
- (b) All meetings of the Board and general meetings shall be conducted according to these By-laws, and where these By-laws do not set out the procedure to be used, such meetings shall be conducted according to the Parliamentary Rules of Procedure;

5.3 Notice of General Meetings

Seven (7) days notice of every general meeting specifying the place, the date and the hour of meeting, and in the case of special business the general nature of such business shall be given to all Owners and those Mortgagees who have notified their interest to the Corporation. Notice shall be given to the Owners and to such Mortgagees in the manner prescribed in these By-laws, but the accidental omission to give notice to an Owner or Mortgagee or non-receipt by an Owner or Mortgagee does not invalidate the meeting or any proceedings thereat. In computing the number of days of notice of a general meeting required under these By-laws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted.

5.4 Proceedings at General Meetings

All business that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the Board, or at any extraordinary general meeting, shall be deemed special.

5.5 Quorum for General Meetings

Save as in these By-laws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business, and twenty-five (25%) percent of the persons entitled to vote, present in person or by proxy, shall constitute a quorum.

5.6 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 same day in the next week at the same place and time and if at the adjourned meeting a quorum is not present within one-half hour from the time appointed for the meeting, the persons entitled to vote who are present shall be deemed a quorum.

5.7 Chair for General Meetings

The President of the Board shall be the Chair of all general meetings or in his absence from the meeting or in case he shall vacate the chair, the Vice-President of the Board shall act as Chair provided always that if the President and Vice-President be absent or shall vacate the chair or refuse to act, the meeting shall elect a Chair.

5.8 Order of Business

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

- . (a) If the President or Vice-President of the Board shall be absent or elects to vacate the chair or refuses to act, the election of the Chair of the meeting;
- . (b) Calling of the roll and certifying proxies;
- . (c) Proof of notice of meeting or waiver of notice;
- . (d) Reading and disposal of any unapproved minutes;
- . (e) Reports of Officers;
- . (f) Reports of Committees;
- . (g) Financial Report;
- . (h) Appointment of Auditors
- . (i) Resignation of the Board
- . (j) Election of the Board;
- . (k) Unfinished business;
- . (l) New business;
- . (m) Adjournment.

5.9 Voting Generally

Only one vote shall be allowed per Unit, regardless of the number of Co-Owners or mortgagees. At any general meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any Owner or registered Mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the Chair that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a Special Resolution or Unanimous Resolution, all matters shall be determined by a majority vote.

5.10 Poll Votes

- (a) A poll, if demanded, shall be taken in such manner as the Chair thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In the case of equality in the votes, whether on a show of hands or on a poll, the Chair of the meeting is entitled to a casting vote in addition to his original vote. A demand for a poll may be withdrawn;
- (b) Only Owners or holders of registered first mortgages recorded against a particular Unit shall have the right to vote provided notice of their intention to exercise such right has been given in accordance with these By-laws and the Act.

5.11 Voting Calculation

On a show of hands, each Person entitled to vote for any Unit shall have one vote for that Unit. On a poll, the votes of persons entitled to vote shall correspondingly have one vote for each Unit owned by them or in the case of a Mortgagee, one vote for each Unit mortgaged to them and for which notice of their right to vote has been given in accordance with these By-laws and the Act.

5.12 Votes Personally or by Proxy

On a show of hands or on a poll, votes may be given either personally or by proxy. Votes so taken shall be calculated in the manner set forth immediately above.

5.13 Proxies

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

5.14 Eligibility to Vote

Except in cases where by or under the Act a Unanimous Resolution or Special Resolution is required, no Owner is entitled to vote at any general meeting unless all assessments payable in respect of his Unit have been duly paid to the date of thirty (30) days prior to the date of such meeting, but the presence of any such defaulting Owner shall be included when calculating if a quorum is present.

5.15 Vote by Co-Owners

- (a) Co-owners may vote by proxy, but only if the proxy is jointly appointed by them or by one of the co-owners appointed by the other or all others, as the case may be, and in the absence of such proxy, co-owners are not entitled to vote separately on a show of hands except when a Unanimous Resolution is required by the Act, but any one co-owner may demand a poll;
- (b) On any poll, each co-owner is entitled to such part of the vote applicable to a Unit as is proportionate to his interest in the Unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interest in the Unit of the joint Owners.

5.16 Resolution of the Owners

A resolution of the Owners in writing signed by all Owners or their duly appointed proxy shall have the same effect as a resolution passed at a meeting of the Owners duly convened and held.

5.17 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 those persons shall not vote.

5.18 Voting Rights of Mortgagee

Notwithstanding the provisions of these By-laws with respect to appointment of a proxy, where the owner's interest is subject to a registered first mortgage and where the mortgage or these By-laws or any statute provides that the power to vote conferred on an Owner may or shall be exercised by the Mortgagee and where the Mortgagee has given written notice of his mortgage to the Corporation, no instrument or proxy shall be necessary to give the Mortgagee the said power to vote and the Mortgagee's power to vote shall not be limited or proscribed by the owner's failure to pay assessments.

5.19 Observance of By-laws and Severability

- (a) 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;

- (b) If any provision or provisions of these By-laws are or become illegal or not enforceable, it or they shall be deemed to be and be separate and several from these By-laws and the remaining provisions of these shall remain in full effect;
- (c) Adjournment.

ARTICLE 6

DAMAGE

6.1 Damage or Destruction

- (a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine within thirty (30) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five percent (25%) or more of the replacement value of all units and Common Elements immediately prior to the occurrence. Prior to making any determination under this subparagraph the Board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the Board shall convene an extraordinary general meeting and give at least ten (10) days' notice by registered mail to all registered Mortgagees;
- (b) In the event of substantial damage, the relevant provisions of the Act shall govern. Where the Corporation is required to repair the damage it shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The Board shall cause the proceeds of all insurance policies to be disbursed to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a common expense and the Board may assess all the Unit Owners for such deficiency as part of the Common Expenses;
- (c) Where there has been substantial damage and the Owners resolve by Special Resolution within one hundred (100) days after the damage or destruction not to repair; the Board shall, on behalf of the Owners, make application to terminate the condominium status of the Parcel in accordance with the provisions of the Act, and each of the Owners shall be deemed to consent to such application. Upon termination of the condominium status:
 - (i) Any liens or charges affecting any of the units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective Owners in the Parcel; and
 - (ii) the proceeds of insurance shall be paid to the Insurance Trustee, if any, and to the Owners and Mortgagees, as their respective interests may appear, in proportion to their respective interests in the Parcel in accordance with the terms of any insurance trust agreement in effect;

- (d) No Owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or Person of the Owner arising from any defect or want of repair of the Common Elements or any part thereof, unless such loss or damage is covered by insurance held or required to be held by the Corporation pursuant to the Act or these By-laws, whichever is the greater
- (e) Where the Corporation is required to enter a Unit for the purpose of maintaining, repairing or renewing common elements for the time being existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or Common Elements, the Corporation, its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the Unit occasioned by such work and restore the Unit to its former condition, leaving the Unit clean and free from debris;
- (f) An Owner shall indemnify and save harmless the Corporation from the expenses of any maintenance, repair or replacement rendered necessary to the Common Elements or to any Unit by his act or omission or by that of any member of his family or his or their guests, servants, agents, invitees, licensees or tenants, but only to the extent that such expense is not met by the proceeds of insurance carried by the Corporation.

ARTICLE 7

INSURANCE

7.1 Insurance

- (a) The Board, on behalf of the Corporation, shall obtain and maintain the following insurance:
 - (i) Property Insurance

Insurance on all of the Units (excluding furnishings, improvements, fixtures and any property brought into or installed in a Unit by any Owner), and all the insurable Common Elements and all insurable property both real and personal of any nature whatsoever of the Corporation, and without limiting the generality of the foregoing, such insurance shall provide for and include the following:

- (A) the perils insured against shall be "All Risks" (as generally understood in the insurance business) of physical loss or damage;
- (B) the coverage will provide for settlement on the basis of replacement cost and that no deduction for depreciation shall be made from any settlement;
- (C) that no breach of a statutory or other condition of the policy by any one insured will cause the policy to become void as respects the interests of the other Insureds and that the provisions of Standard Mortgage Clause IBC 3000 (or its equivalent) shall be read into the insurance for the benefit of all Mortgagees;

- (D) any co-insurance clause shall be on a stated amount basis (and not on any other basis) and only in such a fashion as to not diminish the amount of any claim settlement;
- (E) the insurers' rights of recovery against the Corporation and the members of the Board are waived and that the insurers' rights of recovery against any Owner (and any residents of an Owner's household, his spouse, the relatives of either and any other person under the age of majority in the care of an Owner or his spouse) are waived, except with respect to arson, fraud, and vehicle impact;
- (F) such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the Owners and the Corporation including all registered Mortgagees of Units
- (G) such policies shall also provide that the Corporation (or, if the By-laws designate an Insurance Trustee, the Insurance Trustee) shall have the right at its sole option to obtain a cash settlement (without deduction for depreciation) in the event of substantial damage to the property insured. This shall occur if the Corporation is terminated by Unanimous Resolution of the Corporation or by order of a Court having jurisdiction in that behalf to settle a scheme or to terminate the Condominium status of the building or parcel. In such instance, the Insurers' option to repair, rebuild or replace the property damaged or lost shall be deleted or waived;
- (H) the Insurance Trustee, if the By-laws designate an Insurance Trustee, shall act as and be an agent on behalf of the Corporation and Owners for the purpose of and with authority to adjust and settle losses in respect of all property and boiler and machinery insurance policies effected by the Corporation.

(ii) Liability Insurance

The Board shall also obtain and maintain public liability insurance insuring the Corporation, the Board and Owners against their liability for bodily injury, death and damage to property, to third parties or to the Owners and their invitees, licensees or tenants, incidental to the enforcement of By-laws and the control, management and administration of the Corporation's real and personal property and the Common Elements. Limits of liability under such insurance shall not be less than two million (\$ 2,000,000.00) Dollars inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof. All policies of insurance shall include as Insureds the Corporation, the Board and the members of the Board while acting within the scope of their duties as such, and any Owners while acting on behalf of the Board, and the Insurance Trustee if there be one. Such liability insurance shall contain a cross liability clause whereby the insurance indemnifies each Insured as if a separate policy had been issued to each, subject to the limit of Insurance indemnity otherwise applicable not being affected.

(iii) Errors and Omissions Insurance

The Board shall also obtain and maintain Directors and Officers Liability Insurance in an amount deemed appropriate by the Board so long as such insurance is obtainable at reasonable cost.

(iv) Other Insurance Considerations

- (A) Prior to obtaining any policy of fire insurance or renewal thereof the Board may, in its sole discretion, obtain an appraisal (or appraisal update) from a qualified and reputable appraiser of real property, of the full replacement value of all of the

property required to be insured by the Corporation, and the Board shall maintain insurance at the levels required by the Act and by these By-laws and as suggested by the appraisals. Failure to obtain a prior or any appraisal shall not invalidate or affect any insurance placed by the Corporation.

- (B) The Board shall review the insurance coverage at least annually and shall increase insurance at its discretion.
- (C) An Owner may carry insurance on his Unit provided that the liability of the insurers providing the insurance of the corporation shall not be affected or diminished by reason of insurance carried by an Owner.
- (D) Nothing in these By-laws shall restrict the right of any Owner to obtain and maintain insurance of any kind in respect of the ownership or use or occupation of their Units and their personal liability as permitted by the Act or otherwise permitted by law.
- (E) In no event shall the insurance coverage obtained and maintained by the Corporation be brought into contribution with insurance purchased by any Owners or their Mortgagees.
- (F) The Board of Directors shall not be liable for the failure to obtain insurance as required by these By-laws if such insurance is not available to the Corporation from commercial providers of insurance and the Board of Directors uses its best efforts to obtain a policy or policies of insurance which most closely meets the requirements of these By-laws

(v) Deductible

The Corporation shall pay the deductible for any claims regarding any damage to Common Elements or other property of the Condominium Corporation, except where the loss arises by the act or omission of a Owner, Tenant or Occupier.

(A) For Damage Cause by Owner

An Owner shall pay the insurance deductible for losses claimed where the Owner, occupier, or tenant, or family member of any of them, or their guests, invitees or licensees causes the loss. The loss may occur from an act or omission by one or more of these persons. The claim must arise under any insurance policy maintained by the Corporation. The Corporation can recover, from the Owner, the deductible as a contribution against all other costs, charges and liabilities arising out of any loss that the Corporation may incur or sustain.

(B) Damage Caused by Corporation

The Corporation shall pay the insurance deductible for losses claimed where the Corporation, its officers, the Board of Managers, or its Members, or the employees or agents of any of them causes the loss. The loss may occur from an act or omission by one or more of these persons. The claim must arise under any insurance policy maintained by the Corporation. In all other cases, the Owner of a Unit shall pay the deductible for claims made regarding damage to a Unit. The Owner must prove the cause of the loss where damage occurs to a Unit.

ARTICLE 8**COMMON EXPENSES**8.1 Assessments for Common Expenses and Budgets

- (a) The Common Expenses of the Corporation shall be paid by the Unit Owners in proportion to the Unit Factors for their respective units and, without limiting the generality hereof, shall include the following:
- (i) All levies or charges on account of garbage removal, electricity, water and fuel services supplied to the Corporation for the Project and for the benefit of all Owners and not charged directly to any one Owner either by meter or otherwise;
 - (ii) Management fees and Insurance Trustee fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
 - (iii) All the charges on account of cleaning or sweeping of parking areas, lawn maintenance and landscaping and for ice, snow and debris removal.
 - (iv) All charges on account of lighting fixtures situated on Common Elements;
 - (v) All charges on account of maintenance for those portions of a Unit or Common Elements for which the Corporation is responsible under these By-laws;
 - (vi) All insurance costs in respect of the insurance for which the Corporation is responsible under these By-laws and/or the Act;
 - (vii) All costs 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;
 - (viii) All reserves for repairs and replacement of Common Elements and portions of units or buildings the repair or replacement of which is the responsibility of the Corporation;
 - (ix) The cost of maintaining fidelity bonds as required;
 - (x) The costs of borrowing money for the purpose of carrying out the duties and objects of the Corporation;
 - (xi) The allocatable or pro rata portion of the cost of any electricity or water taken from any Unit which is billed directly to an Owner by the provider of such service and which is used by the Corporation for purposes of operating or maintaining Common Elements;
- (b) At least fifteen (15) days prior to the end of each fiscal year the Corporation shall deliver or mail to each Owner at the municipal address of his Unit:
- (i) a copy of the budget for the ensuing fiscal year; and
 - (ii) notice of the assessment for his contribution towards the Common Expenses for said ensuing fiscal year. Said assessment shall be made to the Owners in proportion to their Unit Factors;

- . (c) The budget shall set out by categories an estimate of the Common Expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and replacements ("replacement reserve fund");
- . (d) The replacement reserve fund may be used for the repair or replacement of any real and personal property owned by the Corporation and the Common Elements owned by the Corporation but is not intended to be used to offer annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget. The Corporation may by resolution determine the maximum amount that may be paid from the replacement reserve fund in respect of a single expenditure;
- . (e) The Common Expenses set forth in each assessment shall be payable to the Corporation, or to any other Person, firm or Corporation to whom the Corporation shall direct payment to be made from time to time, in twelve (12) equal consecutive monthly instalments payable, in advance on the first day of each month, the first instalment to be made on the 1st day of the month following receipt of such notice of assessment, or such other time as may be prescribed by the Corporation;
- . (f) All payments of whatsoever nature required to be made by each Owner and not paid within thirty (30) days from the due date for payment shall bear interest at the Interest Rate from the date when due until paid. All payments on account shall first be applied to interest and then to the assessment payment first due;
- . (g) The Corporation shall, on the application of an Owner or any Person authorized in writing by him, certify within thirty (30) days:
 - . (i) the amount of any contribution determined as the contribution of the Owner;
 - . (ii) the manner in which the contribution is payable;
 - . (iii) the extent to which the contribution has been paid by the Owner; and
 - . (iv) the interest owing, if any, on any unpaid balance of a contribution; and, in favour of any Person dealing with that Owner the certificate is conclusive proof of the matters certified therein;
- . (h) Upon the written request of an Owner, purchaser or Mortgagee of a Unit the Corporation shall, within thirty (30) days of receiving that request, provide to the Person making the request one or more of the following as requested by that Person:
 - . (i) a statement setting forth the amount of any contributions due and payable in respect of a Unit;
 - . (ii) the particulars of:
 - . (A) any action commenced against the Corporation and served upon the Corporation;
 - . (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - . (C) any written demand made upon the Corporation for an amount in excess of \$1,000.00 that, if not met, may result in an action being brought against the Corporation;
 - . (iii) the particulars of or copy of any subsisting management agreement;
 - . (iv) the particulars of or a copy of any subsisting recreational agreement;
 - . (v) a copy of the current budget of the Corporation;

- . (vi) a copy of the most recent financial statement of the Corporation;
- . (vii) a copy of the By-laws of the Corporation;
- . (viii) a copy of any minutes of proceedings of a general meeting of the Corporation or of the Board;
- . (ix) the particulars of or a copy of any subsisting lease of any of the Common Elements;
- . (x) a copy of the fire insurance policy and endorsements thereto
- . (i) The Omission by the Corporation to fix the assessments hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these By-laws or release of the Owner or Owners from the obligation to pay the assessments or special contributions, or any instalments thereof for any year or period that the assessments are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by vacating or abandoning his Unit;
- . (j) The Board or the Manager supplying any documents required to be provided in these By-laws shall be entitled to charge a reasonable fee for the production thereof.

8.2 Special Assessments

If at any time it appears that the annual assessments or contributions towards the Common Expenses will be insufficient to meet the Common Expenses, the Corporation may assess and collect a special contribution or contributions against each Unit in an amount sufficient to cover the additional anticipated Common Expenses. The Corporation shall give notice of such further assessment to all Owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each Owner in the manner and on the date or dates specified in the notice. Each such special contribution shall be determined and assessed against the Owners in proportion to their Unit Factors. All such special contributions shall be payable within thirty (30) days of the due date for payment as specified in the notice and if not paid shall bear interest at the Interest Rate from the due date until paid.

8.3 Default in Payment of Assessments

Default in payment of assessments and lien for unpaid assessments, instalments and payments:

- . (a) The Corporation shall and does hereby have a lien and charge against the estate or interest of any Owner for any unpaid contribution, assessment, instalment or payment due to the Corporation, which lien shall be a lien against such estate or interest subject only to any municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the Unit title or interest of such Owner. The Corporation shall have the right to file a Notice of Lien against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid contribution, assessments, instalment or payment as hereinbefore mentioned, and for so long as such unpaid contribution, assessment, instalment or payment as hereinbefore mentioned, remains unpaid, provided that each such Notice of Lien shall not be registered until after the expiration date of thirty (30) days following the due date for the first payment. As further and better security, each Owner is responsible for any such unpaid contribution, assessment, instalment or payment which is in arrears for more than thirty (30) days, and shall give to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, instalments and/or payments, and interest thereon at the

Interest Rate from the due date or dates for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedy as may be available to it at law or in equity, from time to time;

- (b) Any other Owner or Person, firm or corporation whatsoever may pay any unpaid contribution, assessment, instalment or payment after the expiration of thirty (30) days following the due date for payment by the Owner in default, and upon such payment, such party, Person, firm or corporation shall have a lien, which shall constitute a charge against the estate or interest of the Owner subject to the estates or interest hereinbefore mentioned and shall be entitled to file a Notice of Lien 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 and in addition to any other term, condition or provision herein contained or implied, each unpaid contribution, assessment, instalment or payment shall be deemed a separate distinct and personal debt and obligation of the Owner against whom the same is assessed 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;
- (d) In the event of any assessment, instalment or payment due by an Owner and remaining unpaid for a period of ninety (90) days, the Board shall give notice of such default to all Mortgagees having an interest in such owner's Unit who have notified their interests to the Corporation;
- (e) Notwithstanding all other provisions hereof the lien, charge or security created, as hereinbefore mentioned and referred to in the preceding paragraphs, shall be subject always and subordinate to, and shall not affect the rights of the holder of, any indebtedness secured by any registered mortgage and the Corporation or other party shall, upon the request of such registered Mortgagee, at the expense of such other party execute and deliver such postponements, agreements or instruments of subordination as the said Mortgagee shall reasonably require to fully and effectively establish or maintain its priority as a registered Mortgagee in respect of a Unit title against which it has registered its mortgage;
- (f) All reasonable costs of the Manager and legal costs and disbursements incurred by the Corporation in registering and discharging a caveat or in any way securing its interests hereunder shall constitute a common expense of the Corporation.

ARTICLE 9

MISCELLANEOUS

9.1 Estoppel Certificate

Any certificate as to an owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed to be an estoppel certificate of 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 incurring the said expense of all obligations of the said Unit Owner whether improperly stated in such estoppel certificate or not. For purposes of this paragraph, "unit owners" refers to the Owner at the time of the issuance of the certificate.

9.2 Leasing of Units

Any Owner desiring to lease or rent his Unit shall:

- (a) obtain written consent from the Corporation to lease his Unit, which consent shall not be unduly withheld, and
- (b) furnish to the Corporation an undertaking, in a form satisfactory to the Corporation, signed by the proposed lessee or occupant, that the proposed lessee or occupant of the Unit will comply with the provisions of the Act and of the By-laws of the Corporation. The Owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or occupant with respect to such obligations.

The Corporation is authorized to:

- (a) Impose and collect deposits;
- (b) Give notices to give up possession of residential units;
- (c) Make applications to the Court as may be necessary.

No tenant shall be liable for the payment of assessments or Common Expenses under these By-laws unless notified by the Corporation that the Owner is in default of payment of Common Expenses, in which case the tenant shall deduct from the rent payable to the Owner, the owner's share thereof, and shall pay the same to the Corporation. Any such payment by the tenant shall be deemed to be a rental payment made to the Owner.

9.3 Serverabilit

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

9.4 Notices

Unless otherwise expressly provided in these By-laws, service of any notice required to be given under the Act or under these By-laws shall be well and sufficiently given if sent by prepaid registered mail to the Owner at the address of his Unit or if left with him or some adult Person at the said address or to the Corporation at its address for service shown on the Condominium Plan, or to a Mortgagee at its address supplied to the Corporation. Any notice given by post shall be deemed to have been served on the third business day following the date it is posted. An Owner or a Mortgagee may at any time in writing advise the Corporation of any change of address at which notices shall be served or given and thereafter the address specified therein shall be deemed to be the address of such Owner or a Mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement or other writing required or permitted to be given hereunder or pursuant to the Act or these By-laws.

9.5 Notice of Default to Mortgagees

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

9.6 Debt Retirement on Termination

Subject to the provisions of the Act, upon termination of the condominium status for any purpose, all debts of the Corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the Owners in proportion to their Unit Factors subject to the interests of any Mortgagees.

9.7 Company which is Member of the Board

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

9.8 Alternative Board Representative

A representative of a Company on the Board may appoint any Person whether another Owner or not and whether a member of the Board or not to serve as his alternate representative on the Board and as such to attend and vote in his stead at meetings of the Board and to do anything specifically provided in these By-laws. Such alternate shall, if present, be included in the count for a quorum and if he be a member of the Board he shall be entitled to two votes. If the representative so directs, notice of meetings of the Board shall be sent to the alternate representative of a member of the Board. If and when the appointing representative vacates the office of a representative of a member of the Board or removes the alternate representative from office as alternate representative, any appointment or removal under this By-law shall be made in writing under the hand of the representative making the same or by a certified copy of a resolution of the directors of that company he represents.

9.9 Privacy Areas and Parking Areas

- (a) The Board shall designate and assign to each Owner an area for Exclusive Use. The Owner of a Unit shall have the Exclusive Use of any stairs, surface patio area, back yard, front yard, crawl space, porch and front yard walkways to his Unit to which he has sole access. Each Owner shall have the Exclusive Use of the driveway in front of his/her Unit as depicted on the Condominium Plan for parking only such vehicles as are permitted by subsection 10.1(b)(xvii)(E). Any Owner wishing to use his driveway for any other use whatsoever must obtain written permission from the Condominium Corporation. Any such parking or Exclusive Use Area not included in the Condominium Plan as part of a condominium Unit, shall be maintained at the sole expense of the Owner to whom it has been assigned with the exception of structural maintenance which shall be the responsibility of the Board. An Owner shall be responsible for removing ice, slush and snow from the driveway, common walkways and outside parking areas and maintaining these areas to a standard considered reasonable by the Board. If the Owner shall fail to properly maintain any such Privacy Area assigned to him after ten (10) days notice

to him from the Board, then the Board or its representative may order the maintenance corrected and the Owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify the problem;

- (b) The Board may, in addition to other restrictions set out in these By-laws, specify and limit the nature and extent of the use or uses of any such Privacy Area assigned or designated by it;
- (c) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence 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.

9.10 Realty Taxes

The realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising all or any part of the units and the Common Elements comprising the condominium Project shall be assessed and imposed in accordance with provisions of the Act, but until such time as the assessing authority assesses each Unit and the share in the Common Elements appurtenant thereto pursuant to the Act such realty taxes and other municipal and governmental levies or assessments shall be apportioned and adjusted amongst all the Owners according to their respective Unit Factors.

9.11 Indemnification of Directors, Officers and Managers

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

9.12 Non-Profit Corporation

The Corporation is not organized for profit. No Owner, member of the Board or Person may receive any property or funds or shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. The foregoing, however, shall neither prevent nor restrict the following:

- (a) Reasonable compensation may be paid to any member of the Board or Owner while acting as agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation; and
- (b) Any member of the Board or Owner may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation; and

- . (c) Members of the Board may receive an annual honorarium or stipend established pursuant to these By-laws.

ARTICLE 10
RESTRICTIONS

10.1 Use and Occupancy Restrictions

- . (a) In this By-law:
 - . (i) "Occupant" means a Person present in a Unit or in or upon the real or personal property of the Corporation or the Common Elements with the permission of an Owner;
 - . (ii) "Owner" includes tenant;
- . (b) An Owner shall not:
 - . (i) use his Unit in contravention of any Municipal By-law or for any purpose which may be illegal or injurious to the reputation of the condominium Project or for a purpose involving the attendance of the public at such Unit
 - . (ii) make or permit noise in or about any Unit or the Common Elements which in the opinion of the Board is a nuisance or unreasonably interferes with the use and enjoyment of a Unit or the Common Elements by any other Owner or occupant. No instrument or other device shall be used within a Unit which in the opinion of the Board causes a disturbance or interferes with the comfort of other Owners;
 - . (iii) keep or allow any animal, livestock, or fowl of any kind, with the exception of birds, fish, cats or dogs, at any time in his Unit or on the Common Elements without the specific approval in writing of the Board, which approval the Board may arbitrarily withhold and may, if given, be withdrawn anytime on ten (10) days notice to that effect. All dogs, cats, and approved pets must be kept under control at all times and must be either kept in a fenced back yard Privacy Area or tied in a back yard Privacy Area, or hand leashed while outdoors.
 - . (iv) except with the consent in writing of the Board, use or permit the use of his Unit for purposes other than as a single family dwelling or for a purpose other than residential purposes. For the purposes of this By-law "single family dwelling" means a Unit occupied or intended to be occupied as a residence by one family and containing one kitchen;
 - . (v) permit his Unit to be occupied as a place of residence by more than seven (7) persons (whether adult or minor) at any given time without the consent in writing from the Board;

- . (vi) do any act or permit any act to be done, or alter or permit to be altered his Unit in any manner, which will alter the exterior appearance of the structure comprising his or any other units without the prior written approval of the Board;
- . (vii) erect or place any building, structure, tent, or trailer (either with or without living, sleeping or eating accommodation) on the Common Elements or on any Privacy Area assigned to him without the prior written approval of the Board;
- . (viii) build or erect, or allow to be built or erected, fences, decks, sheds, or any other such structure on Common Areas, Exclusive Use Areas, or Privacy Areas, except as follows:
 - . (A) a "Good Neighbour" fence around the perimeter of a Unit's back yard Privacy Area, built and painted in compliance with plans which must be submitted to the Board for written approval, which approval shall not be unduly withheld;
 - . (B) back yard Privacy Area sheds and decks, plans of which must be submitted to the Board for written approval, which approval shall not be unduly withheld. All work must be to the satisfaction of all governing authorities and must meet applicable codes and standards. Any required permits are the responsibility of the Unit Owners;
- . (ix) permit, erect or hang over or cause to be erected or to remain outside any window or door or any other part of a Unit or on the Common Elements or on the real property of the Corporation, clothes lines, garbage disposal equipment, recreational or athletic equipment, fences, hedges, barriers, partitions, awnings, shades or screens or any other matter or thing without the prior written consent of the Board. No television or mobile telephone or radio antenna, tower or similar structure or appurtenances thereto or satellite dish shall be erected on or fastened to any Unit except in connection with a common television antenna or cable system as authorized by the Board and then only in accordance with the regulations therefor which may be established by the Board;
- . (x) store any combustible, inflammable, or offensive goods, provisions or materials in his Unit or on the Common Elements;
- . (xi) do anything or permit anything to be done in his Unit or upon the Common Elements or the real or personal property of the Corporation or fail to do any act or thing which will or would tend to increase the risk of fire or the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the Corporation;
- . (xii) do anything or permit anything to be done by any occupier of his Unit in his Unit, or on or about the Common Elements that is contrary to any statute, ordinance, by-law or regulation of any government authority whether Federal, Territorial, Municipal or otherwise
- . (xiii) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place chairs, tables, children's play things, devices or toys or other objects on the lawns and grounds so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- . (xiv) deposit customary household refuse and garbage outside his Unit other than in proper secure garbage bags placed in the garbage containers designated by the Board;
- . (xv) erect, place, allow, keep or display signs, billboards, advertising matter or other notices or displays of any kind on the Common Elements or in or about any Unit in any manner which may make the same visible from the outside of the Unit without the prior written approval of the Board (with the exception of "for sale" signage placed directly on the Unit);

- . (xvi) permit any member of his household, guests or visitors to trespass on any part of the Parcel to which another Owner is entitled to Exclusive Use;
- . (xvii) (A) permit any member of his household, guests or visitors to drive any motorized vehicle whatsoever on the Common Elements other than on common driveways and roadways; or use any part of the Common Elements other than a parking area designated under these By-laws for the parking of any motor vehicles except with the written permission of the Board;
- . (B) 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. 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;
- . (C) wash cars except in such a manner as will not cause nuisance or annoyance to other Owners and in such place and at such times as the Board may from time to time by resolution set forth or direct;
- . (D) carry out any repairs or adjustments to motor vehicles on the Project;
- . (E) bring onto the Project any vehicles other than private passenger automobiles, vans, sport utility vehicles, 1/2 ton and 1 ton trucks, without the written consent of the Board or a member or a Manager or nominee thereof save in the course of delivery to or removal from the respective premises;
- . (F) allow trailers, campers, boats, snowmobiles, trail bikes, all terrain vehicles or any type of motor home or recreational vehicle or equipment to be parked or stored other than in areas designated by the Board;
- . (G) permit any members or household, guest or visitors to keep on the Common Elements any automobile which is not in operating condition and being used from day to day; Parking in designated parking areas is not to exceed seven(7) consecutive days; extended continuous parking periods may be granted by the board or designate on a case by case basis and must display a valid parking permit issued by the board; vehicles not meeting these stipulations set out in these By-Laws and/or set by the board by policy are subject to towing; all related expenses being the sole responsibility of the vehicle owner.
- . (H) permit any member of his household, guests or visitors to use any electrical plug-in or water tap to which another Owner is entitled to Exclusive Use
- . (I) drive any motor vehicle on the Common Elements and roadways at a speed in excess of the posted speed limit or in the absence of a posted speed limit, 5 kilometres per hour;
- . (xviii) obstruct or permit any walkways, roadways, passage or driveways or parking areas to be obstructed by his family, guests or visitors;
- . (xix) allow his Unit, Exclusive Use Area, designated parking area or Privacy Area assigned to him to become unsanitary or unsightly in appearance. The Board shall be at liberty to require a Unit Owner to remove any rubbish or clean up the Common Elements in close proximity to the Owner's premises to the satisfaction of the Board. If the Unit Owner fails to do so the Board may arrange for the clean up and charge the expense to the Owner;

- . (xx) make or cause to be made any structural, mechanical, electrical alterations or additions to his Unit or any load bearing wall without first having the design and specifications of such alteration or addition approved in writing by the Board. Any alteration or addition made by an Owner without such approval may be restored or removed by the Board or its duly authorized representative or representatives and any costs incurred by the Corporation as a result thereof shall forthwith be paid by such Owner to the Corporation and shall bear interest at the Interest Rate from the time such costs are incurred until paid;
- . (xxi) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed;
- . (xxii) be responsible for ice and snow removal other than from the front entrance, steps, walkways and driveways within his Exclusive Use Areas;
- . (xxiii) allow or cause any household or personal effects or articles belonging to him to be kept anywhere except inside his respective Unit when not in actual use, and each Owner will comply with all requests of the Board or its representatives that all household or personal effects or articles, including bicycles, toys and like things belonging to an owner's household be put away inside such Unit when not in actual use;
- . (xxiv) prevent or prohibit access to and use of exterior water taps or electrical plugs on his Unit for purposes of maintaining Common Elements and the Board may from time to time reimburse an Owner for such use in an amount to be determined at the sole discretion of the Board;
- . (xxv) without the consent in writing of the Board, have any right of access to those portions of the Common Elements used from time to time for utilities areas, building maintenance, storage areas not specifically assigned to him under these By-laws, operating machinery on any other parts of the Common Elements used for the care, maintenance or operation of the Project generally;
- . (xxvi) allow a garage sale or auction to be conducted from the Unit without written consent of the Board; and
- . (xxvii) permit open fire burning in permanent or portable (chiminea) fire pits and fire bowls anywhere within the condominium complex; common elements or exclusive use area
- . (c) An Owner shall ensure that occupants of his Unit comply with all requirements that the Owner must comply with under these By-laws.

10.2 Use and Enjoyment

- . (a) The Owner of each Unit shall have the right to the use and enjoyment of such portions of the Common Elements 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 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);
- . (b) The area and location of the Privacy Area adjacent to each Unit shall be determined by the Board.

10.3 Exclusive Use

- (a) The Owner of a Unit shall have the full lawful and uninterrupted use of those areas designated as "exclusive use" areas in the plan, such use to be in accordance with the Plan and these By-laws;
- (b) The Owner of a Unit has no right to use any portion of the Common Elements designated by the Corporation for the Exclusive Use of the Owner of any other Unit;

10.4 Maintenance

- (a) The Corporation shall regularly maintain grass, trees, shrubs and walks in the abounding common areas on behalf of the Owners proportionally, and the Corporation shall maintain common area lighting; provided, however, that the Corporation shall not be responsible for such care and maintenance of any Privacy Areas which are the responsibility of individual Owners;
- (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 surrounding his Unit and any parking plug-in facility by such Owner as and to the extent provided. 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 representatives, 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 representatives 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 the Corporation's property by any wilful or negligent acts of himself, members of his family, his invitees, contractors or licensees that are not required by these By-laws to be insured against by the Corporation and should any Owner fail to repair in a manner satisfactory to 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 labour, materials, normal overhead and profit and all costs incurred in collection in respect of 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 Expenses charges assessed upon his Unit.
- (d) Each Owner shall take reasonable steps to ensure that his Unit is checked at least once daily when absent from his Unit during periods of cold weather.

10.5 Amendment of By-laws

These By-laws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise. It is certified that the foregoing By-law has been enacted in accordance with the Condominium Act and the Declaration.

IN WITNESS WHEREOF, the Corporation has hereunto affixed its name and corporate seal in the presence of its proper officers this _____ day of _____, A.D. 1998.

YELLOWKNIFE CONDOMINIUM CORPORATION # 6

Per: _____

Position: President

Per: _____

Position: Secretary

(seal)