

BYLAWS

CONDOMINIUM CORPORATION NO. 0222718

OPERATING AS “PHILLIPS LOFTS”

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BYLAWS OF CONDOMINIUM CORPORATION NO. 0222718

OPERATING AS “PHILLIPS LOFTS”

1. DEFINITIONS AND APPLICATIONS

- A. These Bylaws have been enacted by Condominium Corporation No. 0222718 to replace the Statutory Bylaws, as well as subsequent revisions to the Bylaws registered as Instrument Nos. 022 192 367 and 062 233 182 on May 31, 2002 and June 2, 2006 respectively. The following definitions shall apply to all parts of these Bylaws:
- a) “Act” shall mean *Condominium Property Act*, being Chapter C-22 of the Revised Statutes of Alberta, 2000 and the Regulations as amended, and any statute which may be passed in substitution for or replacement of any part or all of such Act;
 - b) “Board” means the Board of Directors elected pursuant to these Bylaws;
 - c) “Bylaws” mean the Bylaws of the Corporation, as amended from time to time;
 - d) “Capital Replacement Reserve Fund” means the fund created for the purposes as outlined in Bylaw 13;
 - e) “Commercial Units” means Units 1 and 2 located on the main floor which are capable of being used for commercial purposes upon approval by the Board;
 - f) “Common Expense” means all expenses for the performance of the objects and duties of the Corporation and all other expenses specified as Common Expenses in these Bylaws (and in particular Bylaw 81);
 - g) “Common Property” means so much of the Parcel as is not comprised in any Unit shown on the Condominium Plan;
 - h) “Condominium Contributions” means the proportionate contributions, fees, assessments or levies payable in respect of a Unit and by an Owner to the Corporation to raise funds sufficient to pay all Common Expenses;
 - i) “Condominium Plan” means the plan registered under the Act being Condominium Plan No. 0222718;
 - j) “Corporation” means Condominium Corporation No. 0222718;
 - k) “Insurance Trustee” means any company or person authorized to act as an Insurance Trustee under

the laws of the Province of Alberta and who may be appointed from time to time by Ordinary Resolution of the Corporation. If an Insurance Trustee is not appointed, then the Insurance Trustee shall be the Board;

- l) "Interest Rate", means the rate of Eighteen (18%) percent per annum compounded annually, or such other rate of interest as approved from time to time by Special Resolution, calculated from the due date until payment on any arrears of Condominium Contributions or any other monies owed to the Corporation;
- m) "Legal Costs" means solicitor-client costs, on a full indemnity basis;
- n) "Manager" means a person, firm or corporation appointed as condominium manager by the Board;
- o) "Maintenance Area" means those areas, being part of the Common Property adjacent to a Unit, the area and location of which shall be determined by the Board from time to time, which the Board deems suitable for private and exclusive use in conjunction with ownership of a Unit, such as but not limited to, balconies, patios, private stairwells or entries and roof top areas (which are particularly described in Bylaw 72);
- p) "Mortgagee" means the holder of a first mortgage registered against the title to a Unit;
- q) "Ordinary Resolution" means a resolution:
 - i. passed at a properly convened meeting of the Corporation by a simple majority of all the persons present or represented by proxy at the meeting entitled to exercise the powers of voting conferred by the Act or by the Bylaws; or
 - ii. signed by a majority of all the persons who, at a properly convened meeting of the Corporation would be entitled to exercise the powers of voting conferred by the Act or the Bylaws and representing more than 50% of the total unit factors for all the units;
- r) "Owner" means any registered owner of a Unit;
- s) "Parcel" means the land comprised within the Condominium Plan;
- t) "Regulations" means Alberta Regulation 168/2000, and any other Regulation or Regulations which may be passed in substitution for or in replacement of the Regulation;
- u) "Real Property" means land and that which is erected or growing upon or affixed to land.
- v) "Residential Units" means Units 3 to 42 as shown on the Condominium Plan and which are intended for residential use.
- w) "Special Resolution" means a resolution:

- i. passed at a properly convened meeting of the Corporation by a majority of not less than Seventy five (75%) Percent of all the persons entitled to exercise the powers of voting conferred by the Act or by the Bylaws and representing at least 7,500 Unit Factors; or
 - ii. signed by not less than Seventy Five (75%) Percent of all the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or the Bylaws and representing at least 7,500 Unit Factors;
- x) “Unit” means any condominium unit designated as a unit on the Condominium Plan;
- y) “Unit Factor” means the Unit Factor for each Unit designated on the Condominium Plan;

For the purpose of interpreting these Bylaws the terms “Residential Unit”, “Commercial Unit”, and “Unit” shall be construed in accordance with the intended use of the condominium unit being referred to, which may be a commercial use or a residential use, and each Bylaw shall be interpreted in light of the clearly intended purpose of use of each such condominium unit.

- B. Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws. Other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to thereto in the *Land Titles Act* being Chapter L-4 of the Revised Statutes of Alberta, 2000, as amended from time to time, or in any statute passed in substitution therefore or replacement thereof, unless the context otherwise requires.
- C. These Bylaws are to be read with all changes of number and gender as required by the context, and the word “Owner” or “Owners” shall be read “tenant” or “tenants”, “resident or residents” or “occupier or occupiers” as the context may require.
- D. The headings in the body of these Bylaws form no part of these Bylaws but shall be deemed to be inserted for the convenience of reference only. In the event of a conflict between these Bylaws and the Act, the Act prevails.
- E. The Corporation has been created pursuant to the Act for the benefit of the Owners and shall at all times be operated as a not-for-profit condominium corporation.
- F. If the Act is amended so as to substitute or replace any Section in the Act referred to in these Bylaws, then the reference shall be deemed to be a reference to the corresponding Section of the Act as amended, substituted or replaced.

2. BOARD MEMBERS

- A. The Board shall consist of not less than three (3) or more than five (5) persons who shall be elected at an Annual General Meeting. If a Unit has more than one Owner only one of them may sit on the Board at one time.

- B. A member of the Board elected at an Annual General Meeting shall hold such office for a term expiring at the conclusion of the Annual General Meeting convened in the second (2nd) year following the year in which he or she was elected. A retiring member of the Board may be re-elected.
- C. Ownership of a Unit is necessary for election to and membership on the Board. Any owner who has attained the age of majority shall be eligible for nomination and election to the Board; however, any Owner, who is indebted to the Corporation for an assessment or assessments, which are more than thirty (30) days overdue shall not be eligible for election to or membership on the Board, and at all times the majority of the members of the Board must reside or otherwise occupy a Unit;
- D. Any corporate Owner of a Unit may nominate any person, who otherwise qualifies for membership on the Board, for election to the Board as the representative of all of the Owners;
- E. At any election of the Board each Owner or Mortgagee entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled on the Board;
- F. A person who is nominated for election to the Board shall make it a condition of being nominated to the Board, to make full disclosure of any direct or indirect business relationship or interests the person may have in “for profit” dealings with the Corporation prior to the election taking place;
- G. If fewer than 5 candidates are nominated, those nominated shall be deemed to be elected to the Board.

3. DISQUALIFICATION FROM THE BOARD

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

- A. becomes bankrupt under the *Bankruptcy Act (Canada)* or any Act passed in substitution therefore;
- B. is removed by the Corporation. In this regard, the Corporation may on an Ordinary Resolution, at a properly convened meeting of the Corporation, remove any member of the Board before the expiration of his term of office;
- C. is more than thirty (30) days in arrears in payment of any monies due the Corporation, for Condominium Contributions or required to be paid by him as an Owner pursuant to these Bylaws;
- D. becomes of unsound mind or mentally incompetent, or is the subject of a certificate issued under the *Dependent Adults Act*, or any Act passed in substitution therefore;
- E. resigns by notice in writing sent to or left at the registered address of the Corporation or delivered to another Member of the Board;
- F. is convicted of an indictable offence;

- G. is absent from three consecutive meetings of the Board, without permission of the Board, and it is resolved at the subsequent meeting of the Board that his office be vacated;
- H. is refused bonding, at a reasonable premium, by a recognized bonding Institution;
- I. dies;
- J. ceases to be an Owner; or
- K. commences any legal proceedings against the Board or Corporation.

Forthwith upon ceasing to be a member of the Board, the Board Member shall promptly return all Corporation property (including but not limited to, any books, records, or keys) to the President of the Board.

4. VACANCY ON THE BOARD

Where a vacancy occurs on the Board pursuant to Bylaw 3, the Board may appoint a person to fill that vacancy for the remainder of the member's term, provided such person qualifies for membership pursuant to Bylaw 2.

5. BOARD QUORUM AND VOTING

- A. A quorum at a meeting of the Board shall be a simple majority of the Board members. Board members shall be entitled to reasonable notice of any Board meeting, however, any such member shall be permitted to waive notice before, during or after such meeting and doing so shall satisfy the requirement for such notice;
- B. At meetings of the Board, all matters shall be determined by majority vote and, in the event of a tie vote, the Chairman is entitled to a casting vote in addition to his original vote.
- C. Where a member of the Board has a material interest in any agreement, arrangement or transaction to which the Corporation is or is to become a party, that member shall
 - i. declare to the Board that member's interest in the agreement, arrangement or transaction;
 - ii. not vote in respect of any matter respecting that agreement, arrangement or transaction; and
 - iii. not be counted when determining whether a quorum exists when a vote or other action is taken in respect of the agreement, arrangement or transaction.

Bylaw 5(c) does not apply to an agreement, arrangement or transaction in which a Board member has a material interest if that material interest exists only by virtue of the Board member owning a Unit.

6. CHAIRMAN OF THE BOARD

The President and in his absence, the Vice-President, shall act as Chairman of the Board meetings. Should both the President and Vice-President be absent, then at the commencement of the meeting the Board shall elect a Chairman for the meeting. If the Chairman vacates the Chair during the course of the meeting, the Board shall elect another Chairman who shall have the same rights of voting.

7. DUTIES OF THE CORPORATION

The Corporation shall:

- A. control, manage and administer the Common Property for the benefit of all the Owners and for the benefit of the entire Corporation;
- B. do all things required of it by the Act, these Bylaws, and any other resolutions of the Corporation in force from time to time;
- C. repair, maintain and replace where reasonably necessary pipes, wires, cables, ducts, conduits, plumbing, sewers, and other facilities for the furnishing of utilities required in the Parcel, or capable of being used in connection with the enjoyment of the Common Property or more than one Unit.
NOTWITHSTANDING the foregoing, it shall be the Unit Owner's responsibility to regularly change all filters in their Unit's fan coil units and toilet flappers; any damage relating to the failure to do so shall be the responsibility of such Unit Owner;
- D. upon the written request made by an Owner, Mortgagee or Purchaser, provide such party with a photocopy of the insurance policy placed by the Corporation within thirty (30) days from the date of receiving that request or provide the insurance certificate within ten (10) days of receiving that request;
- E. call an annual general meeting of the Owners, and those Mortgagees who have notified the Corporation of their interest, once in each calendar year, and in all cases allow no more than fifteen (15) months to elapse from one annual general meeting to the next;
- F. control, manage, administer, maintain and repair all chattels and other property whatsoever owned or leased by the Corporation;
- G. provide for regular collection of garbage and, if necessary, provide adequate garbage receptacles on the Common Property for use by all of the Owners;
- H. subject to any obligations imposed by the Bylaws or by the Corporation upon any Owners to maintain any part of the Common Property over which such Owners are granted exclusive rights of use by the Corporation (including without limitation Maintenance Areas and parking areas), maintain and keep in a state of good repair the Common Property notwithstanding that maintenance may be required as a result of reasonable wear and tear including, but not limited to:
 - i. the elevators, common heating and ventilation systems, parking areas and outside lighting systems;

- ii. all outside surfaces of the Units, including without limiting the generality of the foregoing, exterior walls, exterior of the roof and all roofing materials, exterior drains, exterior beams and trim, all doors and windows of a Unit that are located on the exterior walls of the Unit (Door includes the door frame, door assembly components, but does not include locks or door handles or the interior door casing, interior trim and interior moldings. Window includes the glazing, the window frame and assembly components, but does not include the interior window casing, interior trim, or interior moldings).
 - iii. all posts, driveways, roadways, curbs, sidewalks, parking areas and other common facilities;
 - iv. all other outside hardware and objects affecting the appearance, usability, value or safety of the Parcel and the Units; and
 - v. all utility services within, on, in, under or through the Common Property;
- I. provide and maintain in full force all such insurance as is required by the Act and by the provisions of these Bylaws to be maintained by the Corporation;
 - J. indemnify every Board member, employee or officer, and his heirs, executors and administrators against all damages, judgments, settlements, cost and expense, including legal 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 Board member, employee or officer of the Corporation, except as to matters in which he:
 - i. is finally adjudged to be liable for fines or penalties imposed in a criminal suit or action; or
 - ii. acted for unjustified profit or advantage; or
 - iii. committed or attempted any wrongful act in bad faith or dishonesty; or
 - iv. is found in breach of Section 28(3) of the Act:

All damages, judgments, settlements, costs and expense or any liability 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.

- K. prepare and provide for capital replacement reserve fund studies, reports and plans in accordance with s. 38 of the Act, and Part 2 of the Regulations.
- L. have any and all investments of Corporation Funds (including funds forming the Capital Replacement Reserve Fund) reviewed at least once every fiscal year by an Investment Counselor (as defined by and registered with the Alberta Securities Commission) or a fee-only Certified Financial Planner (CFP).

8. POWERS OF THE CORPORATION

The Corporation may:

- A. purchase, lease, acquire, dispose of or deal with personal and Real Property for use by the Owners in connection with their enjoyment of the Common Property or their Units, provided that Real Property shall only be acquired or disposed of on approval by a Special Resolution of the Corporation;
- B. borrow monies required by it in the performance of its duties or the exercise of its powers provided that the Corporation shall not borrow in excess of \$25,000.00 on any occasion or incur indebtedness at any time exceeding \$50,000.00 without such debt being approved by Ordinary Resolution at a meeting of the Corporation;
- C. secure the payment of monies borrowed by it (including interest) by negotiable instrument, mortgage unpaid contributions (whether levied or not) and mortgage any property vested in it;
- D. invest as it may determine, any Corporation funds (including funds forming the Capital Replacement Reserve Fund) to the extent permitted by law;
- E. make an agreement with any Owner or occupier of a Unit for the provision of amenities or services by it to the Owner or occupier thereof and may grant a lease to an Owner under Section 50 of the Act;
- F. grant to an Owner the right to exclusive use and enjoyment of Common Property or special privileges in respect thereof, but any such grant may be terminated on reasonable notice;
- G. do all things reasonably necessary for the enforcement of the Bylaws and the control, management and administration of the Common Property and the Units, including without restriction the following:
 - i. commencement and prosecution of proceedings under Section 36 and 39 of the Act;
 - ii. impose and collect monetary sanctions for violation of these Bylaws (as provided for in Schedule "A" attached to these Bylaws);
 - iii. impose, collect and deal with deposits for the rental of a Unit under Section 53 of the Act. The deposit for the rental of a Unit shall be one month's rent charged for the Unit. If any deposit is used in accordance with the Act or these Bylaws, the Owner shall replace that portion of deposit used within 10 days of being notified, in writing by the Board, of its use;
 - iv. give notice to give up possession of a Unit pursuant to Section 54 of the Act and make application to the Court Under Section 55 or 56 of the Act;
 - v. the Corporation shall treat all sums owed by an Owner, including Legal Costs, expenses, interest, damages, costs of repair or Bylaw enforcement as Condominium Contributions and shall be permitted to file a caveat for these amounts, and collect such amounts in accordance with the Act.

- H. pay an annual honorarium or salary to a member of the Board, as may be determined from time to time by Ordinary Resolution of the Corporation;
- I. in the event of fire, gas, water leakage or other emergency situation, force entry into any Unit for the purpose of dealing with such emergency and for the purpose of protecting the property of other Owners, tenants, occupiers and the Corporation, as the case may be. The Owner, tenant or occupier of the Unit so entered shall indemnify and save harmless the Corporation, its agents and employees for any claim or damage arising from entry into any Unit. Further, any Unit Owner who is deemed responsible for causing such emergency shall reimburse the Corporation for any expense it is put to in responding to the situation;
- J. impose, determine and enforce collection of Condominium Contributions;
- K. exercise all of the rights, powers and duties conferred on the Corporation by the Act, and the Bylaws of the Corporation;
- L. pay all sums of money properly required to be paid on account of all services, supplies and assessments provided to or for the benefit of the Corporation; and
- M. manage, designate, enforce and at all times maintain a number of parking stalls, forming part of the Common Property, for both Owner and visitor parking purposes. The corporation shall have the ability to impose fines against an Owner for violation of these bylaws in relation to parking, pursuant to Bylaw 85.

9. OFFICERS

Within fourteen (14) days after the meeting of the Corporation at which the Board was elected, the Board shall elect from its members a President, Vice-President, Secretary and Treasurer of the Corporation. The position of President may only be held by a Board member who has already taken or agrees to take, within six months of being elected, the “Canadian Condominium Institute 100” course or an equivalent course which has educated such person on condominium law and procedures; the cost of such course shall be paid for by the Corporation. Any position may be combined with another and held by one person. A person will cease to be an Officer if they cease to be a member of the Board for any reason. If a person ceases to be an Officer of the Corporation, the Board shall elect from its members a person to fill that office until the next election for the Board.

10. DUTIES OF THE OFFICERS

The following duties are assigned to the Officers; however, the Board may make other allocations:

- A. the President, or in the event of his absence or disability, the Vice-President:
 - i. is responsible for the daily execution of the business of the Corporation; and

- ii. shall act as Chairman of the meetings of the Board.
- B. the Secretary, or in the event of his absence or disability, another member of the Board designated by the Board:
- i. shall record and maintain all the Minutes of the Board and all meetings of the Corporation; and shall record votes for and against on all decisions;
 - ii. is responsible for all the correspondence of the Corporation; and
 - iii. shall carry out his duties under the direction of the President and the Board:
- C. the Treasurer; or, in the event of his absence or disability, another member of the Board designated by the Board shall:
- i. receive or arrange for the receipt of any monies paid to the Corporation and deposit such monies as the Board may direct. However, unless the Board by resolution, decides otherwise, all monies shall be deposited within two (2) banking days of receipt;
 - ii. properly account for the funds of the Corporation and keep such books as the Board may direct;
 - iii. present to the Board when required to do so by the Board, a full detailed account of receipts and disbursement of monies by the Corporation;
 - iv. prepare a budget for submission to the Annual General Meeting for the forthcoming fiscal year of the Corporation no later than forty-five (45) days before the end of any given fiscal year.

The Secretary and Treasurer may, on resolution of the Board, allow the Manager to carry out their duties provided that the Secretary and Treasurer, as the case may be, supervise those duties of the Manager.

11. SEAL OF CORPORATION

The Corporation shall have a seal which shall be used as authorized by resolution of the Board and in the event no such resolution has been passed then the seal shall be used in the presence of at least two (2) members of the Board, who shall sign the instrument to which the seal is affixed.

12. SIGNING AUTHORITIES

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

13. DUTIES OF BOARD

The Board, for the benefit of the Corporation, the Owners and Mortgagees, shall have vested in it the powers of the Corporation and shall enforce the provisions of the Bylaws. Every member of the Board shall exercise the powers and discharge the duties of the Board or as an Officer of the Corporation, honestly and in good faith. The Board shall:

- A. cause minutes to be kept of its proceedings which shall, unless the Board otherwise decides, be posted online by the Secretary;
- B. cause proper books of account to be kept in respect of all sums of money received and expended by the Corporation, and the matters in respect of which such receipts and expenditures take place.
- C. on application by 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 Board available for inspection at all reasonable times, and to provide to any Owner or Mortgagee who makes specific request thereof, copies of all minutes of all meeting of the Corporation and of the Board;
- D. cause to be assessed to each Owner his contribution towards Common Expenses and to enforce payment of the assessments and monetary sanctions as more particularly set out in these Bylaws. Assessments for Common Expenses shall always be based upon Unit Factors;
- E. within 10 days, upon the written request of an Owner, Mortgagee, or Purchaser of a Unit, provide the particulars and materials pursuant to Sections 39(6), 44 and 48 of the Act, (Estoppel Certificate, information statement and insurance);
- F. at all times keep and maintain in force all insurance required here under and by the Act to be maintained by the Corporation and from time to time settle and enter into insurance trust agreements required by the Corporation;
- G. pursuant to Section 38 of the Act, create a Capital Replacement Reserve Fund for the purposes of repair, replacement and refurbishment of the Common Property and any real or personal property owned by the Corporation, or any portion of a Unit which is to be maintained, repaired or replaced by the Corporation. The Board shall utilize funds in the Capital Replacement Reserve Fund, in accordance with Section 38 of the Act, and the Regulations, and the Capital Replacement Reserve Fund *plan* in effect from time to time. The amount of funds that are required for these purposes, shall be determined by the Corporation engaging the services of a “qualified person” (as defined in the Regulations) to prepare a Capital Replacement Reserve Fund *study* and *report*. The Board shall review the Capital Replacement Reserve Fund *study* and *report*, and adopt a Capital Replacement Reserve Fund *plan*. The Capital Replacement Reserve Fund study and report shall be updated at least once every five (5) years and be presented to all Owners. The Capital Replacement Reserve Fund Plan shall be reviewed and updated every year and any changes to the same shall be presented to all Owners.
- H. cause appropriate notice to be filed with the Land Titles Office as to the name, address and date of any person who becomes or ceases to become a Board Member.

14. THE POWERS OF THE BOARD

Board may:

- A. meet together for the conduct of business, adjourn, and otherwise regulate its meetings as it thinks fit, but it shall meet when any member gives to the other members not less than seven (7) days notice of a meeting proposed by the member specifying the reason for calling the meeting. All meetings of the Board shall be held in the City of Edmonton, Alberta. Notwithstanding the foregoing, the Board may hold meetings by telephone conference call, video conferencing, or such other method as will permit all Board members to hear and be heard by all other participants in the meeting;
- B. employ or authorize the Manager to employ for and on behalf of the Corporation such other employees and agents as it thinks fit in connection with the control, management and administration of the Common Property, and the exercise and performance of the powers and duties of the Corporation;
- C. subject to any restriction imposed or direction given at a general meeting, delegate to one or more of its members such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- D. set and charge reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required under the Act or pursuant to these Bylaws;
- E. do all things reasonably necessary for the enforcement of the Bylaws and the control, management and administration of the Common Property and any part of a Unit with which it may be connected, including without limitation the following:
 - i. commencement and prosecution of proceedings under either Section 35 or 36, or both, of the Act to seek an Order, monetary or non-monetary sanction or damages as contemplated under the Act and as set out in Schedule “A”;
 - ii. commencement and prosecution of proceedings under either Section 39, 66 or 67, (or any combination of these Sections) of the Act;
 - iii. impose, collect and deal with deposits for the rental of a Unit under Section 53 of the Act provided that the deposit shall not exceed the maximum allowable under the Act. If any deposit is used in accordance with the Act or these Bylaws, the Owner shall replace that portion of deposit used within 10 days of being notified, in writing by the Board, of its use. The Corporation is entitled to retain any interest earned on any deposit provided pursuant to this Bylaw. Interest will not be paid on deposits collected from Owners who rent their Units;
 - iv. give notice to give up possession of a Unit pursuant to Section 54 of the Act and make applications to the Court under Sections 55 or 56 of the Act provided that such notices and such applications shall be in accordance with the provisions of the Act; and

v. employ for and on behalf of the Corporation an independent professional management agency, agent or Manager (herein referred to as the “Manager”) to supervise, manage, carry out and perform any and all of the duties of the Corporation, subject always to the control and direction of the Board. Any Manager employed by the Board need not devote his full time to the performance of the duties of the Corporation so long as those duties are performed in good and sufficient fashion, and provided that so doing will not interfere with the performance of their duties for the Corporation. Any such Manager shall maintain professional liability insurance and commercial general liability insurance, each having a limit of not less than \$1,000,000.00. Further, in the event the Manager is given signing authority on behalf of the Corporation, such Manager shall maintain a fidelity bond (as provided in Bylaw 38) for the benefit of and naming the Corporation. This insurance shall contain an endorsement stipulating that it will not be cancelled or materially modified without thirty (30) days prior written notice to the Corporation. The Manager shall provide, on demand by the Board, certified copies of the insurance and bonding or at the Board’s option, certificates of such insurance and bonding in a form acceptable to the Board;

F. from time to time pass resolutions to regulate, manage, administer and control the use of the Common Property.

15. MEETINGS

A. All meetings of the Corporation shall be conducted according to Robert’s Rules of Order.

B. All general meetings of the Corporation, other than Annual General Meetings, shall be called Extraordinary General Meetings.

16. CONVENING OF CORPORATION MEETINGS

The Board may, whenever it thinks fit (and shall within twenty one (21) days, upon a requisition in writing made by persons entitled to vote representing Two-Thousand Five-Hundred (2,500) Unit Factors) convene an Extraordinary General Meeting. The Board shall convene Annual General Meetings of the Corporation as and whenever required by the provisions of these Bylaws and the Act. All meetings of the Corporation shall be held at the City of Edmonton, Alberta.

17. NOTICE OF MEETINGS

At least ten (10) days’ notice of every Annual General Meeting (or Extraordinary General Meeting called by the Corporation) specifying the place, the date and the hour of meeting and, in case of special business, the general nature of that business, shall be given to all Owners and Mortgagees, but accidental omission to give notice to any Owner or Mortgagee or non-receipt of notice by any Owner or Mortgagee does not invalidate any proceedings at any such meeting.

18. BUSINESS

Subject to the provisions of the Act, all business shall be deemed ordinary that is transacted at any Annual General Meeting of the Corporation. All business whatsoever that is transacted at any Extra-ordinary General Meeting shall be deemed special business.

19. CHAIRMAN OF CORPORATION MEETINGS

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

20. ORDER OF BUSINESS AT CORPORATION MEETING

The order of business in any properly convened meeting of the Corporation, unless altered or amended by a majority of those in attendance who are entitled to vote, shall be as follows:

- A. Call to order by the Chairman, (election of Chairman if necessary);
- B. Roll call and establishment of Quorum;
- C. Adoption of Agenda;
- D. Proof of notice of meeting or waiver of notice;
- E. Reading and disposal of any unapproved minutes;
- F. Ratification of Past Acts of Board Members and Officers;
- G. Reports of Officers;
- H. Reports of Committees;
- I. Financial Report/Budget and Appointment of Auditors;
- J. Capital Replacement Reserve Fund Report;
- K. Investment Fund Report;
- L. Unfinished Business;
- M. New Business;

N. Election of Members of the Board;

O. Adjournment.

21. QUORUM REQUIRED

Except as otherwise provided in these Bylaws, and in particular Bylaw 22, business shall not be transacted at any meeting of the Corporation unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to do business. A quorum at any meeting of the Corporation shall consist of persons entitled to vote who are present in person or by proxy, representing no less than 2,500 Unit Factors.

22. ADJOURNMENT FOR LACK OF QUORUM

If within fifteen (15) minutes from the time appointed for a meeting of the Corporation, a quorum is not present, the meeting shall stand adjourned for a further fifteen (15) minutes and if after the fifteen (15) minutes adjournment a quorum is not present, the persons entitled to vote who are present in person or by proxy constitute a quorum.

23. RESOLUTIONS

Any resolution of the Corporation moved or proposed at a meeting shall be decided on a show of hands unless a poll is demanded by a person entitled to vote present in person or by proxy. Unless a poll is demanded, for any resolution, a declaration by the Chairman that a resolution has on show of hands, been carried, is conclusive proof of the fact without proof of the number or proportion of votes recorded in favor of or against such resolution.

24. METHOD OF TAKING A POLL

A poll, if demanded, shall be taken in such a manner as the Chairman thinks fair and the result of the poll shall be deemed to be the resolution or the motion for which the poll was demanded.

25. EQUALITY OF VOTES

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

26. VOTING

On a show of hands each person entitled to vote shall have one vote; on a poll, the votes of persons entitled to vote shall correspond with the Unit Factors for the respective Units owned by or mortgaged to them. Except for those matters requiring a Special Resolution, all matters shall be determined by an Ordinary Resolution.

27. MANNER OF VOTING

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

28. PROXIES

Every Owner or Mortgagee entitled to vote at a meeting of the Corporation, may appoint a proxy, who need not be an Owner or Mortgagee, to attend and act at any such meeting, in the same manner, to the extent and with the same power as if the Owner or Mortgagee were present at the meeting. The instrument appointing a proxy shall be in writing, and signed by the appointer; or his lawyer authorized in writing, or if the appointee is a company or other corporate entity, either under its corporate seal or under the hand of an officer or lawyer so appointed. A proxy may be general or for a particular meeting or restricted to a particular purpose and shall be deposited with the Secretary of the meeting before any vote is cast under its authority. Any proxy may be revoked by notice in writing filed with the Secretary before the time of the meeting or by the appointer's attendance at the meeting. The Chairman of the meeting shall rule on the validity of any proxy.

29. ENTITLEMENT TO VOTE

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

- A. such restrictions as are set out in the Act or these Bylaws;
- B. where an Owner's interest in a Unit is subject to a registered mortgage, notice of which mortgage has been given to the Corporation by the Mortgagee, a power of voting conferred upon such Owner by the Act or by these Bylaws may be exercised as follows:
 - i. first, by the Mortgagee, if any, that is first entitled in priority if that Mortgagee has notified the Corporation (at the Corporation's address for service) of the mortgage in writing and is present at the meeting at which the vote is being conducted;
 - ii. second, by the Owner; and
 - iii. third and subsequently, in order of their priority amongst themselves by any other Mortgagees who

are subsequent in priority to the Mortgagee referred to in Bylaw 29(b)(i) if the subsequent Mortgagee wishing to exercise the power of voting has notified the Corporation (at the Corporation's address for service) of the Mortgage in writing and is present at the meeting at which the vote is conducted.

These provisions shall apply only if Section 26 of the Act continues in force unless the Act is amended to provide otherwise;

- C. no Owner or Mortgagee (or their respective proxies if any) shall be entitled to vote at any Corporation meeting (annual or extraordinary) if the Owner is in arrears of any sums (including Condominium Contributions) payable to the Corporation for more than thirty (30) days prior to the day that the power of voting may be exercised and any such Owner shall not be counted for the purposes of determining Quorum pursuant to Bylaw 21;

30. VOTE BY CO-OWNERS

In the event there are co-owners of a Unit, such co-owners may only comprise one vote in an election. In the event such co-owners cannot agree amongst one another as to how to vote their Unit's position, they shall be entitled to a portion of a vote proportionate to their interest in their Unit.

31. SUCCESSIVE INTEREST

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest is alone entitled to vote, whether on a show of hands or a poll.

32. TRUSTEE VOTE

Where an Owner is a trustee he shall exercise the voting rights in respect of the Unit to the exclusion of persons beneficially interested in the trust, and the latter may not vote.

33. SIGNED RESOLUTIONS

- A. A resolution of the Board in writing signed by all of the members or carried by all members of the Board as evidenced by electronic mail between Board members shall be as effective as a resolution passed at a meeting of the Board duly convened and held;
- B. Subject to the provisions of the Act, any resolution of the Corporation determined upon or made without a meeting and evidenced by writing, signed in person or by proxy as contemplated in these Bylaws shall be as valid and effectual as a resolution duly passed at a properly convened meeting of the Corporation and shall take effect and be an Ordinary Resolution, or Special Resolution as the case may be in

accordance with the requirement of these Bylaws and the Act. Notwithstanding the above, any resolution made without a meeting shall be only at the call of the Board.

34. OBSERVANCE OF BYLAWS

The Corporation, the Board and all Owners, tenants and other occupiers of the Units shall observe and obey all such Bylaws as are applicable to each of them and as amended from time to time whether or not such Bylaws or any parts thereof are reregistered at the Land Titles Office. If any provision of these Bylaws is or becomes illegal or not enforceable, it shall be deemed to be separate and severable from these Bylaws and the remaining provisions of these Bylaws shall remain in full force and effect as if the severed provision had not been included in these Bylaws.

35. AMENDMENT OF BYLAWS

These Bylaws may be added to, replaced, amended, or repealed by Special Resolution of the Corporation and not otherwise.

36. FINANCIAL STATEMENT

The annual financial statements produced by the Board for the annual General meeting shall be audited and certified by a chartered accountant or certified general accountant appointed by the Board.

37. EXPENDITURES BY MANAGER

Any Manager employed by the Board may, by resolution of the Board, from time to time, make expenditures not to exceed One Thousand (\$ 1,000.00) Dollars per month without specific approval of the Board, however, any expenditure in excess of One Thousand (\$ 1,000.00) Dollars must be approved by the Board except in the case of a pressing emergency that required immediate attention to prevent significant loss and the Board is incapable of being contacted. The Board may revoke such Resolution at any time by a further resolution of the Board.

38. BONDING OF MANAGER/BOARD

- A. Subject to the Board's approval, and in the event the Manager is given signing authority on behalf of the Corporation, such Manager shall be bonded for the loss of any money or other property through any fraudulent or dishonest acts of the Manager, its agents or employees. The bond shall have a limit of not less than the total amount of the current budget of the Corporation and the total amount of the Capital Replacement Reserve Fund. The bond shall include, as insured's, the officers and directors of the Manager. Furthermore, the bond shall also contain an endorsement stipulating that it will not be

cancelled or materially modified without thirty (30) days prior written notice to the Corporation. The Manager shall provide, on demand by the Board, a copy of the bond.

- B. Where the Corporation has employees who have access to Corporation funds, the Board on behalf of the Corporation, shall obtain a bond from a recognized bonding institution covering loss by fraudulent or dishonest acts by employees of the Corporation and extended to bond all Officers and all members of the Board for loss of funds or other property of the Corporation in an amount or not less than Ten Thousand (\$10,000.00) Dollars.
- C. The Owners may, on Ordinary Resolution of the Corporation, require that all members of the Board be bonded by a recognized bonding institution in an amount not less than one year's Common Expenses.

The cost of any bonding of the Board shall be a Common Expense of the Corporation.

39. ESTOPPEL CERTIFICATE

Any certificate, required in writing, as to the Owners' status with regard to Condominium Contribution assessments or otherwise, issued by the Corporation under the corporate seal, shall be deemed to be an estoppel certificate, and the Corporation and all of the Owners shall be estopped from denying the accuracy of such certificate against any Mortgagee, purchaser or other person dealing with the Unit Owner; but this shall not prevent the enforcement of all obligations of the Unit Owners whether improperly stated in the estoppel certificate or not.

40. NOTICE OF DEFAULT TO MORTGAGEE

Any notice of default, whether for non payment of Condominium Contributions or otherwise, sent to an Owner may also be sent to those Mortgagees holding a mortgage on the Owners' Unit.

41. NOTICE

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

- A. upon the Corporation if delivered by hand to any Board member or mailed by depositing the same in a post box, enclosed in a postage-prepaid envelope addressed to the Corporation at its registered address as filed at the Land Titles Office;
- B. upon an Owner by delivery by hand to the Owner (and if there is more than one Owner then to any one of such Owners), by leaving same at the Unit, or by mail by depositing the notice in a post box, enclosed in a postage-prepaid envelope addressed to the Owner at the municipal address of his Unit (or to such other address as provided by the Owner, in writing, to the Corporation) or in the alternative at any e-mail

address or fax number provided to the Corporation by the Owner or such other electronic means as agreed, in writing, between the Owner and the Corporation;

- C. upon a Mortgagee of a Unit by delivery by hand to the Mortgagee, or if the Mortgagee is a company to a person in authority with such Mortgagee, or by mail by depositing the notice in a post box, enclosed in a postage-prepaid envelope addressed to the Mortgagee at the municipal address of such Mortgagee, as recorded at the Land Titles Office or such other address as provided in writing by the Mortgagee to the Corporation; provided, however, that any notice providing for or contemplating any meeting or any acts or steps that would if approved or taken involve the winding up the Corporation, shall be given by prepaid registered mail addressed to the Mortgagee as aforesaid.

The Corporation may change its address for service by resolution of the Board causing the change in address to be recorded at the Land Titles Office. An Owner or Mortgagee of a Unit may change its address for service by giving notice, in writing, of the change to the Corporation and the Land Titles Office in the manner aforesaid. Any notices, demands or requests served by mail as aforesaid shall be deemed to have been received seven (7) days after the time of mailing, provided, however, that if there is an interruption of mail service, the notice shall not be deemed to have been received until the seventh day following restoration of normal mail service.

42. INSURANCE

The Board, on behalf of the Corporation, shall obtain and maintain, subject to Section 47 of the Act and the Regulations, the following insurance:

A. 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 Property 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:

- i. the perils insured against shall be “All Risks” (as generally understood in the insurance business) of physical loss or damage;
- ii. the coverage will provide for settlement on the basis of replacement cost and that no deduction for depreciation shall be made from any settlement;
- iii. 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 insured’s 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 of a Unit;
- iv. 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;

- v. 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 Owners 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;
- vi. such policies may not be cancelled or substantially modified without at least thirty (30) days prior written notice to all of the Owners and Corporation including all registered Mortgagees who have provided written notice of their mortgages to the Corporation;
- vii. such policies shall also provide that the Corporation (or, if the Bylaws designate an Insurance Trustee, the Insurance Trustee) shall have the right at his 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 Special 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;
- viii. the Insurance Trustee, if the Corporation so designated 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;

B. Liability Insurance

The Board shall also obtain and maintain public liability insurance insuring the Corporation, the Board and the 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 or Bylaws and the control, management and administration of the Corporations real and personal property and the Common Property. 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 Insured's 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. The Board shall also secure coverage for:

- i. liability incurred by the Corporation arising out of a breach of duty as the occupier of the Common Property; and
- ii. liability incurred by the Corporation arising out of the ownership, use or operation of any machinery, equipment, pressure vessels and vehicles;

C. Errors and Omissions Insurance

The Board shall also obtain and maintain:

- i. Directors and Officers Liability insurance protecting the members of the Board and its officers or any committees established by the Board, against insurable claims incurred by any Board member or officer arising out of any action or omission by any Board member or officer with respect to carrying out the functions and duties of a Board member or officer; and
- ii. coverage for liability incurred by the Corporation arising out of an action or omission of a Board member or an officer of the Corporation with respect to carrying out the functions and duties of a Board member or officer;

In renewing such policy from time to time, the Board shall ensure that the insurance is no less favourable than the expiring insurance, or if substantially equivalent coverage is unavailable, the next best available coverage. However, if such insurance is not available at reasonable cost then the cost of the renewal or replacement insurance shall not be more than double the expiring insurance and in such a case the Board shall purchase as much coverage as is possible for such amount.

Other Insurance Considerations

Prior to obtaining any policy of property insurance or renewal thereof the Board shall obtain an annual 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 Bylaws and as suggested by the appraisals, provided that failure to obtain a prior appraisal shall not invalidate or affect any insurance placed by the Corporation.

The Board shall review the insurance coverage at least annually after review of the annual appraisal and shall increase insurance at its discretion.

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.

Nothing in these Bylaws shall restrict the right of any Owner to obtain and maintain insurance of any kind in respect of the ownership, use or occupation of their Unit and his personal liability as permitted by the Act or otherwise permitted by law.

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.

43. OWNER'S INSURANCE AND INSURANCE DEDUCTIBLE

- A. Where an Owner makes any claim on the Corporation's insurance, the Owner shall initially pay for any insurance deductible. The Owner may obtain reimbursement for the deductible from the Corporation where it is shown that the claim arose as a result of the Corporation's negligence or willful conduct.
- B. Where the Corporation has made an insurance claim and paid the deductible, it may recover the deductible from an Owner(s) where it is shown that the claim arose as a result of an Owner's use, ownership, occupancy of any Unit or Common property (whether negligent or not) or the Owner's negligence and treat it as a contribution due to the Corporation.

Each Owner is required to have valid condominium home owners insurance coverage, to provide coverage for all items of personal property owned by the Owner, including improvements and fixtures, upgrades, contents and any property brought into or installed in a Unit by the Owner or any previous Owner. Each such condominium home owner's insurance policy shall include a Condominium Unit Additional Protection endorsement to provide coverage to the Owner for the difference between the deductible under the Owner's insurance coverage, and the deductible under the Corporation's insurance coverage.

44. THE OWNERS' DUTIES

An Owner shall:

- A. permit the Corporation and its agents, on written notice, as provided in Section 24(7) of the Act (except in case of emergency when no notice is required), to enter into his Unit for the purpose of inspecting the Unit and maintaining, repairing or renewing pipes, wires, cables, ducts, conduits, plumbing, sewers, fire sprinklers, thermostats and other facilities for the furnishing of utilities existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or Common Property, or for the purpose of maintaining, repairing and renewing Common Property, or for the purpose of ensuring that the Bylaws are being observed. The written notice must state the reason for the entry and name both a date and time of entry that complies with Section 24(6) of the Act;
- B. allow the Corporation entry to the Unit in the event of an emergency, for the purposes of protecting the property of other Owners, tenants or occupiers and the property of the Corporation;
- C. immediately carry out all work that may be ordered by any municipal or public authority in respect of the Unit, and pay all utility charges, rates, taxes, charges, outgoings and assessments that may be payable in respect of the Unit;
- D. repair and maintain his Unit including all door passage sets and locks (which must be preapproved by the Board prior to replacement), toilet flapper valves, sealants around tubs and sinks, and keep the Unit in a state of good repair to a standard approved by the Board. Notwithstanding the generality of the foregoing, Owners are responsible for any broken doors or any broken window glass. In addition, Owners are responsible for any self-contained heating, ventilation, or air conditioning/cooling systems located in the Unit and are responsible for regularly changing any filters in the fan coils located within their Units. In the event an Owner fails to properly replace such filters, any damage attributable to such

failure to change filters shall be the Owner's responsibility and such Owner shall be liable to the Corporation for any resulting damage;

- E. use and enjoy the Common Property in accordance with these Bylaws, the Act and all rules and regulations prescribed by the Corporation in writing in such manner as to not unreasonably interfere with the use and enjoyment thereof by other Owners, their families or visitors;
- F. notify the Corporation immediately, in writing, upon any change of registered ownership of the Unit or of any mortgage or other Dealing in connection with the Unit;
- G. comply with and cause all the tenants, family, visitors and other occupants of the Unit to comply with Act, the Bylaws and Regulations in force from time to time. All absentee Owners shall keep a copy of the Bylaws in the Unit for the use and benefit of their Tenants or Occupiers;
- H. pay the Corporation when due all Condominium Contributions levied or assessed against the Unit together with interest on any arrears at the rate of eighteen (18%) percent per annum, compounded annually, calculated from the due date until the date of payment in full;
- I. pay the Corporation all expenses, including Legal Costs, it has incurred as a result of having to take proceedings to collect any Condominium Contributions levied or assessed against the Unit;
- J. be responsible for the maintenance and repair, as determined by the Board, of any additions or changes on or adjoining the outside of any Unit or any Common Property made by any Owner to the original construction; and
- K. pay for all Unit utility costs either separately metered or billed directly to the Unit, including without restricting the generality of the foregoing, power (Priority Billing or other such provider), cable television, internet service and telephone.

45. OWNER'S USAGE

An Owner shall not:

- A. use his Unit for any purpose that may be illegal or injurious to the reputation or market value of the building located on the Parcel, to the other Units or to any other amenities comprising the Parcel. Further, an Owner shall not use his Unit for any purpose that will cause nuisance or hazard to any other person;
- B. use his Unit for any purpose that is not in accordance with the Land Use Bylaw of the City of Edmonton;
- C. keep any animals in his Unit or on the Common Property other than those authorized by these Bylaws;
- D. render a Unit unfit for human habitation;

- E. install a Television, speakers, or other similar apparatus on the drywall attached to party walls;
- F. use a Commercial Unit without the prior consent of the Board for its purpose;
- G. allow his heating system to be rendered inoperable during the heating season. An Owner shall take appropriate winterization steps to ensure that all plumbing, electrical, heating, ventilation and cooling systems are in working order. The Corporation shall not be liable for any loss that is sustained due to failure of any plumbing, heating, ventilation and cooling systems in the Unit and an Owner shall be responsible for any loss to the Corporation or other Owners, Tenants or Occupiers should an Owner fail to observe this Bylaw;
- H. install any lockboxes anywhere on Common Property without prior Board approval; or
- I. use the Handicap lift for any purpose other than lifting a handicapped person.

46. RESTRICTED USES OF UNITS

By enacting these Bylaws, the Owners affirm their collective intent to preserve the character of the project and the Units as private single family residences. For the purpose of these Bylaws:

- A. “private single family residence” means a Unit occupied or intended to be occupied as a residence by one family alone;
- B. no Unit shall be used or represented to the public as a boarding house, rooming house or as a time share facility;
- C. no Residential Unit (this provision shall specifically exclude the Commercial Units where the use of such commercial unit is approved by the Board) shall be used in whole or in part for any commercial or professional purpose involving the attendance of the public at such Unit, and without limiting the generality of the foregoing, no Unit or part thereof shall be used as an office by a doctor, dentist, chiropractor, drugless practitioner, or other professional person, except as otherwise authorized by the Board in writing, which approval may be arbitrarily withheld and if given, be withdrawn at any time on thirty (30) days notice. Prior to any authorization being given by the Board, the Owner of the Unit shall provide, to the Board, satisfactory proof of insurance (including liability insurance) and any licensing related to the commercial or professional activity;
- D. the number of persons, adult and children, occupying a Unit shall not exceed the numbers permitted by any municipal or provincial law or authorities.

47. STRUCTURAL ALTERATIONS

An Owner shall ensure that:

- A. no alterations, additions, decoration, redecoration, changes or installations be made on or adjoining the outside of any Unit by any Owner without the prior consent in writing of the Board;
- B. no structural alteration be made to the outer boundary of any Unit including walls (whether partition wall, bearing walls, or otherwise), ceiling and floor or to any bearing walls or structures within the Unit or to any exterior door or window, without prior written consent of the Board;
- C. no changes be made in the plumbing, drainage, electrical, heating (including the thermostat) or gas system within or outside any Unit, without the prior written consent of the Board;
- D. any changes to a Unit comply with all Municipal, Provincial, and Federal laws, and that any required permits are secured from the appropriate authority; and
- E. no window air conditioning units are permitted.

Failure to comply with this Bylaw will result in the responsible Owner being liable for all costs incurred by the Corporation including Legal costs, for restoring any alterations or changes made by the Owner.

The Owners of Unit Nos. 40, 41, 36 and 37 may erect rooftop decks and other outdoor amenities in the areas delineated on the Condominium Plan; however, any permanent works must be approved by the Board, be constructed to meet all applicable safety and other codes, and must be constructed in such a manner as not to limit any warranty of any supplier of materials or equipment.

48. FIRE HAZARD

No Owner, tenant or occupier shall do or permit anything to be done in a Unit, an exclusive use area, or on the Common Property or bring or keep anything thereon which will in any way increase the risk of fire or the cost of fire insurance for the Corporation, or obstruct, or interfere with the rights of other Owners or in any way injure or unreasonably annoy them or conflict with the laws relating to fires or with the regulations of the local Fire Department or with any insurance policy of the Corporation or conflict with any of the rules and ordinances of the Municipal Health Department or with any statute or municipal bylaw or with any other law whatsoever.

49. WATER

Water shall not be left running unless in actual use in any Unit and all taps, washers, and drains shall be kept in good repair. Water must be turned off in vacant Units. The Corporation shall not be responsible to an Owner for any loss, damage or expense caused by:

- A. any overflow or leakage of water from any other Unit, Common Property or property of the Corporation;
- B. the breaking or bursting of any pipes or plumbing fixtures; or

C. any other manner whatsoever;

unless such damage results from a negligent act or omission on the part of the Corporation, its servants, agents, employees or officers.

50. PLUMBING

Toilets, sinks, tubs, drains, and other water apparatus located in the Unit or the Common Property shall not be used for any purpose other than those for which they are constructed, and no sweepings, garbage, grease, rubbish, rags, ashes or other substances shall be deposited in or flushed through such apparatus.

51. COMBUSTIBLE MATERIALS

No storage of gasoline or other, combustible or inflammable goods or materials and no offensive goods, provisions or materials shall be kept in or about any Unit, exclusive use area, or Common Property, normal cleaning products and related household goods excepted.

52. SIGNS

No signs, billboards, notices or other advertising matter of any kind shall be placed on any part of Unit or the Common Property without the prior written consent of the Board. Without limiting the foregoing, the Board shall specifically have the right to approve the placement of any signage in relation to a Commercial Unit.

53. ANTENNA AND SATELLITE DISHES

No antenna, aerial, satellite dish, tower or similar structure or appurtenances thereto shall be erected on or fastened to any Unit or the Common Property, except by the Corporation for or in connection with a common telecommunications, cable or other distribution or reception system.

54. DECORATING

No portion of the Common Property required to be maintained by the Corporation shall be painted, decorated or otherwise altered by anyone other than the Corporation without the written consent of the Board.

55. LAUNDRY

Laundry shall not be hung outside any Unit, or on the Common Property.

56. **AWNINGS**

Neither awnings, or shades or screens shall be erected over the outside of the windows, nor shall any articles be hung or placed outside the window sills or on the balcony of any Unit without the prior written consent of the Board.

57. **PETS**

- A. Subject always to the provisions of 57(C) below, up to two (2) cats or two (2) dogs (or one of each) may be kept in a Unit. If an Owner wishes to keep any other animal (save and except for fish which do not require approval), livestock, fowl, reptile or additional dog or cat in a Unit, they must obtain prior Board approval. Such approval may be withheld on reasonable grounds or may, if given, be withdrawn upon breach of the Act or the Bylaws by the Owner or the Owner's pet, at any time on Fifteen (15) days notice.
- B. An approval request to keep a pet in a Unit must contain a photograph of the pet, a description of the pet, the name of the Owner, suite number, contact information, and any other relevant information.
- C. If the Board, in its sole and unfettered discretion, deems any pet whatsoever, to be causing unreasonable disturbance to other Unit Owners, tenants or occupiers, or to be a hazard to or harmful to other Owners, tenants or occupiers, then the Owner, tenant or occupier of the Unit in which the pet is kept shall within fifteen (15) days after receiving notice from the Board permanently remove the pet. Failure to remove such pet at the request of the Board will constitute a breach of these Bylaws and any costs incurred by the Board enforcing the same, including legal costs, will be born by the Owner.
- D. All permitted pets will be required to wear a leash when on the Common Property.
- E. No Owner, tenant or occupier shall feed pigeons, gulls or other birds anywhere on the Parcel.
- F. No pets of any kind shall be kept on or allowed to run at large over any part of the Common Property.
- G. The Owner, tenant or occupier shall be responsible to pick up pet waste and dispose of same, and shall be responsible and will pay for any damage or destruction caused by the pet to the furnishings or other property of any other Owner or the Common Property, with such responsibility and liability of the Owner to include repair of damage of items to their former condition and/or replacement.
- H. An Owner, tenant or occupier shall ensure that no guest's pet of any kind is allowed in a Unit or on the Common Property, with the exception of Certified Guide Dogs, without written permission from the Board.

58. DEBRIS

Nothing may be thrown out of the windows or off the balcony of a Unit. At no time shall mops, brooms, rugs or other cleaning utensils be cleaned out of a window or off a balcony of a Unit, in the stairwells, parkade, or other Common Property.

59. TENANTS

Residential Units may be leased or rented with a minimum of a three-month term. An Owner shall not rent, lease or grant possession of his Unit to any Tenant unless:

- A. the Owner provides the Corporation with the name of the Tenant, the amount of the Tenant's rent for the Unit, and a copy of the lease or rental agreement;
- B. the Owner complies with the deposit requirements of the Corporation, a deposit in the amount of one month's rent, and provides the Corporation with an address for service for the Owner for any notice that may be served pursuant to the Act or the Bylaws;
- C. the Owner, Tenant or Occupier, gives notice in writing to the Corporation of the tenancy accompanied by the written undertaking of the Tenant to be bound by the Bylaws of the Corporation and to not cause damage to the real or personal property of the Corporation or the Common Property.
- D. Commercial Units may be leased or rented by their Owners for unrestricted time periods.
- E. Owners who rent their unit to a Tenant who causes damage to real or personal property of the Corporation or the Common Property, or contravenes the Bylaws, or threatens or intimidates other occupants and visitors are responsible for such acts, and the Board has the power to evict the Tenant from the unit under Sections 53 to 56 of the Act (as amended from time to time).

60. GARBAGE

An Owner, tenant or occupier shall tightly wrap, tie and containerize their garbage and shall dispose of it in garbage containers in such location as may be directed by the Board from time to time. The following procedures must be observed:

- A. Garbage shall be completely drip free before it leaves the Unit and carried to the pick-up areas in a careful manner and in a drip proof container. Further, no garbage may be stored on any Common Property other than designated pick-up areas;
- B. Only recyclable material may be placed in the recyclable material dumpster.

- C. Hazardous waste or oversized items such as furniture must be taken by the Owner to the municipal dump, or such other facility for the collection of such items (i.e. Eco Station). In addition to being sanctioned in accordance with a breach of these Bylaws, any Owner who is observed breaching this provision may be charged a hauling fee in relation to the removal of such offending object(s).
- D. Vacuum cleaner bags, pet shavings and kitty litter must be wrapped in a securely tied bag or package and then placed in the appropriate area for pick-up.
- E. Real Christmas trees must be brought in and out of the building in tree bags. Live trees must be disposed of by taking them to a Community Recycle Depot location; they are not permitted in the garbage dumpster.
- F. In the event an Owner is conducting significant renovations to a Unit, any waste as a result of such renovations may not be placed in the common dumpster and the Owner must arrange for alternative disposal with the approval of the board.

61. NOISE

An Owner, tenant or occupier shall not make or permit any disturbing noises in or about the Owners' Unit or on the Common Property or do or permit anything to be done which will interfere with the rights, comfort or convenience of other occupants of the Parcel. An Owner, tenant or occupier shall not loudly play or permit to be loudly played a musical instrument, compact disc player, stereo, radio or television or another device nor shall any Owner, tenant or occupier practice or allow either vocal or instrumental music at any time in such a manner as to disturb or annoy other members or occupants of the building.

62. CONSTRUCTION

Provided that renovations follow the applicable building code(s) and do not affect Common Property, Owners may conduct renovations in their Unit that do not unreasonably disturb any other Owner, tenant or occupier, between the hours of 8:00 a.m. to 6:00 p.m. on weekdays, without the prior written consent of the Board.

63. SALES AND EXHIBITS

No group tour or exhibition of any Unit or its contents shall be conducted, and no auction sales, garage sales or other sales shall be held in any Unit or upon the Common Property without the prior written consent of the Board.

64. PRIVACY

No Owner shall trespass on any part of the Parcel or Common Property to which another Owner is permitted to exclusive use. No Owner shall have any right of access to those parts of the Common Property used from time

to time as a working area for the building superintendent, utility and machinery rooms, building maintenance or storage areas, or any other part of the Common Property used for the care, maintenance or operation of the Units or the Common Property.

65. COMPLIANCE WITH LAWS

No Owner shall do or permit anything to be done with respect to the Owners' Unit that is contrary to any of the provisions, rules or ordinances of any statute, municipal bylaw or regulation.

66. HEALTH

Units must be kept clean and in good order and shall not be allowed to become unsanitary or unsightly in appearance, and be kept free of insects and vermin. Unit Owners must not allow offending odors, including cigarette smoke, to escape from their Unit in a manner that could interfere with the rights, comfort, health or convenience of other Owners, tenants or occupiers.

67. PERSONAL BELONGINGS

All Owners will cause all articles belonging to their Unit, to be kept in their Units when not in actual use unless permitted by the Board to be stored in certain designated areas. Each Owner will comply with all reasonable requests of the Board that bicycles, toys, articles and household effects belonging to the Owners be put away inside such Owner's Unit when not in actual use, or stored in such appropriate place as may be designated by the Board from time to time. The Board may require an Owner to remove any unsightly objects from roof top patio areas or balconies at the Board's discretion. In the parkade, personal belongings may only be stored in approved storage facilities.

68. PARKING AREAS

- A. The Board will be at liberty to designate certain areas of the Common Property as areas to be used as parking stalls for the exclusive use of certain Owners.
- B. A maximum of one (1) parking stall shall be available for designation by the Board for each Unit unless otherwise approved by the Board.
- C. An Owner, Tenant or their resident family members shall not park a motor vehicle anywhere on the Common Property that has not been designated as a parking stall for such Owner or Tenant's exclusive use, nor shall an Owner or Tenant be permitted to park a motor vehicle in any area designated by the Board for visitor parking, unless otherwise approved by the Board.

- D. Visitors may only park motor vehicles in areas designated by the Board for visitor parking, or in a designated parking stall with the owner's permission.
- E. Assigned parking stalls are for the sole and exclusive use of such Owner unless rented to another Unit Owner or tenant with the Board's prior written consent.
- F. Owners shall not park motor vehicles or leave any other obstacles on emergency access routes anywhere on the Parcel.
- G. The Board shall be at liberty to make rules and policies with respect to the use of visitor parking, and the violation of such rules or policies will result in fines being assessed against an Owner of an offending Unit in accordance with Schedule "A". Without limiting the foregoing, at the date of adoption of these Bylaws, the following rules are in place:
 - (i) any given visitor is not permitted to use visitor parking more than four days a week;
 - (ii) all visitors must sign in when using visitor parking or they shall be towed or fined; and
 - (iii) no visitor may park for more than 24 consecutive hours without signing in again.

In the event a visitor of an Owner breaches any of the above rules or policies with respect to visitor parking, the Unit Owner who was being visited by such visitor shall be fined in accordance with Schedule "A" and any costs of towing the vehicle or rectifying the situation shall be born by such Unit Owner.

69. MOTOR VEHICLES

- A. No motor vehicles other than a private passenger vehicle being a car, half-ton or three-quarter ton truck, sport utility vehicle or van, shall be parked in any area within the Common Property or in a designated parking stall without the written consent of the Board, which consent the Board may arbitrary withhold and may, if given, withdraw at any time on fifteen (15) days notice. Notwithstanding the generality of the foregoing, motor vehicles over 3000 kg, shall not be brought upon the Parcel without the written consent of the Board;
- B. No motor vehicle, including vehicles used for furniture moving, shall be parked on any part of the Common Property which impedes or interferes with access to or from the Parcel. Further, no motor vehicle may be parked in such a way that it obstructs other motor vehicles which are properly parked;
- C. No motorhome, tent trailer, boat, trailer, snowmobile, all terrain vehicle, mechanical toboggan, machinery or equipment of any kind shall be parked within the Common Property or in any parking stall other than as approved by the Board in writing;
- D. No adjustments, repairs or servicing of motor vehicles may be carried out within the Common Property or in any assigned parking stall;

E. A motor vehicle which is:

- i. not in running order;
- ii. undergoing repairs of any nature;
- iii. not insured;
- iv. not displaying valid license plates or registration stickers;
- v. persistently or excessively leaking fluids; or is
- vi. of a length that could obstruct access of other vehicles;

shall not be parked or located upon the Parcel, including in a designated exclusive use parking stall, except as permitted by the Board in writing;

F. Parking of motorcycles requires a base beneath the kickstand to prevent damage to the Common Property;

G. Only one vehicle may be parked in each stall unless otherwise authorized by the Board. The Board will consider, on a case by case basis, exceptions to this Bylaw.

70. USE AND ENJOYMENT

The Owner of each Unit shall have the right to the exclusive use and enjoyment of such portions of the Common Property as may be designated by the Corporation as Maintenance Areas or an exclusive use area provided, however, that the Corporation, at its sole option, may at any time withdraw and terminate such right for any Unit upon giving thirty (30) days notice to the Owners of the Unit for which such right is terminated.

71. CARE AND MAINTENANCE OF PARKING AREAS AND MAINTENANCE AREAS

The Corporation, its employees and agents shall, notwithstanding the grant of any right, license or privilege of exclusive use of any Maintenance Area or parking stall to any Owner, have the right of free and uninterrupted access at any time to enter upon, crossover, and occupy a Maintenance Area or parking stall for the purpose of carrying out any of the obligations of the Corporation.

72. EXCLUSIVE USE

The Owners of Units 40, 41, 36 and 37 are entitled to utilize the rooftop and patio areas immediately above or adjacent to their Units as delineated on the Condominium Plan. The Board may make reasonable Rules restricting any activity on the rooftop areas where such activity raises issues of security, cleanliness or safety.

The Owners of Units with direct access to balconies located on the Common Property are entitled to utilize such balconies. The Board may make reasonable Rules restricting any activity on such balconies where such activity raises issues of security, cleanliness or safety.

The Corporation may grant a lease or license permitting exclusive possession in respect of an area or areas of the Common Property or other property owned by the Corporation and may delegate responsibility for the care and maintenance of such areas to such lessee/licensee.

73. SIDEWALKS AND PARKING AREAS

The sidewalks, walkways, passages, doorways, elevators, driveways and parking areas shall not be obstructed by any Owner, his family, guests, tenants, occupiers, or visitors or used by them for any other purpose than for entering and leaving his Unit. Parking areas shall not be used for any purpose other than the parking of motor vehicles without the Board's consent and no Owner shall trespass in any parking areas which the Owner of another Unit is entitled to use and occupy.

74. OTHER COMMON PROPERTY

Owners, their pets, families, guests, tenants, or visitors shall not harm, mutilate, destroy, waste, alter or litter the Common Property or the property of the Corporation, including without limitation any part of the building and other fixed improvements forming part of the Common Property, and any and all chattels owned or kept by the Corporation.

75. STRUCTURES ON COMMON PROPERTY

- A. No building, structure or other improvement shall be erected on the Common Property without the written approval of the Corporation;
- B. No trailer either with or without living, sleeping, or eating accommodation and no tent, shed, or portable building shall be placed, located, kept or maintained on the Common Property except with the prior approval of the Board. If any such chattel or other item has been approved by the Board, the Board may subsequently withdraw such approval in which event the chattel or other item shall be forthwith removed by the Owner;
- C. No part of the Common Property shall be used for the erection, placing or maintenance of clothes lines, incinerators, hot tubs, recreation or athletic equipment, fences or other barriers or other vegetation except with the prior written approval of the Board. If such approval has been given the Board may

subsequently withdraw such approval and in such event the Owner shall comply with the direction of the Board to remove such item, or items, forthwith.

76. APPEARANCE OF UNIT

Nothing shall be hung or placed on any part of the Common Property, or within a Unit that is, in the sole and unfettered discretion of the Board, aesthetically displeasing when viewed from the outside of the Unit.

77. PERSONAL PROPERTY AND INJURY

The Corporation, its Board members, officers, employees or agents will not be responsible to any Owner, tenant or occupant of a Unit, for any injury, death, damage or loss whatsoever caused by or to the person or property of any Owner, tenant or occupant of a Unit including but not limited to:

- A. parking areas and any storage areas located on the Common Property;
- B. any part of the Common Property designated for the exclusive use and enjoyment of any Owner, tenant or occupier;
- C. any contents, personal property, or improvement in or to any Unit; or
- D. any personal injury occurring on the Parcel or any improvements on it.

The insuring of any contents or improvements within or to a Unit is the sole responsibility of the Owner, tenant or occupier of the Unit, and they shall not require the Corporation or its Board members, officers, employees or agents to repair any damage to any contents, personal property, or improvements within or to the Unit howsoever caused. No Owner, tenant or occupier of a Unit shall be entitled to claim or shall claim any compensation from the Corporation for any loss or damage to the property or person of the Owner, tenant or occupier or a Unit arising from any defect or want of repair to any part of the Parcel, or any improvements on it.

78. FURNITURE MOVING

Furniture moving shall be limited to the times and methods established by the Board and any elevator usage during a move must be booked and approved by the Manager or Board in advance. The Board in its sole discretion may establish a schedule of permitted moving times so as to cause the least disturbance to other Owners. No motor vehicle used for furniture moving or deliveries shall be driven on any part of the Common Property other than those areas designated by the Board for such purpose.

79. RECREATION USE

No portions of the Common Property shall be used for recreational purposes by any Owner or other persons except as otherwise permitted in the Board's absolute discretion and only then if the consent of the Board is first obtained in writing.

80. MAINTENANCE

- A. The Corporation shall regularly maintain any landscaping and sidewalks, roadways, parking areas and common area lighting in or about the Common Property on behalf of the Owners and the Corporation provided, however, that the Corporation shall not be responsible for such care and maintenance of any Maintenance Areas which are the responsibility of individual Owners pursuant to the provisions of the Bylaws;
- B. Owners entitled to the exclusive use of balconies are required to keep such balconies free of snow and ice at all times.
- C. Each Owner shall be responsible for the repair and maintenance of his Unit and Maintenance Area. Should any Owner fail to maintain or repair in a manner satisfactory to the Board those items for which the Owner is responsible, after ten (10) days written notice, to do so given by the Board, then the Board, may do or cause to be done the maintenance or repairs and the Owner affected is obliged to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and all costs, including indemnification for the Corporation's legal fees on a Legal Cost basis, incurred in respect of such maintenance and repairs, and the Board may use all or any of the remedies open to it or as set out in these Bylaws to recover such monies for the Corporation. Such indebtedness shall be a charge upon the Owners Unit to the same extent as it would be if the monies were unpaid Condominium Contributions owed in respect of the Owners Unit;
- D. Notwithstanding anything to the contrary herein contained each Owner shall be responsible for damage caused to any of the Common Property and those portions of the Unit for which the Corporation is responsible, by any acts of the Owners and the Owners' pets, members of the Owners' family, tenants, invitees, contractors or licensees. Should any Owner fail to repair and maintain these areas in a manner satisfactory to the Board, then the Board 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 all costs, including indemnification for the Corporation's legal fees on a Legal Cost basis, incurred in collection in respect of the doing of such repair and the Board may use all or any of the remedies open to it as hereinafter set out, to recover such monies for the Corporation and such indebtedness shall be a charge upon his Unit to the same extent as would be if the monies were unpaid Condominium Contributions owed in respect of the Owner's Unit.

81. COMMON EXPENSES

The Common Expenses of the Corporation shall, without limiting the generality of the foregoing, include the following:

- A. all levies or charges on account of electricity, water, garbage removal, gas and utility services supplied to the Corporation for the benefit of all Owners;
- B. the cost of and charges for all Manager fees and the wages, taxes and other expenses payable to employees of the Corporation;
- C. all costs and charges on account of landscaping, maintenance and snow removal from the Common Property;
- D. reserves for periodic unscheduled repairs of Common Property;
- E. all costs of and charges for maintenance and repair of those portions of each Unit for which the Corporation is responsible under these Bylaws;
- F. all costs of and charges for maintenance and repair of the Common Property for which the Corporation is responsible;
- G. all costs of and charges for all consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all auditing, accounting, management, engineering and legal fees and disbursements;
- H. the amount of all costs and expenses whatsoever, including without limiting the foregoing all maintenance and repair costs, financing charges, Common Expenses, municipal taxes, Unit charges, and all utilities charges, for or in respect of any Unit owned by the Corporation;
- I. all costs associated with completing Capital Replacement Reserve Fund reports, studies or plans, and all contributions towards any Capital Replacement Reserve Fund plan adopted and updated by the Board from time to time;
- J. all fees and charges for insurance for which the Corporation is responsible and that of the Insurance Trustee, if one is appointed;
- K. all obligations of the Corporation or the Board created by the Act or these Bylaws;
- L. all newsletter, memberships, subscriptions, office equipment, supplies, printing and postage costs; and
- M. the cost of borrowing money for the purpose of carrying out the objects and duties of the Corporation.

82. ASSESSMENT FOR COMMON EXPENSES

- A. At least forty-five (45) days prior to the beginning of each fiscal year of the Corporation, the Board or, at its request, the Manager shall estimate the amount of the Common Expenses that will be incurred or required in such fiscal year (including a reasonable allowance for contingencies and replacements plus any deficiencies from the previous year). This estimate of Common Expenses may be referred to as the

“budget”, with the Board adopting, by resolution, the budget. For the purposes of Section 30(3) of the Act, any budget approved by the Board also operates to approve the expenditure of monies identified in the budget.

- B. Each year’s Common Expenses shall be apportioned, levied and assessed to and upon the Owner in proportion to the Unit factors for his Unit as shown on the Condominium Plan.
- C. If at any time it appears that the estimated assessment or contribution towards the Common Expenses will be insufficient to meet the needs of the Corporation, the Board may assess and collect a special assessment or assessments against each Owner in an amount sufficient to cover additional Common Expenses.
- D. The Board shall give notice of any special assessment to Owners which shall include a written statement setting out the reasons for the special 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. If the special assessment is not paid in accordance with the notice, then it shall bear interest at the rate of Eighteen percent (18%) per annum, compounded annually calculated from the date due until paid.
- E. A special assessment can be levied for any reason however such special assessment must be solely based on Unit Factors.
- F. Each Owner shall be obligated to pay any and all assessments and Condominium Contributions made pursuant to this provision to the Corporation, as directed by notice, in such fashion as the Board shall designate. Interest is payable on all assessments, Condominium Contributions, payments, installments, levies or payments in arrears at the rate of Eighteen percent (18%) per annum, compounded annually calculated from the date due of the same. The Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time and recover its costs including Legal Costs. Nothing herein shall restrict any rights or remedies given to the Corporation by or under the Act.
- G. The failure of the Board to set any year’s assessments, shall not be deemed a waiver or modification in any respect of the provisions of these Bylaws, nor shall such failure release the Owners from their obligations to pay the assessments, but the assessments for the preceding fiscal year shall continue until new assessments are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of use or enjoyment or any of the Common Property or by vacating or abandoning his Unit.

83. DEFAULT IN PAYMENT OF ASSESSMENT AND LIEN FOR UNPAID COMMON EXPENSE, LEVY OR ASSESSMENT

- A. The Corporation shall and does have a lien and charge upon and against the estate or interest of the Owner for any unpaid Condominium Contributions, levy or assessment (including interest on arrears) due to the Corporation in respect of the Owner’s Unit, which lien shall be a first, paramount lien against such estate or interest and the rights of any Municipal or local authority in respect of unpaid property

taxes, assessments or levies of any kind against the Unit, title or interest of such Owner but subject also to the provisions of the Act, and the *Land Titles Act* of Alberta. The Corporation shall have the right to file a caveat against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid Condominium Contributions, levy or assessment. The Corporation shall be entitled to be paid by the defaulting Owner on a full indemnification basis, including Legal Costs incurred in preparing and registering the caveat and in discharging the caveat and shall not be obligated to discharge any caveat until all arrears of the Owner, including interest and all Legal Costs are fully paid. The Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time and nothing herein shall restrict any rights or remedies given to the Corporation under the Act;

- B. Any other Owner or person, firm or company whatsoever may pay any unpaid Condominium Contributions, levy or assessment with respect to a Unit, and upon such payment being made, such person, firm or company shall have a first, paramount lien, subject to the estates or interests hereinbefore mentioned, and shall be entitled to file a caveat in respect of the amount so paid on behalf of the Owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this provision;
- C. Notwithstanding any other term, condition or provision herein contained or implied, all unpaid Condominium Contributions, levy or assessment shall be 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, and the Corporation shall be entitled to recover its Legal Costs on a full indemnity basis.
- D. The Board may, by resolution, accelerate all payments in the balance of the budgetary year from any Owner in arrears, and all such payments shall become due and payable forthwith and may be collected in the manner as set out in these Bylaws, including all Legal Costs of the Corporation on a full indemnity basis.
- E. Where there are any monies owed to the Corporation by an Owner, notwithstanding any direction by the Owner, unless otherwise resolved by resolution of the Board, any payments made by an Owner shall be applied firstly to any costs or expenses (including Legal Costs or otherwise) incurred by the Corporation, thereafter to any interest owing and lastly to the Condominium Contributions (including any Special Assessment) due to the Corporation.

84. COLLECTION OF CONTRIBUTIONS

- A. The Board, may require the payment of Condominium Contributions by monthly installments due on or before the first day of each month during the fiscal year for which such assessment is made and in that regard, may require either post-dated cheques or monthly electronic debit of the Owner's bank account. Upon notice, the Owner shall provide such post-dated cheques or execute any and all necessary forms required for such electronic debit.

In the event an Owner is in arrears of payment of Condominium Contributions for a period in excess of thirty (30) days, or has been in default of payment of Condominium Contributions more than two (2) times in each calendar year, the Board may by resolution in writing, and on written notice to any Owner, accelerate the full amount of Condominium Contributions due for the balance of the calendar year, and require payment on an accelerated basis from such Owner within thirty (30) days.

85. VIOLATION OF BYLAWS

- A. Any Municipal Bylaws of the City of Edmonton shall apply to the Owners. Municipal (Bylaw) Enforcement Officers are hereby authorized to enforce the City of Edmonton Bylaws affecting the Common Property or any Unit.
- B. Any infraction, violation or default of the Act or these Bylaws or any resolutions established pursuant to these Bylaws by an Owner, his servants, agents, licensees, invitees or Tenants may be corrected, remedied or cured by the Corporation (including without restriction: actions, damages, sanctions, or injunctive relief) and any legal costs, fines, costs or expenses expended or incurred by the Corporation in correcting, remedying or curing such infraction, violation or default shall be charged to such Owner and shall be added to and become part of that Owner's assessment and shall bear interest at the rate of Eighteen percent (18%) per annum, compounded annually until paid. The Board may impose sanctions (including monetary sanctions) as set out in Schedule "A".
- C. Any dispute between the Corporation and any person or corporation, respecting any matter arising under the Act or the Bylaws may, with the agreement of the parties to the dispute, be referred to alternative dispute resolution as provided in Section 69 of the Act.

86. RECOVERY OF COSTS

The Corporation may recover from an Owner any sum of money, including costs on a Legal Costs basis, which the Corporation is required to expend as a result of any act or omission by an Owner, the Owner's employees, agents, licensees, invitees or tenants which includes but is not limited to Bylaw violations or any resolutions established pursuant to these Bylaws and there shall be added to any judgment all costs of such action including full indemnification for Legal Costs. Nothing herein shall be deemed to limit any right of any Owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies.

87. TRAFFIC SPEED AND DIRECTIONAL CONTROL

All Owners, tenants or occupiers shall observe and abide by all rules and regulations established from time to time by the Board for the safe and orderly flow of traffic in or on the Parcel including, without limiting the generality of the foregoing speed limits, restricted parking, emergency access routes, and directional controls.

88. CHANGE OF LEGISLATION

Should the Act in the future change, then these Bylaws shall, in the future, adopt any and all changes to the Act and specifically adopt those changes to the Act which are required to be adopted to enable the Corporation to operate, at all times, within the full power of the Act and to use all remedies available to it pursuant to the Act.

89. PURPOSE OF BYLAWS

These Bylaws have been enacted for the following purposes:

- A. To create a contractual agreement between the Owners in accordance with s. 32(6) of the Act;
- B. To provide for the health and safety of the Owners;
- C. To maintain the Common Property and Units in such a manner as to preserve property values;
- D. To provide for the peace, comfort and convenience of the Owners; and
- E. To develop a sense of community amongst the Owners.

90. COMPANY REPRESENTATIVES

A Company owning a Unit may, by proxy, Power of Attorney or Resolution of its Directors, appoint such person as it thinks fit to act as its representative and to attend meetings of the Corporation and vote at such meetings on behalf of the Company. The representative shall only be entitled to so act if notice, in writing, accompanied by the Proxy, Power of Attorney or Resolution of the Directors of the Company, has been given to the Corporation.

91. COOPERATION BETWEEN THE OWNERS OF COMMERCIAL UNITS AND RESIDENTIAL UNITS (AND ALTERNATIVE DISPUTE RESOLUTION)

- A. A positive duty is hereby imposed on the Owners of the Residential Units to deal with the Owners of the Commercial Units as if they were respectively the Landlords and the Tenants of a First Class commercial property. Particulars of this duty include:
 - i. Recognition of the need for the economic well-being of the enterprises conducted within the premises of the Commercial Units;
 - ii. Willingness to disregard trivial annoyances arising from the conduct of commercial operations within and about the premises of the Commercial Units; and,

- iii. Acceptance of the promotion of “Phillips Lofts” as a Location for the Owners of the Commercial Units, to carry on commercial operations.
- B. A positive duty is hereby imposed on the Owners of the Commercial Units to deal with the Owners of the Residential Units as if they were fellow homeowners. Particulars of this duty include:
- i. Recognition of the right to the privacy of others and decorum in conduct; and,
 - ii. Willingness to accept reasonable restrictions on the direct or indirect conduct of business operations from the Commercial Units.
- C. If differences arise between the Owners of the Commercial Units and the Corporation, or between the Owners of the Commercial Units and Owners of the Residential Units and the Corporation, prior to any party initiating any litigation in the courts, the parties to any dispute which cannot be reconciled as between the parties, shall use the alternate dispute resolution procedure outlined in s. 69 of the Act.
- D. Arbitration shall be invoked by notice in writing, and the Arbitrator is hereby empowered to decide:
- i. all questions of time for and manner of giving notice to the other party;
 - ii. the place and time for the making of submissions, hearing argument or presentations, or any other matter or step required to be taken;
 - iii. the merits of the matter in question;
 - iv. the adjudication or disposition of the matter in question; and
 - v. allocation of the costs of the arbitrator's involvement, subject to such terms as were agreed upon with the Arbitrator at the time the Arbitrator consented to act.

Schedule “A” attached hereto is specifically incorporated into and forms part of these Bylaws.

SCHEDULE "A"

SANCTIONS AND PENALTIES

Other than in relation to parking offences or offences in relation to garbage removal which do not require any notice, prior to the imposition of any other monetary sanction, a ten (10) day written notice of the Bylaw violation must be given to the party offending or operating in breach of these Bylaws (the "Offender). If the Offender does not remedy the offense within the time frame outlined in the notice, or rectify the breach of the Bylaw, then:

- 1 the Offender shall pay a monetary penalty in an amount as determined by the Board in writing and acting reasonably, between the range of One (\$1.00) Dollar and One Hundred (\$100.00) Dollars to the Corporation for the first Bylaw infraction;
- 2 on the second infraction of any Bylaw, the Offender shall pay a monetary penalty in an amount as determined by the Board in writing and acting reasonably, between the range of One (\$1.00) Dollar and Two Hundred (\$200.00) Dollars, to the Corporation;
- 3 on the third or any subsequent violation of any Bylaw, the Offender shall pay an amount as determined by the Board in writing and acting reasonably, between the range of One (\$1.00) Dollar and Five Hundred (\$500.00) Dollars;
- 4 upon more than three (3) infractions of any one of the Bylaws, if the Offender does not comply with the written notices from the Corporation, the Board may apply to the courts to revoke the privileges associated with any of the Bylaws, including revocation of the exclusive use of any Maintenance Area which is being used by an offending Owner and to which the offence applies, and may also seek injunctive relief;
- 5 The imposition of any monetary penalty does not relieve any Owner of the responsibility to comply with the Bylaws and to reimburse the Corporation for any damage to the Common Property arising from any act, omission or negligence of the Owner or the failure of the Owner to comply with these Bylaws, including Legal Costs.