

(v) if he be absent from three (3) consecutive meetings of the Board without leave and his co-board members resolve at two (2) meetings of the Board held a least seven (7) days apart that his office be vacated;

(vi) if he ceases to be an Owner;

7. Casual Vacancy

Any casual vacancy of the Board may be filled by the remaining members of the Board for the remainder of the term vacated, by the appointment of any person eligible for nomination and election to the Board.

8. Quorum

Except where there is only one (1) Owner, a quorum of the Board is:

(a) two (2) where the Board consists of four (4) or less members;

(b) three (3) where the Board consists of five (5) or six (6) members; and

(c) four (4) where the Board consists of seven (7) members;

Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due notice of the meeting.

9. Officers

At its initial meeting the Board shall elect from its members a president, vice-president, secretary and treasurer to be the officers of the Corporation. The duties of the officers shall be as determined by the Board from time to time but without limiting the generality of the foregoing, the following shall apply:

(a) The president, and in his absence or disability the vice-president, shall be charged with the general organization of the business and affairs of the Corporation and shall act as chairman at meetings of the Board and the chairman shall at such meetings have a casting as well as original vote;

(b) The secretary, and in his absence or disability, such officer or director as may be appointed by the Board shall accurately keep all necessary minutes and shall have charge of all correspondence of the Corporation and

be under the direction of the president and the Board. The secretary shall also keep the records of the Corporation and shall send all notices as required;

- (c) The treasurer shall receive all monies paid to the Corporation and shall be responsible to deposit same in whatever bank the Board may order. He shall properly account for the funds of the Corporation and keep such books as may be directed. He shall present a full detailed account of receipts and disbursements to the Board whenever requested and shall prepare for submission to the annual meeting, a duly audited statement and shall submit a copy of same to the secretary for the records of the Corporation.

The office of the secretary and treasurer may be filled by one person if an annual meeting for the election of officers shall so decide. All offices may be filled by one person where there is only one (1) owner.

Each officer so elected shall hold his office until the earlier of the conclusion of the next annual general meeting of the Corporation or his office is vacated as herein provided.

The office of an officer is ipso facto vacated if:

- (a) he ceases to be a member of the Board; or
- (b) he resigns his office as officer (though not as a member of the Board) by notice in writing to the Corporation.

Where the office of an officer is vacated, the Board may appoint one of its members to fill that office until the conclusion of the next annual general meeting of the Corporation.

10. Majority Vote

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

11. Written Resolutions

A resolution of the Board in writing signed by all of the members shall be as effective as a resolution passed at a meeting of the Board duly convened and held.

12. Seal

The Corporation shall have a seal which shall at no time be used except as authorized by resolution of the Board and in the presence of at least two (2) member of the Board, who shall sign the instrument to which the seal is affixed (except there

there is only one member of the Board representing the sole Owner of all Units in which case such member may sign alone under seal).

13. Signing Authority

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

14. The Board may:

Board Meetings

- (a) meet together for the conduct of its 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 him, specifying the reason for calling the meeting;

Employ Agents

- (b) employ for and on behalf of the Corporation such agents and servants as it thinks fit in connection with the control, management and administration of the Common Property and the exercise and performance of the powers and duties of the Corporation;

Delegate Powers

- (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 delegations;

Management Contracts

- (d) contract with any person or corporation for the management or caretaking of the Common Property or other property of the Corporation for such period and upon such terms and conditions as the Board may deem expedient and may delegate, subject to the provisions of The Act, all of its powers and duties concerning such management or caretaking. Such person or corporation shall be bonded by a recognized bonding institution for at least one (1) years' projected expenditures unless otherwise decided by Ordinary Resolution;

Reserves

- (e) provide for such cash reserves for the replacement or repair of capital assets and improvements and for operational reserves as it deems desirable from time to time;

Rules and Regulations

- (f) make such reasonable rules and regulations as the Board may deem necessary from time to time to facilitate the performance of its objects and duties;

Visitor Parking

- (g) designate and at all times maintain such portions of the Common Property as it deems appropriate for visitor parking exclusively;

Exercise Powers

- (h) exercise all of the rights, powers and duties conferred on the Corporation by the Act and the By-laws of the Corporation;

15. The Board shall:

Minutes

- (a) cause minutes to be kept of its proceedings;

Minutes at General Meetings

- (b) cause minutes to be kept of general meetings;

Books of Account

- (c) cause proper books of account to be kept in respect of all sums of money received and expended by it and all matters in respect of which such receipt and expenditures take place;

Corporation Accounts

- (d) maintain proper accounts and financial records relating to all assets, liabilities and equity of the Corporation and the income and expenditure thereof;

Audit

- (e) unless and except as otherwise resolved by Special Resolution of the Corporation, at least once in every year cause the books and accounts of the Corporation to be audited by a Chartered Accountant or Certified

General Accountant and submit the report of the auditor to the annual general meeting of the Corporation with the cost of such audit being an obligation of the Corporation;

Access to Records

- (f) on application of an Owner or Mortgagee or any person authorized in writing by one of them, make the books of account and all minutes of the meetings of the Corporation and the meetings of the Board available for inspection at all reasonable times, and further provide to any Mortgagee who makes specific request thereof copies of all minutes of all meetings of the Corporation and the Board;

Details of Contributions

- (g) on the application of an Owner or a person authorized in writing by him, or by a Mortgagee, provide the certificate required to be provided under Section 31(3) of the Act (or any section in substitution therefor);

Assessments

- (h) cause to be assessed to each Owner, in proper proportion, his contribution towards Common Expenses and enforce payment of same;

Notice to Mortgagees

- (i) cause copies of any notice of default sent to an Owner to be sent to all those Mortgagees holding registered mortgages of such Owner's Unit who have notified the Corporation of their mortgages;

Notice of Board Membership

- (j) within fifteen (15) days of a person becoming or ceasing to be a member of the Board, file at the Land Titles Office a notice in the prescribed form stating the name and address of that person and the day that person became or ceased to become, as the case may be, a member of the Board;

Information

- (k) upon the written request of an Owner, purchaser or Mortgagee of a Unit provide the particulars and materials required to be provided under Section 36 of the Act (or any section passed in substitution therefore).

PART VI
MEETINGS

16. Procedure

- (a) All meetings of the Board and general meetings shall be conducted according to parliamentary rules of procedure;

Extraordinary General Meetings

- (b) All general meetings other than annual general meetings shall be called extraordinary general meetings.

17. Convene Extraordinary General Meetings

The Board may, whenever it thinks fit, and shall upon a requisition in writing made by persons entitled to vote representing twenty five (25%) per cent of the total Unit Factors for Units, convene an extraordinary general meeting. The Board will convene annual general meetings as and whenever required by the provisions of the By-laws.

18. Notice of Meetings

Seven (7) days' notice of every general meeting specifying the place, the date and the hour of the meeting and, in the case of special business, the general nature of that business shall be given to all Owners and registered first Mortgagees who have notified their interests to the Corporation but accidental omission to give that notice to any Owner or to any registered first Mortgagee or non-receipt of that notice by any Owner or any first Mortgagee does not invalidate any proceedings at any such meetings.

19. Notice of Business

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

20. Quorum at General Meetings

Except as otherwise provided in these By-laws, no business shall be transacted at any meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business. Persons entitled to vote present in person or by proxy representing no less than one-third (1/3) of the Unit Factors constitute a quorum at any general meeting.

21. Procedure if no Quorum

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

22. Order of Business

- (a) At the commencement of a general meeting the chairman of the meeting shall be elected (if required) and shall take the chair and declare the meeting open;
- (b) The order of business at general meetings and, as far as practical at all extraordinary meetings shall be:
 - (i) calling of the roll and certifying of proxies and Unit Factors of voters;
 - (ii) proof of notice of meeting or waiver of notice;
 - (iii) reading and disposal of any unapproved Minutes;
 - (iv) reports of officers;
 - (v) reports of committees;
 - (vi) election of Board members, if necessary;
 - (vii) unfinished business;
 - (viii) consideration of accounts;
 - (ix) new business;
 - (x) adjournment.

23. Show of Hands

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

24. Taking of Poll

A poll, if demanded, shall be taken in such manner as the Chairman thinks fit and the result of the poll shall be deemed to be the resolution of the meeting at 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 the meeting is entitled to a casting vote in addition to his original vote.

26. Number of Votes

On a show of hands each person entitled to vote shall, subject to the provisions of the next following paragraph, 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 or Unanimous Resolution all matters shall be determined by a simple majority vote.

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 and voting may indicate that he is showing hands with respect to a number of votes, provided that his proxy is in order, and the votes shall be so counted.

28. Proxy

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

29. Restrictions on Voting

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

- (a) Such restrictions, if any, as are set out in the Act;
- (b) Where an Owner's interest in a Unit is subject to a registered mortgage notice of which mortgage has been given to the Corporation, a power of voting conferred upon such Owner by the Act or by these By-laws;
 - (i) if a Unanimous Resolution is required, may not be exercised by the Owner, but is exercisable by the registered Mortgagee first entitled to priority; and,

- . (ii) in other cases, is exercisable by the Mortgagee first entitled in priority and may not be exercised by the Owner, if the mortgagee is present personally or by proxy;
 - . and this provision shall apply whether or not Section 21 of the Condominium Property Act continues in force in its form at the time of the registration of the condominium plan, unless the Condominium Property Act is amended to provide otherwise;
 - (c) Except where by the Act a Unanimous Resolution is required, no Owner shall be entitled to vote at any general meeting if he shall be more than thirty (30) days in arrears in paying to the Corporation contributions levied in respect of his Unit, provided that such inability on the part of the Owner shall not in any way effect the ability of a first registered Mortgagee of the Owner's Unit who has given notice of his interest to the Corporation and whose mortgage was registered prior to the occurrence of the Owner's arrears from exercising voting privileges for his Unit.
30. Vote by Co-Owners
- (a) On a show of hands, all co-owners of a Unit together shall be entitled to a single vote only;
 - (b) Where all co-owners of a Unit jointly appoint a proxy the single vote (on a show of hands) of the co-owners of that Unit, shall be voted by that proxy. Where all co-owners of a Unit do not jointly appoint a proxy, then on a vote by show of hands being called, any such co-owner may demand that a poll be taken, and in default of such demand, such co-owner shall be deemed to have agreed not to vote;
 - (c) On a poll being taken, each co-owner of a Unit shall be entitled to that proportion of the Unit Factor of the relevant Unit as is proportionate to the co-owner's beneficial interest in that Unit. The co-owner's said proportion of the Unit Factor of the Unit may be voted either personally by the Co-owner, or by his proxy duly appointed.

31. Vote When Successive Interests

Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest is alone entitled to vote, whether on a show of hands or a poll, and this By-law is applicable whether by The Act the Unanimous Resolution of the Owners is required or not.

32. Vote of Trustee

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

33. Signed Resolution

Subject to the provisions of the Condominium Property Act, any resolution of the Corporation determined upon or made without a general meeting and evidenced by writing, signed in person or by proxy by all the persons who at a properly convened meeting of the Corporation would be entitled to exercise the powers of voting under the Act and these By-laws, including registered Mortgagees who have notified their interest to the Corporation, and who together represent the total Unit Factors for all Units, shall be as valid and effectual as a resolution duly passed at a meeting of the Corporation and shall take effect as and be both a Unanimous and a Special Resolution.

PART VII

INSURANCE

34. Insurance Requirements

The Corporation shall obtain and maintain at all times to the extent obtainable, insurance on all the Units (including the bathroom and kitchen fixtures initially installed therein but excluding all improvements and betterments of a permanent nature made by Unit Owners, furnishings, appliances and other property brought into or installed in Units by the Unit Owner and personal property stored by the Unit Owner on the Common Property, the insuring of which shall remain the responsibility of the Unit Owner) and all the insurable Common Property and all insurable property both real and personal of any nature whatsoever of the Corporation, so far as to cover the full replacement value thereof without deduction for depreciation. Without restricting the generality of the foregoing such insurance shall insure the interests of the Corporation and the Owners from time to time with such endorsements in favour of Mortgagees as may be relevant and shall provide and include the following:

- (a) Coverage for fire, extended perils and such other perils as from time to time the Board may deem advisable;
- (b) Waivers of subrogation and any and all liability or responsibility against the Corporation, its Manager or Managers as the case may be, agents, employees, and servants, all Owners and any member of the household, or

guests of any Owner and all persons occupying a Unit with the Owner's permission including tenants and any person claiming through or under any of them;

- (c) A waiver of the insurer's option to repair, rebuild or replace in the event that after damage the government of the property by the Act is terminated;
- (d) Coverage to the full replacement value of all Buildings and other fixed improvements comprising the Condominium and all chattels and other property belonging to the Corporation or forming part of the Common Property;
- (e) Coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution of the Corporation;
- (f) Provision that no breach of any statutory condition or other condition of any policy by any Unit Owner or the Corporation shall invalidate the insurance or forfeit the insurance and in the event of such breach by any Unit Owner or the Corporation the insurance may only be subject to forfeiture or defense of breach of condition insofar as the separate interest of the person or party in breach are concerned and only upon the insurer establishing that the loss was caused by or contributed to by the breach of the statutory condition or other condition;
- (g) Waivers by the insurer of invalidity arising from any acts or omissions of Unit Owners or the Corporation which may affect the right of one or another to recover and of any rights of subrogation against the Corporation and the Owners, or any of them;

No policy placed by the Corporation shall have any requirement for co-insurance on the part of the Corporation or any other insured party.

The Corporation shall also obtain and maintain bodily injury, property damage and personal injury liability insurance indemnifying the Corporation, its officers, members, agents and employees while acting within the course and scope of their duties as such against liability to third parties or to the Owners and their invitees, licencees or tenants. Limits of liability under such insurance shall not be less than Two Million (\$2,000,000.00) Dollars for any one accident or occurrence. The policy or policies shall provide cross liability indemnity whereby the insurance shall indemnify each insured as if a separate policy had been issued to each, subject to the applicable limit of liability applying in any one accident or occurrence.

The limits of coverage of policies of insurance obtained and maintained by the Corporation shall be reviewed at least annually by the Board and increased in its discretion.

Nothing in this paragraph 34 shall restrict the right of Unit Owners to obtain and maintain insurance of any kind in respect of the ownership or use or occupation of their Unit or their personal liability as permitted by the Act or as permitted by law; provided that the liability of the insurers issuing insurance obtained by the Board shall not be affected or diminished by reason of insurance carried by a Unit Owner. In no event shall the insurance coverage obtained and maintained by the Board be brought into contribution with insurance purchased by Owners or their Mortgagees.

The Board on behalf of the Corporation shall cause a separate loss payable endorsement to be issued in respect of any policies issued pursuant to this By-law in favour of the Insurance Trustee.

Subject to the provisions of the Act which shall govern in all circumstances, insurance proceeds realized under any policy of insurance obtained and maintained by the Corporation and insuring against fire and any other supplemental perils or against boiler damage shall be paid as follows:

- (a) If the proceeds are less than Five Thousand (\$5,000.00) Dollars, to the corporation which shall apply such proceeds to the repair and restoration of the damage or loss;

If the proceeds are equal to, or in excess of Five Thousand (\$5,000.00) Dollars, to the Insurance Trustee who shall apply such proceeds to the repair and restoration of the damage or loss (save as hereinafter provided).

In the event that it is resolved by Unanimous Resolution of the Corporation or is ordered by a Court of competent jurisdiction that the Corporation shall not repair or restore the damage or that the Corporation shall be then terminated as to some or all Units then the Insurance Trustee shall firstly apportion the proceeds between the Owners whose Units or Common Property interests (or both) are affected by the loss or damage and the Corporation (as their interests may appear) and secondly shall pay such proceeds as follows:

1. First to the Mortgagees of all Units that are affected by the damage as their interests may appear and to the extent loss is apportioned to the respective Units (the Mortgagees' priorities to accord with their priorities as encumbrancers of the respective Units);