

PETERBOROUGH STANDARD CONDOMINIUM CORPORATION NO. 75

BY-LAW NO. 1

Be it enacted as a By-Law of Peterborough Standard Condominium Corporation No. 75 (hereinafter referred to as the "Corporation") as follows:

ARTICLE I

DEFINITIONS

Unless otherwise specifically defined herein, the terms used herein shall have ascribed to them the definitions contained in the *Condominium Act, 1998*, S.O. 1998, c. 19, and any amendments thereto, (hereinafter called the "Act") and the Declaration. Any reference to the Act herein shall, where the context so requires, be deemed to include the regulations promulgated thereunder.

ARTICLE II

SEAL

The corporate seal of the Corporation shall be in the form impressed hereon.

ARTICLE III

RECORD

The Corporation shall maintain a record (hereinafter called the "Record") respecting the property which shall note the name and address for service of each owner of a unit and each mortgagee of a unit whose mortgage entitles the mortgagee to vote at a meeting of owners. Only those mortgagees who have notified the Corporation in writing of their right to vote and their address for service and those owners who have notified the Corporation in writing of their name and address for service shall be noted on the Record. The Corporation shall use the record solely for the purposes of the Act. The address of each owner shall be the address of his/her unit and the address of each mortgagee shall be the address shown for him/her on his/her mortgage registered in the applicable land registry office, unless the Corporation is given notice of a different address by such owner or mortgagee. Any owner or mortgagee whose name is in the Record shall notify the Corporation in writing of all changes in their address for service.

ARTICLE IV

MEETINGS OF OWNERS

1. **Meetings** - Subject to the requirements of the Act, anything that is required to be approved by a vote of any of the owners shall be approved only at a meeting of the owners duly called for that purpose.
2. **Meeting Called by First Board** - The First Board (as hereinafter defined) shall call and hold a meeting of owners by the later of the thirtieth (30th) day after the day by which the Declarant has transferred twenty per cent (20%) of the units in the Corporation and the ninetieth (90th) day after the Declarant transfers the first unit in the Corporation (the "First Meeting of Owners"). The First Board is not required to call the First Meeting of Owners, if, by the day set for the meeting, the Declarant no longer owns a majority of the units and so advises the First Board in writing as a Notice to the First Board. At the First Meeting of Owners, the owners, other than the Declarant, may elect two additional directors to the First Board (the "Additional Directors").
3. **Quorum** - At the First Meeting of Owners, the quorum for the election of the Additional Directors is those owners who own twenty-five per cent (25%) of the units in the Corporation not owned by the Declarant. To count towards the quorum, an owner must have been entitled to receive notice of the First Meeting of Owners, must be entitled to vote at a meeting and shall be present at the meeting or represented by proxy.
4. **Increased Number of Directors** - Any Additional Directors elected to the First Board in accordance with Paragraph 2 of this Article IV shall hold office in addition to those directors appointed to the First Board in accordance with Paragraph 1 of Article VI, even if the addition of any Additional Directors results in more directors on the First Board than the Declaration or the by-laws of the Corporation allow.
5. **Turnover Meeting** - The board of directors elected or appointed at a time when the Declarant owns a majority of the units (the "First Board") shall, not more than twenty-one (21) days after the Declarant ceases to be the registered owner of a majority of the units, call a meeting (the "Turnover Meeting") of the owners to elect a new board of directors (the "New Board", and the term "Board" as hereinafter defined shall also include the New Board) in accordance with Paragraphs 2 and 3 of Article VI, and such meeting shall be held within twenty-one (21) days after the calling of the meeting. If the Turnover Meeting is not called within such time, any owner or mortgagee

PETERBOROUGH STANDARD CONDOMINIUM CORPORATION NO.

BY-LAW NO. 1

Be it enacted as a By-Law of Peterborough Standard Condominium Corporation No. ____
(hereinafter referred to as the "Corporation") as follows:

ARTICLE I

DEFINITIONS

Unless otherwise specifically defined herein, the terms used herein shall have ascribed to them the definitions contained in the *Condominium Act, 1998*, S.O. 1998, c. 19, and any amendments thereto, (hereinafter called the "Act") and the Declaration. Any reference to the Act herein shall, where the context so requires, be deemed to include the regulations promulgated thereunder.

ARTICLE II

SEAL

The corporate seal of the Corporation shall be in the form impressed hereon.

ARTICLE III

RECORD

The Corporation shall maintain a record (hereinafter called the "Record") respecting the property which shall note the name and address for service of each owner of a unit and each mortgagee of a unit whose mortgage entitles the mortgagee to vote at a meeting of owners. Only those mortgagees who have notified the Corporation in writing of their right to vote and their address for service and those owners who have notified the Corporation in writing of their name and address for service shall be noted on the Record. The Corporation shall use the record solely for the purposes of the Act. The address of each owner shall be the address of his/her unit and the address of each mortgagee shall be the address shown for him/her on his/her mortgage registered in the applicable land registry office, unless the Corporation is given notice of a different address by such owner or mortgagee. Any owner or mortgagee whose name is in the Record shall notify the Corporation in writing of all changes in their address for service.

ARTICLE IV

MEETINGS OF OWNERS

1. **Meetings** - Subject to the requirements of the Act, anything that is required to be approved by a vote of any of the owners shall be approved only at a meeting of the owners duly called for that purpose.
2. **Meeting Called by First Board** - The First Board (as hereinafter defined) shall call and hold a meeting of owners by the later of the thirtieth (30th) day after the day by which the Declarant has transferred twenty per cent (20%) of the units in the Corporation and the ninetieth (90th) day after the Declarant transfers the first unit in the Corporation (the "First Meeting of Owners"). The First Board is not required to call the First Meeting of Owners, if, by the day set for the meeting, the Declarant no longer owns a majority of the units and so advises the First Board in writing as a Notice to the First Board. At the First Meeting of Owners, the owners, other than the Declarant, may elect two additional directors to the First Board (the "Additional Directors").
3. **Quorum** - At the First Meeting of Owners, the quorum for the election of the Additional Directors is those owners who own twenty-five per cent (25%) of the units in the Corporation not owned by the Declarant. To count towards the quorum, an owner must have been entitled to receive notice of the First Meeting of Owners, must be entitled to vote at a meeting and shall be present at the meeting or represented by proxy.
4. **Increased Number of Directors** - Any Additional Directors elected to the First Board in accordance with Paragraph 2 of this Article IV shall hold office in addition to those directors appointed to the First Board in accordance with Paragraph 1 of Article VI, even if the addition of any Additional Directors results in more directors on the First Board than the Declaration or the by-laws of the Corporation allow.
5. **Turnover Meeting** - The board of directors elected or appointed at a time when the Declarant owns a majority of the units (the "First Board") shall, not more than twenty-one (21) days after the Declarant ceases to be the registered owner of a majority of the units, call a meeting (the "Turnover Meeting") of the owners to elect a new board of directors (the "New Board", and the term "Board" as hereinafter defined shall also include the New Board) in accordance with Paragraphs 2 and 3 of Article VI, and such meeting shall be held within twenty-one (21) days after the calling of the meeting. If the Turnover Meeting is not called within such time, any owner or mortgagee

entitled to vote under section 48 of the Act may call the Turnover Meeting. At the Turnover Meeting, the Declarant or its agents shall give to the New Board all items specified in subsection 43(4) of the Act. Within thirty (30) days after the Turnover Meeting, the Declarant shall deliver to the New Board all items listed in subsection 43(5) of the Act. In addition, pursuant to section 43(7) of the Act, within sixty (60) days after the Turnover Meeting, the Declarant shall deliver to the New Board, at the expense of the Corporation, audited Financial Statements (as hereinafter defined) of the Corporation prepared as of the last day of the month in which the Turnover Meeting is held.

6. Annual General Meeting - The first annual general meeting of owners shall be held not more than three (3) months after the registration of the Declaration and Description and subsequent annual general meetings shall be held within six (6) months of the end of each fiscal year of the Corporation. The annual general meeting shall be held at such place within the Township of North Kawartha, or at such other place as determined by the Board (hereinafter called the "Municipality"), at such time and on such day in each year as the Board may from time to time determine, for the purpose of hearing and receiving the reports and statements required by the Act and by-laws of the Corporation to be read at and laid before the owners at an annual meeting; electing directors; appointing the Auditor (as hereinafter defined), fixing or authorizing the directors to fix the Auditor's remuneration of in accordance with Article IX and for the transaction of such other business as may properly be brought before such meeting.

7. Other Meetings - The Board may at any time call a meeting of owners for the transaction of any business to be held at such time and at such place within the said Municipality as may be determined by the Board.

8. Requisition for Meeting - A requisition for a meeting of owners (an "Owners' Requisition") may be made by owners of the Corporation who together (i) own at least fifteen per cent (15%) of the units; (ii) are listed in the Record; and (iii) are entitled to vote. An Owners' Requisition shall be in writing and signed by the requisitionists, state the nature of the business to be presented at the meeting and be delivered personally or by registered mail to the President or Secretary of the Board or deposited at the address for service of the Corporation. If the nature of the business to be presented at the meeting includes the removal of one or more directors, the requisition shall state, for each director who is proposed to be removed, the name of the director, the reasons for the removal and whether the director occupies the Reserved Position (as hereinafter defined). Upon receipt of an Owners' Requisition, the Board shall,

- (a) if the requisitionists in the Owners' Requisition so request, or if the requisitionists consent in writing, add the business to be presented at the meeting to the agenda of items for the next annual general meeting; or otherwise,
- (b) call and hold a meeting of the owners of the Corporation within thirty-five (35) days of receiving the Owners' Requisition.

If the Board does not comply with (a) or (b) above, any of the requisitionists may call the meeting and in such case the meeting shall be held within forty-five (45) days of the day on which the meeting is called. Upon request, the Corporation shall reimburse a requisitionist who calls a meeting pursuant to this Paragraph 8 for the reasonable costs incurred in so calling the meeting.

9. Notice of Meetings - Notice of every meeting of owners shall be in writing specifying the place, the date and the hour thereof and the nature of the business to be presented and shall, not less than fifteen (15) days before the day on which the meeting is to be held, be given to the Auditor and to each owner and mortgagee who is entered on the Record twenty (20) days before the date of such meeting. In addition to the foregoing, any notice of a meeting of owners shall be accompanied by a copy of all proposed changes to the Declaration, by-laws, rules or agreements that are to be discussed at the meeting as well as a copy of any Owners' Requisition. An owner or mortgagee who attends a meeting or who is represented by proxy shall be deemed to have waived the right to object to a failure to give the required notice, unless the person expressly objects to the failure at the meeting.

10. Reports - A copy of the financial statements required under section 66(2) of the Act (the "Financial Statements") and a copy of the Auditor's annual report required under subsection 67(1) of the Act (the "Auditor's Report") shall be attached to the notice of the annual general meeting of owners. A copy of the minutes of meetings of owners and of the Board, shall, within ten (10) days of the date of each such meeting, be furnished to each such mortgagee who has requested the same.

11. Persons entitled to be present - The only persons entitled to attend a meeting of owners shall be the owners and mortgagees entered on the Record, any others entitled to vote at such meeting, the Auditor, the directors and officers of the Corporation, a representative of the property manager and others who, although not entitled to vote, are entitled or required under the provisions of the Act or the by-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

12. Quorum - Subject to any other By-law of the Corporation, at any meeting of owners, a quorum shall be constituted when persons entitled to receive notice of the meeting and to vote at the meeting and who own not less than twenty-five per cent (25%) of the units are present in person or represented by proxy at such meeting. If thirty (30) minutes after the time appointed for the holding of any meeting of owners, a quorum is not present, the meeting shall be dissolved and shall stand adjourned to the same time on the corresponding day of the next week, at such place within the said Municipality as the Board shall determine. Notice of the time, day and place of the convening of such adjourned meeting shall be given not less than three (3) days prior to the convening of such meeting, and if

thirty (30) minutes after the convening of such meeting a quorum is not present, the meeting shall be dissolved and shall stand adjourned to the same time on the corresponding day of the next week at a place as hereinbefore provided.

13. Right to Vote - No vote shall be taken at a meeting of owners on any matter other than routine procedure unless that matter was clearly disclosed in the notice of the meeting. To vote at a meeting of owners, an owner must have been entitled to receive notice of the meeting, must be entitled to vote at the meeting and must be present at the meeting or represented by proxy. If a unit or mortgage on a unit is owned by two or more persons, any one of them present or represented by proxy may, in the absence of the other or others vote, but if more than one of them are present or represented by proxy, they shall vote in the same way, failing which the vote for such unit shall not be counted. The entitlement to vote is subject to the restrictions in paragraph 18 of this Article IV. If a unit has been mortgaged, the person who mortgaged such unit (or his/her proxy) may nevertheless represent the unit at meetings and vote in respect thereof, unless the mortgagee shall notify the Corporation and the unit owner of its intention to exercise the right to vote at least four (4) days before the date of the meeting. If a unit is subject to more than one mortgage for which the mortgagee has the right to vote, only the mortgagee who has priority may exercise the right. If the mortgagee with priority fails to vote, the mortgagee next in priority may exercise the right. If none of the mortgagees exercise the right to vote, the owner has the right to vote at a meeting of owners or to consent in writing, as long as the owner was entitled to receive notice of and vote at the meeting. Any dispute over the right to vote shall be resolved by the chair of the meeting upon such evidence as he/she may deem sufficient. All voting shall be on the basis of one vote per unit. Subject to section 51 of the Act, this Paragraph 13 and Paragraph 3 of Article VI, on a vote to elect or remove a member of the Board, all owners entitled to vote may vote for each member of the Board.

14. Method of Voting - At any general or other meeting, any question shall be decided by a show of hands unless a recorded vote is demanded either prior to the vote or promptly thereafter by any person or mortgagee or person duly appointed as proxy entitled to vote at the meeting; provided, however, that unless a recorded vote is so demanded, a declaration by the chair that such question has by the show of hands been carried is prima facie proof of the fact without proof of the number or proportion of votes recorded in favour of or against such question, and provided further that a demand for a recorded vote may be withdrawn. Notwithstanding the foregoing, voting for the election of directors shall be by ballot only; and provided further that all matters required by the Act or Declaration to be determined by the vote of owners holding a stated percentage of the common elements shall be by ballot only.

15. Representatives - An executor, administrator, committee of a mentally incompetent person, guardian or trustee (and where a corporation acts in such capacity, any person duly appointed a proxy for such corporation) upon filing with the Secretary of the meeting sufficient proof of his/her appointment, shall represent the owner or mortgagee at all meetings of the owners of the Corporation and may vote in the same manner and to the same extent as such owner. If there be more than one executor, administrator, committee, guardian or trustee, the provisions of Paragraph 13 of this Article IV dealing with the right to vote shall apply.

16. Proxies - Every owner or mortgagee entitled to vote at meetings of owners may by instrument in writing appoint a proxy, who need not be an owner or mortgagee, to attend and act at the particular meeting to which the proxy relates, in the same manner, to the same extent and with the same power as if the owner or mortgagee were present at the meeting and any instrument appointing a proxy for the election or removal of a director shall state the name or the directors for and against whom the proxy is to vote. An instrument appointing a proxy shall be in the form prescribed by the Act and shall include any other information reasonably required by the Corporation. An instrument appointing a proxy that purports to be applicable to more than one (1) meeting shall be invalid. The instrument appointing a proxy shall be deposited with the Secretary of the meeting before any vote is cast under its authority. All instruments appointing a proxy shall be retained by the Corporation for 90 days following the date of the meeting in respect of which the instrument appointing a proxy was issued.

17. Votes to Govern - At all meetings of owners every question shall, unless otherwise provided by the Act, be decided by a majority of the votes by owners present at the meeting in person or by proxy, duly cast on the question.

18. Entitlement to Vote - No owner is entitled to vote at any meeting if any contributions payable in respect of his/her unit are in arrears for more than thirty (30) days prior to the meeting, unless the Corporation receives payment of the arrears before the meeting is held.

ARTICLE V

THE CORPORATION

1. Duties of the Corporation - The duties of the Corporation shall include, but shall not be limited to the following:

- (a) controlling, managing and administering the common elements and assets of the Corporation on behalf of the owners;
- (b) collecting contributions towards the common expenses from the owners;
- (c) arranging for the supply of electricity, water and other utilities to the property except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the

Corporation. If any apparatus or equipment used in effecting the supply of heat, electricity, water or other utility at any time becomes incapable of fulfilling its function or is damaged or destroyed, the Corporation shall have a reasonable time within which to repair or replace such apparatus and shall not be liable for indirect or consequential damages or for damages for personal discomfort or illness by reason of the failure to perform such duty;

- (d) obtaining and maintaining insurance for the property as may be required by the Act, the Declaration or by-laws;
- (e) repairing and restoring the common elements;
- (f) obtaining and maintaining fidelity bonds where obtainable, in such amounts as the Board may deem reasonable, for such officers and directors or employees as are authorized to receive or disburse any funds on behalf of the Corporation;
- (g) causing audits to be made after every year-end and making the Auditor's Report and Financial Statements available to the owners and mortgagees;
- (h) preparing an estimated budget in accordance with Article XI hereof;
- (i) keeping accurate accounts and sending to each owner an annual statement of income and expenditures in respect thereto and keeping such accounts open for inspection by owners;
- (j) establishing and maintaining one or more reserve funds;
- (k) taking all reasonable steps to effect compliance with the Act, the Declaration, the by-laws and the rules from time to time;
- (l) granting such temporary or permanent easements as may be required in connection with the construction of buildings upon the adjacent real property; and
- (m) arranging for the performance audit in accordance with section 44 of the Act, if necessary

2. Powers of the Corporation - The powers of the Corporation shall include, but shall not be limited to the following:

- (a) employing and dismissing personnel necessary for the maintenance and operation of the common elements;
- (b) adopting and amending rules concerning the operation and use of the property pursuant to the provisions of the Act;
- (c) employing a manager at a compensation to be determined by the Board to perform such duties and services as the Board shall authorize;
- (d) obtaining and maintaining fidelity bonds for any manager where deemed necessary by the Board, and in such a manner as the Board may deem reasonable;
- (e) investing reserve funds, provided that such investment shall be permitted by the *Trustee Act*, R.S.O. 1990, Chapter T. 23, and amendments thereto, and convertible into cash in not more than ninety (90) days;
- (f) commencing, settling, adjusting, compromising or referring to arbitration or the courts any claim or claims which may be made upon or which may be asserted on behalf of the Corporation;
- (g) subject to (i) section 56(3) of the Act; (ii) any other by-law of the Corporation; and (iii) approval of each such borrowing or loan in excess of an amount aggregating more than one month's total contribution to common expenses for any one occurrence, matter or item by the owners at a meeting duly called for that purpose: borrowing such amounts as in its discretion are necessary or desirable in order to carry out the objects and duties of the Corporation; securing any such loan by mortgage, pledge or charge of any asset of the Corporation; adding the repayment of such loan to common expenses; and delegating to such one or more of the officers and directors of the Corporation as may be designated by the directors from time to time, all or any of the powers conferred in this Subparagraph (g);
- (h) retaining and holding any securities or other property, whether real or personal, which shall be received by the Corporation, in the form received, whether or not the same is authorized by any law, present or future, for the investment of trust funds;
- (i) selling, conveying, exchanging, assigning or otherwise dealing with any real or personal property at any time owned by the Corporation at such price, on such terms, and in such manner as the

Corporation in its sole discretion deems advisable and doing all things and executing all documents required to give effect to the foregoing;

- (j) leasing any part or parts of the common elements, except such part of parts over which any owner has the exclusive use, as agent of the owners subject to the approval of each such lease by a majority of the unit owners at a meeting duly called for that purpose;
- (k) granting or transferring easements through the common elements subject to the approval of each such grant or transfer by a majority of the unit owners at a meeting duly called for that purpose;
- (l) entering into and binding the Corporation to the terms of the following agreements:
 - (i) a management agreement;
 - (ii) an insurance trust agreement; and
 - (iii) any other agreement permitted by the Act and considered necessary or desirable by the Board.

ARTICLE VI

BOARD OF DIRECTORS

1. **First Board** - Within ten (10) days after the registration of the Declaration and Description, the Declarant shall appoint the First Board of the Corporation which, subject to Paragraph 4 of Article IV shall consist of three (3) directors. The Declarant may revoke the appointment of a director to the First Board and appoint another director to hold office until the New Board is elected at the Turnover Meeting. The members of the First Board shall hold office until the New Board is elected.
2. **Election of Directors on Turnover** - At the Turnover Meeting, the owners shall elect the New Board. Until changed by a by-law, the number of directors shall be five (5) of whom a majority shall constitute a quorum for the transaction of business at any meeting of the Board. The directors of the Corporation shall be elected in rotation and shall be eligible for re-election (such board of directors as constituted from time to time hereinafter and heretofore referred to as the "Board"). Two (2) directors shall be elected to hold office for a term of one (1) year; two (2) directors shall be elected to hold office for a term of two (2) years; and one (1) director shall be entitled to hold office for a term of three (3) years. At such election, the director receiving the greatest number of votes shall hold office for the longest term and the directors receiving the next greatest number of votes shall hold office for the next longest term. Such directors, may, however, continue to act until their successors are elected notwithstanding their term of office exceeds the term prescribed herein. If more than one (1) of such directors whose terms are not of equal duration shall resign from the Board prior to the expiration of their respective terms, and shall be replaced at a meeting of owners called for that purpose, the director or directors receiving the greater votes shall complete the longest remaining terms of the resigning directors. At each annual meeting thereafter a number of directors equal to the number of directors retiring in such year shall be elected for a term of three (3) years. If directors are elected by acclamation and the terms of office to be filled are unequal, the length of the term of such directors shall be determined by drawing lots.
3. **Reserved Position on the Board** - If at least fifteen per cent (15%) of the units are owner-occupied units (as hereinafter defined) on or after the time at which the First Board is required to call the Turnover Meeting, no persons other than the owners of owner-occupied units may elect a person to or remove a person from one (1) of the positions on the Board (the "Reserved Position"). In addition, an owner of an owner-occupied unit remains entitled to vote to elect or to remove any of the other members of the Board. The director elected to the Reserved Position may be removed before the expiration of his/her term of office by a vote of the owners at a meeting duly called for that purpose where the owners of more than fifty per cent (50%) of all of the owner-occupied units in the Corporation vote for removal. An owner-occupied unit is a unit of an owner who is entitled to vote in respect of the unit at a meeting to elect or to remove a director where the unit is used for residential purposes and the owner has not leased the unit within the sixty (60) days before notice is given for the meeting, as shown by the leasing record that the Corporation is required to maintain under subsection 83(3) of the Act.
4. **Affairs of the Corporation** - The affairs of the Corporation shall be managed by the Board.
5. **Qualifications** - Each director shall be eighteen (18) or more years of age and need not be an owner of a unit in the Corporation. No person shall be a director if the person is an undischarged bankrupt or is mentally incompetent.
6. **Disqualification** - A person immediately ceases to be a director if the person becomes an undischarged bankrupt; a mentally incompetent person or a certificate of lien has been registered under subsection 85(2) of the Act against a unit owned by the person and the person does not obtain a discharge of the lien under subsection 85(7) of the Act within ninety (90) days of the registration of the lien.
7. **Consent** - A person shall not be elected or appointed as a director unless the person consents to such election or appointment. A person shall be deemed to consent to their election or appointment if they are present at the meeting when elected or appointed and they do not refuse to act as a director. A person who is not present at the meeting

may be elected or appointed if the person consents in writing to act as a director before the meeting or within ten (10) days after the meeting.

8. **Notice** - The notice of a meeting to elect one or more directors shall include the name and address of each individual who, as of the fourth day before the notice is sent, has notified the Board in writing of his/her intention to be a candidate in the election. If there is a Reserved Position on the Board, the notice of meeting shall include a statement that one position on the Board is reserved for voting by owners of owner-occupied units and a statement indicating which persons have notified the Board, as of the day before the notice is sent, that they intend to be candidates for the Reserved Position.

9. **Removal of Directors** - A director, other than the director who holds the Reserved Position and other than a director on the First Board, may be removed before the expiration of the director's term of office by a vote of the owners at a meeting duly called for the purpose where the owners of more than fifty per cent (50%) of all the units vote in favour of removal and at such meeting, the owners may elect any person qualified to be a member of the Board for the remainder of the term of the director so removed.

10. **Filling of Vacancies** - If a vacancy arises in the Board and a quorum of the Board remains in office, the remaining directors may exercise all of the powers of the Board. In addition, provided that the vacancy did not result from an increase in the number of directors and provided a quorum is present, the majority of the remaining members of the Board may appoint any qualified person to be a member of the Board to fill such vacancy until the next annual general meeting. At the annual general meeting the owners shall elect a person to fill the vacancy and that person shall hold office for the remainder of the term of the director whose position became vacant. If however, a vacancy arises and there are not enough directors remaining in office to constitute a quorum, or if the vacancy results from an increase in the number of directors, then the directors then in office shall, within thirty (30) days of losing the quorum or within thirty (30) days of the date of the by-law increasing the number of the directors, as the case may be, call and hold a meeting of owners to fill all the vacancies in the Board, and in default thereof, or if there are no directors in office, the meeting may be called by any owner who shall, upon such owner's request, be reimbursed by the Corporation for the reasonable costs incurred in calling the meeting. The directors elected as a result of an increase in the number of directors shall not act until the By-law increasing the number of directors is registered in accordance with subsection 56(9) of the Act.

11. **Calling of Meetings** - Meetings of the Board shall be held from time to time at such place and at such time and on such day as a quorum of directors or the President and any other director may determine. Written notice of any meeting so called shall specify the time and place of the holding of the meeting and the general nature of the business to be transacted and shall be given personally, by pre-paid mail, courier delivery, telegraph or electronic communication to each director not less than forty-eight (48) hours (excluding any part of a Sunday or of a holiday as defined by the *Interpretation Act* of Canada for the time being in force) before the time when the meeting is to be held, save that no notice of a meeting shall be necessary if all directors are present and none expressly object to the holding of such meeting or if those absent have waived notice of or otherwise signified in writing their consent to the holding of such meeting.

12. **Regular Meetings** - The Board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the Board fixing a time and place of regular meetings of the Board shall be given personally, by pre-paid mail, courier delivery, facsimile transmission, telegraph or other electronic communication to each director forthwith after being passed, but no other notice shall be required for any such regular meeting.

13. **Meeting by Teleconference** - A meeting of the directors may be held by teleconference or another form of communication that allows the directors to participate concurrently if all directors of the Corporation consent to the means used for holding the meeting.

14. **First Meeting of the New Board** - Provided a quorum of directors be present, the New Board may without notice hold its first meeting for the purpose of organization and the election and appointment of officers and any other general business of the Corporation immediately following the Turnover Meeting.

15. **Interest of Directors in Contracts** - No director shall be disqualified by his/her office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with any director or any firm or corporation in which any director is in any way interested be avoided, nor shall any director so contracting or having an interest in the contract, arrangement, contracting firm or corporation be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such director holding such office or of the fiduciary relationships thereby established provided that the provisions of the Act regarding disclosure of the interest and confirmation of the contract or transaction by the owners and Paragraph 17 of this Article VI are complied with.

16. **Interest of Officers in Contracts** - No officer of the Corporation who is not a director shall be disqualified by his/her office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with an officer or any firm or corporation in which any officer is in any way interested be avoided, nor shall any officer so contracting or having an interest in the contract, arrangement, contracting firm or corporation be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such officer holding such office or of the fiduciary relationships thereby established provided that the

provisions of the Act regarding disclosure of the interest and confirmation of the contract or transaction by the owners and Paragraph 18 of this Article VI are complied with.

17. Declaration of Interest by Director - It shall be the duty of every director of the Corporation who has, directly or indirectly, a material interest in any contract or transaction to which the Corporation is or is to be party, to disclose his/her interest in such contract or transaction in writing at a meeting of the directors and he/she shall at that time disclose the nature and extent of such interest and, if applicable, shall not be present during the discussion, shall not vote and shall not be counted in the quorum in respect of such contract or transaction. Where disclosure under Paragraph 17 is required by any director, the director shall make such disclosure at the first meeting of the Board after he/she becomes aware of the contract or transaction. The Board shall enter the disclosure made by a director in the minutes of the meeting of the Board at which the disclosure was made.

18. Declaration of Interest by Officer - It shall be the duty of every officer who is not a director who has, directly or indirectly, a material interest in any contract or transaction to which the Corporation is or is to be party, to disclose his/her interest in such contract or transaction at the first meeting of the Board held after the officer becomes aware of the contract or transaction or the proposed contract or transaction. The Board shall enter the disclosure made by an officer in the minutes of the meeting of the Board at which the disclosure was made.

19. Protection of Directors and Officers – Except as otherwise provided in the Act, no director or officer of the Corporation shall be liable for the acts, neglect or default of any other director or officer or for joining in any act for conformity or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited or for any loss occasioned by an error of judgment or oversight on his/her part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his/her office or in relation thereto, unless the same shall happen through the director's or officer's breach of his/her duty to act honestly and in good faith.

20. Indemnity of Directors and Officers - Every director and officer of the Corporation and his/her heirs, executors, administrators, estate trustees and other legal personal representatives shall from time to time be indemnified and saved harmless by the Corporation from and against:

- (a) any liabilities and all costs, charges and expenses that he/she sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him/her for or in respect of any act done or permitted by him/her or any omission by him/her in respect of the duties of his/her office; and
- (b) all other costs, charges and expenses that he/she sustains or incurs in respect of the affairs of the Corporation;

(all such losses set out in subsections (a) and (b) of this Paragraph 20 being hereinafter collectively referred to as "Losses")

except for any Losses incurred by any director or officer resulting from what has been adjudged to be a breach of the duty to act honestly and in good faith.

21. Standard of Care - Every director and officer of the Corporation shall exercise the powers and discharge the duties of his/her office honestly and in good faith and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

22. Liability of Directors and Officers – No director and no officer shall be found liable for a breach of the standard of care if the breach arises as a result of the director's or officer's, as the case may be, reliance in good faith upon Financial Statements of the Corporation that the Auditor, an officer or a manager represents to the director or officer as presenting fairly the financial position of the Corporation in accordance with generally accepted accounting principles or a report or opinion of a lawyer, public accountant, engineer, appraiser or other person whose profession lends credibility to the report or opinion.

ARTICLE VII

OFFICERS

1. Elected Officers - At the first meeting of the Board after each election of directors the Board shall elect from its members a President. In default of such election the then incumbent, if a member of the Board, shall hold office until his/her successor is elected. A vacancy occurring from time to time in such office may be filled by the Board from among its members.

2. Appointed Officers - From time to time the Board shall appoint or elect a Secretary and may appoint one or more Vice-Presidents, a General Manager, a Treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. The officer appointed pursuant to this Paragraph 2 may,

but need not be, a member of the Board. One person may hold more than one office and if the same person holds both the office of Secretary and office of Treasurer he/she may be known as Secretary-Treasurer.

3. **Term of Office** - In the absence of written agreement to the contrary, the Board may remove at its pleasure any officer of the Corporation.

4. **President** - The President shall, when present, preside at all meetings of the owners and of the Board and shall be charged with the general supervision of the business and affairs of the Corporation. Except when the Board has appointed a General Manager or Managing Director, the President shall also have the powers to be charged with the duties of that office.

5. **Vice-President** - During the absence of the President, his/her duties may be performed and his/her powers may be exercised by the Vice-President or if there are more than one, the Vice-Presidents in order of seniority (as determined by the Board) save that no Vice-President shall preside at a meeting of the Board or a meeting of owners who is not qualified to attend the meeting as a director or owner, as the case may be. If a Vice-President exercises any such duty or power the absence of the President shall be presumed with reference thereto. A Vice-President shall also perform such duties and exercise such powers as the Board may prescribe.

6. **General Manager** - The General Manager, if one be appointed, shall have the general management and direction, subject to the authority of the Board and the supervision of the President, of the Corporation's business and affairs and the power to appoint and remove any and all employees and agents of the Corporation not elected or appointed directly by the Board and to settle the terms of their employment and remuneration.

7. **Secretary** - The Secretary or Assistant Secretary, if one has been appointed, shall give or cause to be given all notices required to be given to the owners, directors, Auditor, mortgagees and all others entitled thereto; he/she shall attend all meetings of the directors and of the owners and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meeting; he/she shall be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation and he/she shall perform such other duties as may from time to time be prescribed by the Board.

8. **Treasurer** - The Treasurer shall keep or cause to be kept full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation and under the direction of the Board shall control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he/she shall render to the Board at the meeting thereof or whenever required of him/her an account of all his/her transactions as Treasurer and of the financial position of the Corporation; and he/she shall perform such other duties as may from time to time be prescribed by the Board. The offices of Secretary and Treasurer may be combined.

9. **Other Officers** - The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them. Any one of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the Board otherwise directs.

10. **Agents and Attorneys** - The Board shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

ARTICLE VIII

BANKING ARRANGEMENTS & CONTRACTS

1. **Banking Arrangements** - The banking business of the Corporation or any part thereof shall be transacted with such bank or trust company as the Board may designate, appoint or authorize from time to time by resolution and all such banking business or any part thereof shall be transacted on the Corporation's behalf by such one or more officers or other persons as the Board may designate, direct or authorize from time to time by resolution and to the extent therein provided, including, without restricting the generality of the foregoing, the operation of the Corporation's accounts, the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders relating to any property of the Corporation; the execution of any agreement relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such bank or trust company to do any act or thing on the Corporation's behalf to facilitate such banking business.

2. **Execution of Instruments** - Deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by the President or a Vice-President together with the Secretary or any other director. Any contract or obligation within the scope of any management agreement entered into by the Corporation may be executed on behalf of the Corporation in accordance with the provisions of such management agreement. Notwithstanding any provisions to the contrary contained in the by-laws of the Corporation, the Board may at any time and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, contract or obligation or any class of deeds, transfers, contract or obligations of the Corporation may or shall be signed.

3. **Execution of Certificate under Subsection 1 of Section 76 of the Act** - Certificates provided pursuant to subsection 76(1) of the Act may be signed by any officer or any director of the Corporation, provided that the Board may by resolution direct the manner in which, and the person by whom, such certificate may or shall be signed.

ARTICLE IX

FINANCIAL

1. **Year End** - Until otherwise resolved by the Board, the financial year of the Corporation shall end on the last day of the month in each year which is the month in which the Declaration is registered, or on such other day as the Board by resolution may determine.
2. **Appointment of Auditor** – The owners shall, at the first annual general meeting, appoint one or more persons qualified to be auditors (such person or persons hereinafter and heretofore collectively referred to as the “Auditor”) to hold office until the close of the next annual meeting, and if the owners fail to do so, the Board shall make such appointment(s) as expeditiously as possible. Subject to subsection 60(5) of the Act, at each subsequent annual general meeting, the owners shall appoint an Auditor to hold office until the close of the next annual general meeting. If this is not done, the Auditor in office shall continue in office until a successor is appointed. The Corporation shall give notice in writing to the Auditor of his/her appointment immediately after such appointment is made.
3. **Remuneration of Auditor** – The remuneration of an Auditor appointed by the owners shall be fixed by the owners, or by the Board if authorized to do so by the owners, but the remuneration of an Auditor appointed by the Board shall be fixed by the Board.

ARTICLE X

NOTICE

1. **Notice to Owners** – Unless otherwise specifically provided for herein, in the Declaration or in the by-laws, any notice (other than a notice of a meeting of owners), communication or other document, including budgets and notices of assessments required to be given or delivered by the Corporation to the owners shall be given to such owners whose names appear on the Record five (5) days before the day the notice is given.
2. **Service of Notice on Owner**- Any notice that is required to be given to an owner shall be sufficiently given if in writing and,
 - (a) delivered to the owner personally;
 - (b) mailed by prepaid mail in a sealed envelope addressed to the owner at the address noted in the Record;
 - (c) sent by facsimile transmission, electronic mail or any method of electronic communication if the owner agrees in writing that the party giving notice may do so in that manner; or
 - (d) delivered at the owner’s unit or unit mail box, provided that notice shall not be delivered to the owner’s unit or unit mail box if:
 - (i) the owner has provided a written request that notice not be given in this manner; or
 - (ii) the address for service in the Record is not the address of the unit of the owner.
3. **Service of Notice on Persons other than Owners** - Any notice, communication or other document required to be given by the Corporation to any person entitled to notice and who is not an owner shall be sufficiently given if in writing and,
 - (a) delivered to the person to whom it is to be given personally;
 - (b) mailed by prepaid mail in a sealed envelope addressed to him/her at the address noted in the Record; or
 - (c) sent by facsimile transmission, electronic mail or any method of electronic communication if the person agrees in writing that the party giving notice may do so in that manner; or
4. **Time of Notice** - For the purposes of Paragraphs 2 and 3 of this Article X, any notice given by personal delivery shall be deemed to have been effectively given on the date of delivery; if sent by personal delivery, on the day of transmission; if given by facsimile transmission, electronic mail or other form of electronic communication or if delivered by prepaid mail, on the first business day following the date of mailing or transmission.

5. **Notice to the Board or Corporation** - Unless otherwise specifically provided for herein or in the Act, any notice, communication or other document to be given to the Board or Corporation shall be sufficiently given if in writing and mailed by prepaid ordinary mail or air mail in a sealed envelope addressed to it at the address for service of the Corporation set out in the Declaration or sent by facsimile transmission to the Corporation. Any notice, communication or document so mailed shall be deemed to have been given when deposited in a post office or public letter box, and any notice, communication or document delivered by facsimile transmission shall be deemed to have been given on the day of transmission.

6. **Omissions and Errors** - The accidental omission to give any notice to anyone entitled thereto or the non-receipt of such notice or any error in any notice or affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

ARTICLE XI

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

1. **Duties of the Board regarding common expenses** - All expenses, charges and costs of maintenance or replacement of the common elements and any other expenses, charges or costs which the Board may incur or expend pursuant hereto shall be assessed by the Board and levied against the owners in the proportions in which they are required to contribute to the common expenses set forth in the Declaration. The Board shall from time to time and at least annually prepare a budget for the Corporation and determine by estimate the amount of common expenses for the next ensuing fiscal year or remainder of the current fiscal year as the case may be which shall include provision for a reserve fund or funds as required by the Act. The Board shall allocate and assess such common expenses as set out in the budget for such period among the owners, according to the proportion in which they are required to contribute to the common expenses as set forth in the Declaration. The Board shall advise all owners promptly in writing of the amount of common expenses payable by each of them respectively determined as aforesaid, and shall deliver copies of each budget on which such common expenses are based, to all owners and mortgagees entered on the Record.

2. **Duties of the Board regarding Reserve Fund** - In addition to the foregoing, the Board shall make provision for a reserve fund in the annual budget, for the major repair and replacement of the common elements and assets of the Corporation. The Corporation shall establish and maintain this reserve fund, and shall collect from the owners as part of their contribution toward the common expenses, amounts that the Board determines sufficient for such major repair and replacement, calculated on the basis of expected repair and replacement costs and life expectancy of the common elements and assets of the Corporation.

3. **Owners' obligations** - Each owner shall be obliged to pay to the Corporation or as it may direct the amount of such assessment in equal monthly payments on the first day of each and every month next following delivery of such assessment until such time as a new assessment shall have been delivered to such owner. If the Board so directs, each owner shall forward to the Corporation forthwith a series of post-dated cheques covering the monthly common expenses payable during the period to which such assessment relates. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any rules and regulations of the Corporation in force from time to time by any unit owner, his/her lessees or by members of their families and/or their invitees or licensees, shall be borne and/or paid for by such owner, and may be recovered by the Corporation against such owner in the same manner as common expenses.

4. **Damage to other units** - In addition to the owners' obligations to pay common expenses as set out in Paragraph 3 of this Article XI, in the event an owner (hereafter in this Subparagraph 4 referred to as the "Responsible Owner"), the Responsible Owner's lessee or a person residing in the Responsible Owner's unit with the permission or knowledge or acquiescence of the Responsible Owner, through an act or omission causes damage to any unit(s) other than or in addition to the Responsible Owner's unit, the amount that is the lesser of the cost of repairing such damage and the deductible limit of the insurance policy obtained by the Corporation as required under the Act shall be added to the common expenses payable for the Responsible Owner's unit.

5. **Extraordinary expenditures** - Extraordinary expenditures not contemplated in the foregoing budget and for which the Board shall not have sufficient funds may be assessed at any time during the year in addition to the annual assessment, by the Board serving notices of such further assessment on all owners which shall include a written statement setting out the reasons for extraordinary assessment, and such extraordinary assessment shall be payable by each owner within ten (10) days after the delivery thereof to such owner, or within such further period of time and in such instalments as the Board may determine.

6. **Conveyance of unit** - No owner shall be liable for the payment of any part of the common expenses assessed against his/her unit prior to a transfer by him/her of such unit, but payable by him/her subsequent thereto, provided that he/she first gives notice of such assessment to the transferee of such unit.

7. **Method of payment of common expenses** - Each owner shall arrange for the payment of his/her proportionate share of the common expenses by such means as the Board shall determine from time to time.

8. Default in payment of assessment -

- (a) Arrears of payments required to be made under the provisions of this Article XI shall bear interest at the rate of twenty per cent (20%) per annum or such other rate as the Board may by resolution determine and shall be compounded monthly until paid;
- (b) In addition to any remedies or liens provided by the Act, if any owner is in default in payment of an assessment levied against him/her for a period of fifteen (15) days, the Board may bring legal action for and on behalf of the Corporation to enforce collection thereof and there shall be added to any amount found due all costs of such action including costs as between a solicitor and his/her own client.

ARTICLE XII

DEFAULT

1. **Notice of unpaid common expenses** - The Board whenever so requested in writing by the owner, or mortgagee entered on the Record, shall promptly report any then unpaid common expenses due from, or any other default by an owner, and any common expenses assessed or other money claimed by the Corporation against any owner, which are thirty (30) days past due.
2. **Notice of default** - The Board when giving notice of default in payment of common expenses or any other default to the owner of the unit, shall concurrently send a copy of such notice to each mortgagee of such unit, who is entered on the Record, and who has requested that such notices be sent to him/her.

ARTICLE XIII

RULES GOVERNING USE OF UNITS AND COMMON ELEMENTS

1. The Board may make, amend or repeal rules respecting the use of the common elements and units, in order to promote the safety, security and welfare of the owners and the property and for the purpose of preventing unreasonable interference with the use and enjoyment of the common elements, the units or the assets of the Corporation. Upon making, amending or repealing a rule, the Board shall give notice of the rule to the owners, which notice shall include a copy of the rule as made, amended or repealed, a statement of the date on which the Board proposes that the creation, amendment or repeal of the rule will become effective and a statement that the owners have a right to request a meeting to consider the rule. Any rules made, amended or repealed by the Board shall be effective thirty (30) days after notice thereof has been given to each owner, unless the Board is in receipt of an Owners' Requisition requiring a meeting of the owners to consider the rules. If such meeting of owners is required, then the rules shall become effective only upon the approval of the rules at such meeting. Notwithstanding the foregoing, a rule or amendment that has substantially the same purpose or effect as a rule that the owners have previously amended or repealed within the preceding two (2) years is not effective until the owners approve it, with or without amendment, at a meeting duly called for that purpose.
2. The rules shall be complied with and enforced in the same manner as the by-laws, but the owners may, at any time amend or repeal a rule at a meeting of owners duly called for that purpose, and for greater certainty, the rules shall be observed by the owners and all residents, tenants, invitees or licensees of the units or unit owners, as the case may be.
3. The rules and regulations attached hereto as Schedule "A" have been adopted by the Board and shall be deemed to be effective:
 - (a) thirty (30) days after notice thereof has been given to each owner, which notice shall be given forthwith after the registration of the Declaration; or
 - (b) if an Owners' Requisition to consider the rules is received by the Board prior to the expiry of the thirty (30) day period referred to in Subparagraph 3(a) of this Article XIII, on the date the meeting of owners is held to consider the rules, provided the rules are approved at said meeting.

ARTICLE XIV

MISCELLANEOUS

1. **Invalidity** - The invalidity of any part of this By-Law shall not impair or affect in any manner the validity and enforceability or effect of the balance thereof.
2. **Gender** - The use of the masculine gender in this By-Law shall be deemed to include the feminine and the plural wherever the context so requires.

3. **Waiver** - No restriction, condition, obligation or provision contained in this By-Law shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

4. **Headings** - The headings in the body of this By-Law form no part thereof but shall be deemed to be inserted for convenience of reference only.


5. **Alterations** - This By-Law or any part thereof may be varied, altered or repealed by a by-law passed in accordance with the provisions of the Act, and the Declaration.



The undersigned, which owns 100% of the units, hereby confirms, pursuant to the terms of the *Condominium Act, 1998* of Ontario, the foregoing By-Law of the Corporation, signed by all of the Directors of the Corporation as By-Law No. 1.

DATED at the City of Peterborough this 27th day of Feb . , 2008.

890353 Ontario Limited

By: 

Name: Brian H. Smith

Title: President

I have the authority to bind the Corporation

