

PETERBOROUGH STANDARD CONDOMINIUM CORPORATION NO. 75

BY-LAW NO. 4

WHEREAS PETERBOROUGH STANDARD CONDOMINIUM CORPORATION NO. 75 (hereinafter referred to as the "Corporation") has agreed to retain PAUL PILON MAINTENANCE INC. (hereinafter "Pilon") to act as the property manager for the Corporation for a period of 1 year.

AND WHEREAS the Corporation and Pilon desire to enter into an agreement for the purpose of setting forth the terms upon which Pilon has been retained.

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

1. That the Corporation enter into a management agreement (the "Management Agreement") with Pilon substantially in the form of the agreement annexed hereto as Schedule "A".
2. That all the terms, provisions and conditions set out in the Management Agreement, including, without limitation, all covenants and agreements made by the Corporation, are hereby authorized ratified and confirmed.
3. That the President or Secretary of the Corporation be and is hereby authorized to execute, on behalf of the Corporation the Management Agreement. The affixation of the corporate seal of the Corporation to the Management Agreement is hereby authorized, ratified, sanctioned and confirmed.

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. **4**.

DATED at the City of Peterborough this 20th day of March, 2008.

890353 Ontario Limited

By: _____


Name: Brian H. Smith

Title: President

I have the authority to bind the Corporation

THE LANDING
CONDOMINIUM MANAGEMENT AGREEMENT

This Agreement made this 18th day of March, 2008.

BETWEEN:

PETERBOROUGH STANDARD CONDOMINIUM CORPORATION NO. 75

(hereinafter called the "Corporation")

OF THE FIRST PART

-and -

PAUL PILON MAINTENANCE INC.

(hereinafter called the "Manager")

OF THE SECOND PART

WHEREAS the Corporation has been created pursuant to the Condominium Act, 1998 as amended (hereinafter referred to as the "Act");

AND WHEREAS the Corporation is desirous of having the Manager manage the property and assets of the Corporation (hereinafter called the "Property") and the Manager is desirous of doing so, in accordance with the terms and conditions of this agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the promises, mutual covenants and agreements herein contained, for other good and valuable consideration, and the sum of Two Dollars (\$2.00) of lawful money of Canada, now paid by each of the parties hereto to the other (the receipt and sufficiency of which is hereby acknowledged), the parties hereto do hereby covenant and agree each with the other as follows:

- 1) The words and expressions used herein which are used or defined in the Act or in the regulations made under the Act, or in the Corporation's Declaration or in the by-laws of the Corporation, have the same meaning herein as they have therein unless otherwise defined herein or unless the context otherwise requires.
- 2) The Corporation hereby appoints the Manager to be its sole and exclusive representative and Managing Agent, subject to the overall control of the Corporation and to the specific provisions hereof, to manage the Property for a period of one (1) year commencing on March 18, 2008 and for the purpose thereof, to act in the name of the Corporation in the carrying out of the duties of the Manager as herein set out, and to enter into such contracts and agreements in the name of the Corporation as may be necessary in the performance of such duties.
- 3) The Manager hereby accepts such appointment and agrees to manage the Property on behalf of the Corporation in a faithful, diligent and honest manner.
- 4) The Manager acknowledges that he is familiar with the terms of the Declaration and by-laws registered pursuant to the Act.
- 5) The Manager, in the performance of his duties hereunder, shall, subject to the lawful direction of the Corporation's Board (hereinafter called the "Board"):
 - a) take such steps as are within its powers to enforce the terms of the Corporation's Declaration, by-laws, rules and regulations and any amendments thereto which presently exist or such as may hereafter be made, provided that all expenses incurred to enforce such terms are borne by the Corporation;

- b) advise and consult with the Board with respect to any further by-laws or rules which, in the opinion of the Manager, ought to be established to further the harmonious and satisfactory operation of the Property for the common benefit of the owners;
 - c) forthwith communicate to all owners the text and import of any further by-laws or rules and regulations and any other information which the Board may request that the Manager give to the owners, provided that any additional expenses incurred by the Manager in the performance of this duty shall be a further charge against the Corporation;
 - d) prepare and keep current the register of the Corporation from information supplied by the Board, owners and mortgagees of the units;
 - e) utilize appropriate collection procedures as directed and approved by the Board to collect and receive all monies payable by the owners under the Declaration and by-laws in trust for the Corporation, and deposit the same in a separate trust account with a Chartered Bank or Trust Company, in the name of the Corporation to be maintained by the Manager. Collection procedures shall not be construed to include whatever legal means are required to effect collection. All monies collected on behalf of the Corporation shall be held in trust by the Manager and be used to:
 - i. pay all accounts properly incurred by or on behalf of the Corporation; and
 - ii. arrange and pay for insurance in accordance with the provisions of the Act, Declaration and by-laws in amounts directed by the Board;
 - f) in accordance with the budget for the fiscal year, as approved by the Board, cause to be repaired and maintained those parts of the Property which require repair and maintenance by the Corporation in accordance with the provisions of the Declaration and by-laws;
 - g) keep accurate accounts of the financial transactions resulting from the management of the Corporation and render to the Board each month, a statement of income and expenditures with respect to the previous month and keep such accounts open for inspection by the Board at all reasonable times. No independent or external audit shall be required of the Manager, but the Board shall have the right to an annual external independent audit, provided the costs thereof be payable by and the employment of such auditor be by the Corporation directly and not through the Manager. Such independent audit shall be at the office of the Manager at a mutually convenient time;
 - h) provide each month, a written report detailing all items reported to the Manager concerning the operation of the Corporation;
 - i) take such action as may be necessary to comply with all laws, statutes, ordinances, rules, regulations and orders of all appropriate governmental authorities, provided that the Manager shall not take any action so long as the Corporation is contesting or the Board has affirmed its intention to contest any such law, statute, ordinance, rule, regulation or order or any requirement pursuant thereto;
 - j) purchase in the name of the Corporation and at the expense of the Corporation, such equipment, tools, appliances, goods, supplies and materials as shall be reasonably necessary to perform his duties, including the maintenance, upkeep, repair, replacement, refurbishing and preservation of the Property as aforesaid;
 - k) establish a reserve fund out of funds collected from the owners, in the name of the Corporation and as required by the Act, and administer the same according to the direction of the Board;
 - l) enforce the rules, regulations, policies and agreements relating to all common areas including recreation areas and facilities where they exist, as directed and approved by the Board.
- 6) The Manager may not enter into any contract on behalf of the Corporation which will extend for a period in excess of one (1) year without specific authority from the Board.
- 7) In the course of each year during the term of this Agreement, the Manager shall furnish to the Board in writing, an estimated budget for the following year setting forth by categories the Manager's best estimate of all expenses of the operation of the common elements for the coming year including, without limiting the generality of the foregoing, any taxes payable by the Corporation, insurance premiums, water, gas and electric rates, reserve fund assessments, and the cost of all repairs, renewals, maintenance and supervision of the common elements as applicable. Upon request of the Board, or whenever in the opinion of the Manager any change from the expenditures forecast in the annual budget makes it desirable to do so, the Manager will submit to the Board a supplementary budget covering the expenses of the operation of the

common elements for the then remaining portion of the current fiscal year. The Manager will at all reasonable times hold himself available for consultation with the Board for the purpose of establishing or revising the common expenses to be paid by the owners under the provisions of the Declaration and by-laws of the Corporation.

- 8) The Manager will at all times keep the Board and all owners advised of the telephone number or numbers at which an agent of the Manager may be reached at any time during normal business hours in respect of any infraction of the Declaration, by-laws or rules and regulations, or in respect of any repairs to common elements, or at any time during the day or night in respect of any emergency at the Property and the Manager will make arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the Property. The Manager shall deal in the first instance with minor emergencies and infractions and shall forthwith report to the Board any major emergency or any persistent, flagrant or serious violations of the Declaration, by-laws or rules. It is understood by the parties hereto that the Manager shall, in its discretion, determine whether or not any emergency exists and whether or not such emergency is of a minor or major nature, provided that, in the event of a major emergency, the Manager is hereby authorized to take immediate steps for the protection and preservation of the Property.

- 9) The Corporation shall:
 - a) pay to the Manager as compensation for performance of his duties as Manager a sum equal to five percent (5%) of the proposed budget, exclusive of projected management fees, in connection to the forthcoming year, such amount to be calculated on the effective date of this agreement and on the anniversary date hereafter for subsequent renewals of this agreement. The sum so calculated on that date shall be made payable in twelve (12) monthly installments, plus all applicable taxes, on the _____ day of each month in each year of the term of this contract as its fee for the services performed hereunder, together with all disbursements incurred by the Manager in performing its duties hereunder on account of the Corporation. The Manager is further authorized to retain, out of any monies collected by it, its fee as aforesaid and any disbursements or expenses incurred by it in the performance of its duties hereunder. In the event the Corporation fails to make payment to the Manager of its fee hereinbefore set out, then the Manager shall make formal written demand for payment of the fee and the Corporation shall have fifteen (15) days from the date of such demand within which to cure the default in payment. If payment is not received by the Manager within the fifteen (15) day period, then the Manager shall have the right, upon thirty (30) days written notice to the Corporation, of terminating this agreement and, upon such termination, all obligations of the Manager shall cease and the Corporation shall pay to the Manager any monies due to it up to date of such termination;
 - b) except in the case of gross negligence or fraud or wilful misconduct on the part of the Manager, its servants or agents, performed in the course of their duties, indemnify and save harmless the Manager from any and all liability and cost and from all claims and demands arising out of damage or injuries to persons or property in or about or in any way connected with the Property or arising out of the payment or non-payment of all debts and accounts incurred by or on behalf of the Corporation and defend at the expense of the Corporation all suits which may be rendered against the Manager on account thereof;
 - c) include the Manager as a named insured party along with the Corporation as their interests may appear in any policies or policy of insurance which shall provide protection against any claims for personal injuries, death or property damage or losses for which either the Corporation or the Manager might be held liable as a result of their respective obligations;
 - d) employ such staff as may be required to promptly and efficiently repair and maintain the common elements pursuant to the provisions of the Declaration. The burden of remuneration of such staff shall be borne by the Corporation. The Corporation shall have the sole responsibility and final authority as sole employer to hire, dismiss, discipline, accept termination, replace or promote, set or authorize pay increases and vacations, and direct, supervise or define the overall duties and working conditions of such staff. However, the Corporation may in its discretion, delegate from time to time to the Manager those responsibilities set forth in the preceding sentence, and with such authorization or approval, the Manager, as managing agent, may so act for and on behalf of the Corporation;
 - e) designate a single individual who shall be authorized to deal with the Manager on any matter relating to the management of the Corporation. The Manager shall not be obliged to accept directions or instructions with regard to the management of the Corporation from any person other than an individual so designated by the Board. In the absence of any other designation by the Board, the President of the Corporation shall be the individual authorized to deal with the Manager;
 - f) deliver to the Manager copies of all by-laws, rules and regulations, as may be amended or adopted from time to time.

- 10) The Manager shall be obliged to attend meetings of the Board, if requested to do so, upon notice of the agenda of the meeting received three (3) business days in advance thereof but not to exceed two (2) meetings in any calendar month, unless such meetings are called to deal with an item of emergency.
- 11) The Corporation hereby permits the Manager, its servants, agents and independent contractors to exercise the Corporation's right of entry upon the units. Such entry shall be made at reasonable times and upon reasonable notice to the owner, provided that in the event that there shall be, in the sole discretion and opinion of the Manager, an emergency or imminent danger of damage to the common elements or to a unit or units, then the Manager, its servants, agents and independent contractors shall have immediate right of entry to any unit or units without notice.
- 12) The Corporation shall not permit, allow or cause any owner to interfere with the Manager in the performance of its duties or the exercise of any of its powers hereunder.
- 13) The parties hereto agree that the Manager shall not be responsible for any tax ramifications, reports, filings or liabilities relating to the operations of the Corporation. The Corporation shall rely upon its auditor or accountant for any tax ramifications relating to the operation of the Corporation.
- 14) Subject to the provisions of Paragraphs 15 and 16 hereof, this agreement shall automatically be renewed from year to year with the same terms and conditions.
- 15) Either the Corporation or the Manager may terminate this agreement upon giving the other sixty (60) days prior notice in writing to such effect. Upon termination of this agreement, all obligations of the Manager shall cease and:
 - (a) the Manager shall, as soon as possible thereafter, render a final accounting to the Corporation and pay over any balance in the trust account remaining at the credit of the Corporation (less any amounts necessary to satisfy commitments authorized by the Manager to others prior to the date of termination), and;
 - (b) the Manager shall surrender to the Corporation all agreements and other files, records, contracts and information which may be requested by the Corporation and which are pertinent to the continuing operation of the Property, subject to the provision that the Corporation shall reimburse the Manager for any costs in connection with reproduction of documents and information which the Manager in its sole discretion requires to retain to support and/or verify its actions during the currency of this Agreement, and;
 - (c) the Corporation shall assume the obligations of any and all contracts which the Manager has made on behalf of the Corporation for the purpose of arranging the services to be provided pursuant to this agreement, and shall pay to the Manager any monies due to it up to the date of such termination.
- 16) Notwithstanding paragraphs 14 and 15 of this agreement, the Corporation shall be entitled to terminate this Agreement without notice for cause. For the purposes of this Agreement "cause" shall include:
 - (a) any material breach of the provisions of this agreement by the Manager, as determined in the sole discretion of the Board;
 - (b) consistent poor performance on the Manager's part, after being advised as to the standard required, as determined in the sole discretion of the Board;
 - (c) the Manager's violation of any local, provincial or federal statute, including, without limitation, an act of dishonesty such as embezzlement or theft;
 - (d) conduct on the Manager's part that is materially detrimental to the Corporation or the condominium project, as determined in the sole discretion of the Board;
 - (e) any and all omissions, commissions or other conduct which would constitute cause at law, in addition to the specified causes.
- 17) All notices required or permitted to be given hereunder shall be sufficiently given:
 - (a) to the Corporation if delivered or mailed by prepaid registered post to the President or Secretary of the Corporation at their last known address or to the Corporation at the address for service set out in the Declaration or at such other address as the Corporation may from time to time designate by written notice pursuant hereto;
 - (b) to the Manager if delivered or mailed by prepaid registered post to the Manager at Box 255, Apsley, Ontario K0L 1A0 or such other address as the Manager from time to time may designate by written notice pursuant hereto.

All such notices shall be deemed to have been received on the third business day following the date of such mailing.

- 18) The Corporation and the Manager agree that there are no representations, warranties, collateral agreements, or conditions affecting this agreement or supported hereby other than as expressed in writing. The parties further agree that this agreement may not be amended other than in writing and executed by both parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this agreement.

PETERBOROUGH STANDARD CONDOMINIUM
CORPORATION NO. 75

Per: _____

Brian H. Smith, President

I have the authority to bind the Corporation

PAUL PILON MAINTENANCE INC.

Per: _____

Paul Pilon, President

I have the authority to bind the Corporation