



# JUNIPER RIDGE

VILLAS

BY CRYSTAL CREEK HOMES

## A by-law relating generally to the conduct of the affairs of JUNIPER RIDGE VILLAS HOMEOWNER CORPORATION

(“Homeowner Condo Corporation”)

BE IT ENACTED as a by-law of the Homeowner Condo Corporation as follows:

### ARTICLE I INTERPRETATION

1.1 **Definitions** - capitalized terms used but not otherwise defined in this By-Law shall have the meaning ascribed to them in the Prepaid Residential Lease, subject to the following definitions:

- **“Act”** means the *Canada Not-for-profit Corporations Act* S.C. 2009, c. 23, including the regulations made pursuant to the Act, and any statute or regulations that may be substituted therefor, as amended from time to time;
- **“Applicable Law”** means any applicable law, statute, by-law, ordinance, regulation or lawful requirement of any Governmental Authority, all as amended, superseded and replaced at any time and from time to time, and includes the Taza Development Approval Requirements.
- **“Articles”** means the original or restated articles of incorporation or articles of amendment, amalgamation, continuance, reorganization, arrangement or revival of the Homeowner Condo Corporation;
- **“Board of Directors”** means the Board of Directors of the Homeowner Condo Corporation;
- **“Building”** means one or more buildings located on the Development Lands;
- **“Business Day”** means any day that is not a Saturday, a Sunday, a statutory holiday in Alberta, Easter Monday, Boxing Day, National Indigenous Peoples Day, or any other day designated by the Nation as an official holiday for which the Nation’s administrative offices are closed.
- **“By-Law”** means this by-law and all other by-laws of the Homeowner Condo Corporation as amended and which are, from time to time, in force and effect;
- **“Common Property”** subject to the Prepaid Residential Lease, means those areas within the premises, including any hallways, parking spaces, including parking spaces for visitors and Persons with disabilities, recreational areas and facilities and other common areas, not designated on the Condo Building Plan as Units, but for the purposes of sections 6, 8 and 12 of Schedule I of the Prepaid Residential Lease, includes facilities and property that are intended for common use by Owners notwithstanding that the facilities or property may be located in or otherwise comprise a Unit or any part of a Unit.
- **“Condo Building Budget”** means a budget for the operation of the Homeowner Condo Corporation and the operation and maintenance of the Common Property setting out, among other things, the contributions to be made by each Owner.
- **“Condo Building Plan”** means a Canada Lands Survey Records plan depicting any buildings within the Premises, the Units therein and the Common Property, containing the requirements set out in the Prepaid Residential lease.

- **“Contribution”** has the meaning attributed to it in Schedule I of the Prepaid Residential Lease;
- **“Developer”** means CCH Taza Park LP, by its general partner, CCH Taza Park GP Ltd., as the initial “Lessee” under the Prepaid Residential Lease, and any permitted successor or assign under the Prepaid Residential Lease prior to its assignment to the Homeowner Condo Corporation in accordance with the Prepaid Residential Lease;
- **“Developer Member”** means the Developer in its capacity as a Regular Member of the Homeowner Condo Corporation;
- **“Developer Prepaid Homeowner Lease”** means a sub-sublease that would otherwise be a Prepaid Homeowner Lease between the Developer and the Homeowner Condo Corporation entered into in accordance with Section 5.4 of the Prepaid Residential Lease;
- **“Depreciating Property”** has the meaning attributed to it in Schedule I of the Prepaid Residential Lease;
- **“Development Lands”** means that part of the Head Lease Lands described as follows: Lot 206, Canada Lands Surveys Records Plan 114060;
- **“Director”** means a member of the Board of Directors;
- **“Dwelling Unit”** means a Unit intended for habitation and may include a parking space or parking spaces adjacent thereto;
- **“Electronic Means”** means transmission by way of an electronic, telephonic or other communication facility, including teleconferencing and computer network-based or internet-based communication facility;
- **“Emergency Situation”** means a situation normally and reasonably perceived as one which would endanger either or person or property if not immediately remedied or rectified;
- **“Engineer”** means a person who is licensed as an engineer in the province of Alberta;
- **“Extension Period”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Extension Rent”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Financial Institution”** means a bank, treasury branch, credit union or trust company.
- **“Good Standing”** means with respect to each Member, observance of and compliance with the By-Law and any Rules (including without limitation payment of all Contributions, fees, deposits or other charges required to be paid to the Homeowner Condo Corporation by the Member within thirty (30) days following a written request by the Homeowner Condo Corporation for payment of such Contributions, fees, deposits or other charges); a Member shall be deemed to not be in Good Standing if the Member has been adjudged by a court of law to be in breach of a restrictive covenant registered against the title to any of that Member’s Units for so long as such breach has not been rectified;
- **“Governmental Authority”** means any federal, provincial, regional, municipal or local government or governmental authority (including His Majesty, the Nation, the Tsuut’ina Development Authority and the Taza Governing Body), office or official having jurisdiction, or any political subdivision of any of them, or any entity, authority, agency, Court or other person exercising executive, legislative, judicial, regulatory or administrative functions on behalf of such government, governmental authority, office or official or other political subdivision thereof or any utility company lawfully acting under its statutory power.
- **“Head Lease”** means the lease dated September 28, 2018 in respect of the Head Lease Lands issued by His Majesty in favour of Tsuut’ina Land Development Limited Partnership, by its general partner, Tsuut’ina Land Development GP Inc. (the **Nation Partnership**) and registered in the Registry under instrument number 6109935, as assigned by the Nation Partnership to the Lessor pursuant to an assignment registered in the Registry under number 6110316, and as further amended at any time and from time to time

- **“Head Lease Lands”** means lands situated on Tsuut’ina Nation Reserve No. 145 and legally described as follows:

Parcel Identifier Number 703019901  
 Lot 37, Canada Lands Surveys Records  
 Plan 103721 Parcel Identifier Number 703019902  
 Lot 38, Canada Lands Surveys Records Plan 103678;

- **“Homeowner”** has the meaning attributed to it in the Prepaid Residential Lease;
- **“Homeowner Condo Corporation”** has the meaning set out on the first page of this By-Law;
- **“Improvements”** means any buildings, structures, works, facilities, infrastructure, services, landscaping, and other improvements (including any equipment, machinery, apparatus, and other such fixtures forming part of or attached to the improvements), made by any person that are in compliance with the Prepaid Residential Lease and situated on, under, or above the Development Lands but excludes Personal Fixtures;
- **“Initial Term”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Interim Board of Directors”** means the directors of the Homeowner Condo Corporation appointed by the Developer Member in accordance with Section 4.1 of Schedule I of the Prepaid Residential Lease;
- **“Lessor”** means Tsuut’ina-Canderel Land Development Limited Partnership, in its capacity as “Lessor” under the Prepaid Residential Lease;
- **“Lessor Member”** means the Lessor in its capacity as a Member of the Homeowner Condo Corporation;
- **“Management Agreement”** means an agreement entered into by the Homeowner Condo Corporation governing the general control, management and administration of: (i) the real and personal property of the Homeowner Condo Corporation, and (ii) the Common Property;
- **“Meeting of Members”** includes an annual meeting of Members and a Special Meeting of Members;
- **“Member”** means a member of the Homeowner Condo Corporation irrespective what class of member, which includes Regular Members and the Lessor Member;
- **“Nation”** means Tsuut’ina Nation;
- **“Operating Account”** means the operating account established in accordance with section 5.20;
- **“Ordinary Resolution”** means (i) a resolution passed by a majority of votes cast at a Meeting of Members representing more than 50% of the total Unit Factors for all the Units; or (ii) a resolution in writing signed by a majority of the Members entitled to vote on that resolution at a Meeting of Members representing more than 50% of the total Unit Factors for all the Units;
- **“Owner”** means either:
  - a Homeowner pursuant to a Prepaid Homeowner Lease,
  - the Developer, prior to the Transfer Date, pursuant to the Prepaid Residential Lease with respect to all of the Premises other than Unit for which a Prepaid Homeowner Lease is in place, or
  - the Developer, after the Transfer Date, pursuant to a Developer Prepaid Homeowner Lease;
- **“Parking Unit”** means any Unit intended to be used for parking vehicles;
- **“Person”** means an individual, corporation, body corporate, partnership, joint venture, society, association or other unincorporated organization or any trustee, executor, administrator or other legal representative.
- **“Premises”** means the Development Lands and the Improvements;

- **“Prepaid Homeowner Lease”** means a sub-sublease of an entire Unit, or Units if the sub-sublease contains a Dwelling Unit, and may contain a Storage Unit and/or one or more Parking Units, but does not include a Residential Tenancy Agreement or a Developer Prepaid Homeowner Lease;
- **“Prepaid Residential Lease”** means the Prepaid Residential Lease (Taza Park) dated as of May 15, 2025 between the Lessor and the Developer;
- **“Prime Rate”** means:
  - the floating annual rate of interest expressed as a percentage established from time to time by the main branch in Calgary, Alberta of the Reference Bank as the base rate it will use to determine rates of interest charged by it for Canadian dollar commercial demand loans made by it in Canada and designated by the Reference Bank as its “prime rate” ;
  - or
  - if at any time the Reference Bank does not publish its “prime rate”, then the Prime Rate will be such other similar rate as is established by Board of Directors;
- **“Proposal”** means a proposal submitted by a Member that meets the requirements of section 163 of the Act;
- **“Proposed Condo Building Budget”** has the meaning attributed to it in Schedule I of the Prepaid Residential Lease.
- **“Purchase Agreement”** means an agreement with the Developer whereby a person agrees to purchase a sub-subleasehold interest in a Unit or proposed Unit pursuant to a Prepaid Homeowner Lease or acquires a right to purchase a sub-subleasehold interest in a Unit or proposed Unit pursuant to a Prepaid Homeowner Lease;
- **“Purchaser”** means the purchaser pursuant to a Purchase Agreement;
- **“Recreational Agreement”** means an agreement entered into by the Homeowner Condo Corporation that allows:
  - persons, other than the Owners, to use recreational facilities located on the Common Property, or
  - the Owners to use recreational facilities not located on the Common Property;
- **“Recorded Mail”** means a form of document delivery by mail or courier in which receipt of the document must be acknowledged in writing;
- **“Reference Bank”** means Bank of Montreal, or its successor, or if at any time during the Term such bank does not exist, such other Canadian chartered bank designated by the Board of Directors;
- **“Registry”** means the Indian Lands Registry, or any successor registry or system applicable to the Development Lands;
- **“Regular Member”** means an Owner, as provided in Section 3.1;
- **“Regulations”** means the regulations made under the Act, as amended, restated or in effect from time to time;
- **“Reserve Fund”** means the capital replacement reserve fund required to be established and maintained by the Homeowner Condo Corporation, in accordance with the Prepared Prepaid Residential Lease;
- **“Reserve Fund Plan”** means a plan prepared and approved in accordance with section 5.11;
- **“Reserve Fund Report”** has the meaning ascribed thereto in Schedule I of the Prepared Prepaid Residential Lease;
- **“Reserve Fund Study”** has the meaning ascribed thereto in Schedule I of the Prepared Prepaid Residential Lease;

- **“Reserve Fund Study Provider”** means a person who is engaged to conduct a Reserve Fund Study and is qualified in accordance with the Prepaid Residential Lease, and may include a corporate entity if the corporate entity, in carrying out the functions of a Reserve Fund Study Provider, employs or otherwise retains the services of an individual who is a Reserve Fund Study Provider to carry out those functions;
- **“Resident Tenancy Agreement”** has the meaning attributed to it in the Prepaid Residential Lease;
- **“Residential Tenant”** means a tenant pursuant to a Residential Tenancy Agreement;
- **“Rules”** means, subject to the Act, the rules made by the Board of Directors from time to time establishing the procedures used in the administration of the Homeowner Condo Corporation or the real and personal property of the Homeowner Condo Corporation and the Common Property.
- **“Section”** means the section of this By-Law by reference to the corresponding number;
- **“Short Term Rental”** means leasing, licensing or allowing occupancy or possession of a Unit or any portion thereof, by persons or vehicles, for periods shorter than a month;
- **“Special Contribution”** means a Contribution as set out in Section 3.11;
- **“Special Meeting of Members”** means a meeting concerning any matter that is not part of the agenda of an annual meeting of Members as contemplated in Section 4.3, whether a meeting of all Members entitled to vote at an annual meeting of Members or a meeting of any class or classes of Members entitled to vote on the question at issue;
- **“Special Resolution”** means: (i) a resolution passed by a majority of votes cast at a Meeting of Members representing not less than 75% of the total Unit Factors for all the Units; or (ii) a resolution in writing signed by a majority of the Members entitled to vote on that resolution at a Meeting of Members representing not less than 75% of the total Unit Factors for all the Units;
- **“Storage Unit”** means any Unit intended to be used exclusively for storage;
- **“Taza Development Approval Requirements”** means all applicable laws, bylaws, policies, processes or other requirements of the Nation or the Tsuut'ina Development Authority, including those applicable to any Authorization, all as amended, superseded and replaced at any time and from time to time;
- **“Taza Lands”** means the following lands:
  - the Head Lease Lands;
  - Lot 39, Canada Lands Surveys Record Plan 103679 and Lots 40 and 41, Canada Lands Surveys Records Plan 103718;
  - Lot 65, Canada Lands Surveys Record Plan 107404; and
  - Lot 66, Canada Lands Surveys Record Plan 107404;
- **“Term”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Transfer Date”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Unanimous Members Agreement”** means the unanimous members agreement (within the meaning of the Act) dated effective \_\_\_\_\_, 20\_\_ in respect of the Homeowner Condo Corporation;
- **“Unit”** means each unit identified within a Condo Building Plan but does not include Common Property;
- **“Unit Factor”** means the unit factor for each Unit, as set out in the Unit Factor Schedule approved in accordance with the Prepaid Residential Lease, calculated on the basis of: Floor Area of the Unit x 10,000 Aggregate Floor Area of all of the Units such that the aggregate Unit Factors for all of the Units is 10,000 and the basis of Unit Factor apportionment for all Units included in the Condo Building Plan. Notwithstanding the foregoing, adjustments will be made

to ensure whole number Unit Factors, such that Unit Factors shall be rounded up to the nearest whole number. After rounding is complete, if the aggregate Unit Factors is more than or less than 10,000, some Units shall be further adjusted by either adding or subtracting a factor of 1 Unit Factor in the discretion of the Lessee and based on the desirability of such Unit location until the aggregate Unit Factors is equal to 10,000;

- **“Unit Factor Schedule”** has the meaning ascribed to it in the Prepaid Residential Lease;
- **“Unit Mortgage”** means a Mortgage of a sub-sub leasehold interest in a Unit pursuant to a Prepaid Homeowner Lease or a Developer Prepaid Homeowner Lease; and
- **“Unit Mortgagee”** means a holder of a Unit Mortgage.

**1.2 Interpretation** - In the interpretation of this By-Law, unless the context otherwise requires, the following rules shall apply:

- except where specifically defined in this By-Law, words, terms and expressions appearing in this By-Law shall have the meaning ascribed to them under the Act;
- words importing the singular number only shall include the plural and vice versa;
- the headings used in the By-Law are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of the By-Law or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions; and
- except where specifically stated otherwise, references to actions being taken “in writing” or similar terms shall include electronic communication and references to “address” or similar terms shall include e-mail address; it is the intent of the Homeowner Condo Corporation to use electronic communication whenever possible.

## **ARTICLE II GENERAL**

**2.1 Registered Office** - The registered office of the Homeowner Condo Corporation shall be situated on the Premises or elsewhere in the Province of Alberta as set by the Board of Directors.

**2.2 Corporate Seal** - the Homeowner Condo Corporation may, but need not, have a corporate seal. If adopted, the seal shall be in the form approved from time to time by the Board of Directors and the Secretary of the Homeowner Condo Corporation shall be the custodian of the corporate seal.

**2.3 Fiscal Year** - The fiscal year of the Homeowner Condo Corporation shall end on **[December 31]** of each year or as otherwise set by the Board of Directors.

**2.4 Execution of Documents** - Deeds, transfers, assignments, contracts, obligations and other documents and instruments in writing requiring execution by the Homeowner Condo Corporation shall be signed by two (2) persons where those two (2) persons are each directors or where one (1) of those persons is a director and the other is an officer. The Board of Directors may also, from time to time, direct the manner in which and the person or persons by whom documents generally and/or a particular document or type of document shall be executed. Any person authorized to sign a document may affix the corporate seal to that document.

**2.5 Banking** - The banking business of the Homeowner Condo Corporation shall be transacted at such bank, trust company, or other firm or corporation carrying on a banking business in Canada as the Board of Directors may designate, appoint or authorize from time to time by resolution. The banking business or any part of it shall be transacted by an officer or officers of the Homeowner Condo Corporation and/or other persons as the Board of Directors may by resolution from time to time designate, direct or authorize.

**2.6 Invalidity of any Provisions of this By-Law** -The invalidity or unenforceability of any provision of this By-Law shall not affect the validity or enforceability of the remaining provisions of this By-Law.

## ARTICLE III MEMBERS

### 3.1 Entitlement –

- (a) The Developer is the initial Regular Member of the Homeowner Condo Corporation in its capacity as the initial owner of a leasehold interest in the Premises, but only as it applies to portions of the Premises that are or shall become Units, pursuant to the Prepaid Residential Lease. Thereafter, membership in the Homeowner Condo Corporation as a Member shall be automatic upon, and for so long as, such Member is an Owner. The Developer's interest as the initial Member shall transfer to each Owner who enters into a Prepaid Homeowner Lease upon closing of such transaction. From and after the Transfer Date, the Developer shall only be a Member with respect to each Developer Prepaid Lease that has not been converted to a Prepaid Homeowner Lease and upon conversion to a Prepaid Homeowner Lease, the Developer's interest as a Member shall automatically transfer to the Homeowner. A Member shall be deemed to have consented to becoming a Member of the Homeowner Condo Corporation by becoming an Owner and the Member shall not be entitled to resign as a Member until such Member ceases to be an Owner. A Member may be an individual, a corporation or another type of entity which is an Owner.
- (b) The Lessor is a Lessor Member of the Homeowner Condo Corporation, which is a separate class of membership from the other Members. The Lessor Member does not have any rights or obligations under this By-Law, and, in particular does not have right to vote on any Ordinary Resolution or Special Resolution unless set out in the Unanimous Members Agreement; provided, however, this By-Law may not be amended, replaced or supplemented without receipt of the prior written consent and approval, as set forth in the Unanimous Members Agreement.

**3.2 Membership Classes and Conditions** - Subject to the Articles, there shall be two (2) classes of Members in the Homeowner Condo Corporation, namely, (a) Regular Members; and (b) Lessor Member.

### 3.3 Regular Members - General

- (a) Each Owner is a Regular Member:
  - (i) If an Owner consists of more than one person, then such persons shall be jointly considered a Regular Member, shall be jointly and severally liable for the obligations of the Regular Member, and shall be entitled to vote only as a block; and
  - (ii) If an Owner consists of only one person and that Owner is an individual and dies, then the legal executor or administrator or personal representative of that Owner's estate shall be the Regular Member until title to the Unit is transferred.
- (b) Subject to Section 3.3(a), a Regular Member may not transfer such person's membership in the Homeowner Condo Corporation except:
  - (i) in the case of the Developer:
    - by granting a Prepaid Homeowner Lease; or
    - as part of a transfer of the Developer's interest in a Developer Prepaid Homeowner Lease; or
  - (ii) in the case of a Homeowner as part of a transfer of such persons interest in a Prepaid Homeowner Lease. Immediately after any such transfer or granting of, or conversion of a Developer Prepaid Homeowner Lease to, a Prepaid Homeowner Lease, the previous Regular Member shall cease to be a Member of the Homeowner Condo Corporation

with respect to such Prepaid Homeowner Lease or Developer Prepaid Homeowner Lease, and the new Owner shall be a Regular Member.

- (c) A Regular Member may not withdraw such person's membership in the Homeowner Condo Corporation except concurrent with such person ceasing to be an Owner whereupon the new Owner shall be deemed to be a Regular Member:
- (d) A person shall cease to be a Regular Member upon such person ceasing to be an Owner.
- (e) It is the intent of this By-Law that there shall be only one Regular Member for each Dwelling Unit at any time.
- (f) As set out in the Articles, each Regular Member shall be entitled to receive notice of, attend and vote at all meetings of Members.
- (g) The Developer shall cease to be a Regular Member upon the last Developer Prepaid Homeowner Lease converting to a Prepaid Homeowner Lease.

### 3.4 Voting Rights of Regular Members

- (a) Each Regular Member shall be entitled to the number of votes equal to the Unit Factor for the Owner's Unit(s), as set out in the Unit Factor Schedule.
- (b) When a Regular Member's interest is subject to a registered Unit Mortgage, the right to vote shall be exercised as follows:
  - (i) first, by the Unit Mortgagee, if any, who is first entitled in priority if that Unit Mortgagee has notified the Homeowner Condo Corporation of the Unit Mortgage in writing and is present at the meeting at which the vote is being conducted;
  - (ii) second, by the Regular member; and
  - (iii) third and subsequently, in order of their priority among themselves, by any other Unit Mortgagees who are subsequent in priority to the Unit Mortgagee referred to in clause 3.4(b)(i), above, if the subsequent Unit Mortgagee wishing to exercise the power of voting has notified the Homeowner Condo Corporation of the Unit Mortgage in writing and is present at the meeting at which the vote is conducted, provided, however, this Subsection 3.4(b) does not apply unless the Unit Mortgagee has given written notice of the Unit Mortgagee's Unit Mortgage to the Homeowner Condo Corporation at the Homeowner Condo Corporation's registered office.
- (c) If the Regular Member is a corporation, partnership or other organization, then, by notice in writing provided, from time to time, by such corporate Member to the Homeowner Condo Corporation, such Member shall be entitled to authorize an individual, or to substitute an individual, to represent it at such meetings and to exercise on behalf of the Member all powers of that Member.
- (d) Any right to vote by a Regular Member may be exercised
  - (i) in the case of a Regular Member who is a minor, by the guardian or trustee of the minor's estate or a trustee of the minor's property appointed by an order under the *Minors' Property Act* (Alberta) or, if no guardian or trustee has been appointed, by the Public Trustee, or
  - (ii) in the case of a Regular Member who is for any reason unable to exercise control over the Regular Member's property, by the person who for the time being is authorized by Applicable Law to exercise control over that property.
- (e) If a Court, on application by the Homeowner Condo Corporation or by an Owner, is satisfied that there is no person capable, willing or reasonably available to vote in respect of a Unit, the Court may, in its discretion, appoint the Public Trustee or some other person for the purpose of exercising the powers of voting under the Lease and the By-Law as the Court determines

### 3.5 Lessor Member

- (a) The only member in this class is the Lessor.
- (b) The Lessor Member may unilaterally withdraw its membership in the Homeowner Condo Corporation on written notice provided to the Homeowner Condo Corporation.
- (c) The membership of the Lessor Member shall automatically transfer to any successor in interest of the Lessor under the Prepaid Residential Lease, including the Nation if the Prepaid Homeowner Leases are extended beyond the term of the Prepaid Residential Lease.
- (d) As set out in the Articles, a Lessor Member shall be entitled to receive notice of and attend all meetings of Members, but the Lessor Member shall not have any right to vote in respect of any matter at any meetings of Members, including any Special Meeting unless set out to the contrary in this By-Law or in the Unanimous Members Agreement.
- (e) The Lessor Member, by notice in writing provided, from time to time, to the Homeowner Condo Corporation, shall be entitled to authorize an individual, or to substitute an individual, to represent it at such meetings and to exercise on behalf of the Lessor Member all its powers as a Member under the By-Law.

**3.6 Termination** - Subject to the Articles and the rights of Members under this By-Law in the event of dissolution of the Homeowner Condo Corporation as set out in section 3.9, upon any termination of membership, the rights of the Member, including any rights in the property of the Homeowner Condo Corporation, automatically cease to exist. No membership fees, Contributions or dues will be returned to a previous Member upon termination of such Member's membership. Termination of membership shall not extinguish any debts or other contractual obligations owed by a Member to the Homeowner Condo Corporation or owed by the Homeowner Condo Corporation to the Member.

### 3.7 Sanctions for Failure to Comply with the By-Law -

- (a) The Homeowner Condo Corporation may establish monetary or other sanctions that may be imposed on Members, on their own behalf and on behalf of Residential Tenants and occupants who fail to comply with the By-Law and the Rules made by the Board of Directors.
- (b) A provision under the By-Law providing that sanctions may be imposed must:
  - (i) set out the nature of the sanctions that may be imposed, and
  - (ii) in the case of monetary sanctions, set out the amount of the monetary sanctions or the range of monetary sanctions that may be imposed.
- (c) A provision under which sanctions may be imposed may be general or specific in its application
- (d) A sanction imposed under the By-Law must be reasonable in the circumstances for which it is imposed.
- (e) Where a person fails to abide by a sanction or to pay to the Homeowner Condo Corporation a monetary sanction imposed under the By-Law, the Homeowner Condo Corporation may proceed in accordance with section 3.8 to enforce the sanction.
- (f) A sanction may not be imposed that has the effect of prohibiting or restricting the devolution of Units or any transfer, lease, Unit Mortgage or other dealing with the Units that is permitted under the Prepaid Residential Lease, or of destroying or modifying any easement implied or created by the Prepaid Residential Lease.
- (g) A monetary sanction imposed under this By-Law must be reasonable in the circumstances considering the nature of the failure to comply and the number of repeat offences.

### 3.8 Enforcement of Sanctions -

- (a) If a person fails to comply with a sanction or to pay a monetary sanction imposed pursuant to the By-Law, the Homeowner Condo Corporation may, in respect of the contravention, take proceedings in Court to recover from the person:
  - (i) a monetary sanction, or
  - (ii) damages, in the case of any other sanction.
- (b) In an action under subsection 3.8(a), the Homeowner Condo Corporation must establish to the satisfaction of the Court hearing the matter that:
  - (i) the By-Law relating to the matter before the Court were properly enacted, and
  - (ii) the provision of the By-Law for which the sanction was imposed was contravened by the defendant.
- (c) For the purposes of an action commenced under subsection 3.8(a), once the Court is satisfied that the requirements of subsection 3.8(b) have been met, damages shall be deemed to have been suffered by the Homeowner Condo Corporation.
- (d) Where the Homeowner Condo Corporation takes proceedings under this section, it is entitled to claim from the defendant the Homeowner Condo Corporation's legal expenses incurred in respect of the proceedings.
- (e) An action taken against a person under this section 3.8 does not restrict, limit or derogate from any other remedy that a Member or the Homeowner Condo Corporation may have against that person.
- (f) An instrument in respect of a monetary sanction or other debt to the Homeowner Condo Corporation, other than a Contribution under section 3.9, may be registered against title to the Unit of the Member in the Registry only when authorized by the Lessor Member.

**3.9 Rights on Dissolution** - In the event of a dissolution of the Homeowner Condo Corporation, subject to no contrary provisions contained within the Act, the liquidator shall distribute the remaining property of the Homeowner Condo Corporation (not including property transferred to the Homeowner Condo Corporation on the condition that it be returned to that person on the dissolution of the Homeowner Condo Corporation, which includes any funds to be distributed to Members in accordance with section 5.21) to any one or more of the following

- (a) a qualified donee (as that term is defined under the *Income Tax Act* of Canada, R.S.C. 1985 c. 1) providing the same or similar services as the Homeowner Condo Corporation;
- (b) a not-for-profit entity providing the same or similar services as the Homeowner Condo Corporation;
- (c) any other person providing the same or similar services as the Homeowner Condo Corporation.

### 3.9 Contributions -

- (a) A Board of Directors may by resolution:
    - (i) determine from time to time the amounts to be raised for the purposes of the Operating Account and the Reserve Fund and may raise those amounts by levying Contributions on the Owners at regular intervals:
      - in proportion to the Unit Factors of the Owners' respective Units, or
      - on a basis other than in proportion to the Unit Factors of the Owners respective Units if approved by the Board of Directors;
- and

- (ii) determine from time to time amounts to be raised by Special Contribution and raise those amounts in accordance with section 3.11.
- (b) A Contribution shall not include any amount for the purpose of collecting a monetary sanction from an individual Owner.

### **3.11 Special Contribution -**

- (a) A resolution of the Board of Directors to approve a Special Contribution must set out the following:
  - (i) the purpose of the Special Contribution;
  - (ii) the total amount to be levied pursuant to the Special Contribution;
  - (iii) either:
    - the method of determining each Unit's proportionate share of the levy by Unit Factor,
    - or
    - the method for determining each Unit's share of the levy on a basis other than the Unit Factors of the Owners respective Units; and
  - (iv) the date by which the Special Contribution is to be paid or, if the Special Contribution is payable in instalments, the dates by which the instalments are to be paid.
- (b) A Special Contribution may be levied to raise money:
  - (i) for the payment of unexpected and urgent maintenance, repair or replacement of the real and personal property of the Homeowner Condo Corporation or Common Property;
  - (ii) to cover unexpected shortfalls in the Operating Account;
  - (iii) to increase the balance of the Reserve Fund to meet the requirements in a Reserve Fund Plan;
  - (iv) subject to subsection 3.11(c), for the payment of a capital improvement; or
  - (v) to satisfy a judgment against the Homeowner Condo Corporation.
- (c) If the purpose of the Special Contribution is for the making of a capital improvement, a Special Resolution is required before the Board of Directors may approve the Special Contribution.
- (d) As soon as possible after the passing of a resolution of the Board of Directors referred to in subsection 3.11(a), the Board of Directors must inform each Member of the following:
  - (i) the purpose of the Special Contribution;
  - (ii) the total amount of the Special Contribution;
  - (iii) the method used to determine each Unit's share of the Special Contribution;
  - (iv) the amount of the Member's Unit's share of the Special Contribution; and
  - (v) the date by which the Special Contribution is to be paid or, if the Special Contribution is payable in instalments, the dates by which the instalments are to be paid.
- (e) If the amount collected exceeds the amount required or for any other reason is not fully used for the purpose set out in the resolution of the Board of Directors referred to in subsection 3.11(a), the Homeowner Condo Corporation must pay the excess money into the Reserve Fund.

### **3.12 Payment and Enforcement of Contributions –**

- (a) A Contribution levied as provided in section 3.11(a)(i) is due and payable on the passing of a resolution by the Board of Directors to that effect and in accordance with the terms of the resolution, and a Contribution levied under section 3.11(a)(ii) is due and payable in accordance with a resolution of the Board of Directors passed under section 3.10.
- (b) A Contribution referred to in section 3.12(a), and any interest charged under section 3.13, may be recovered by an action for debt by the Homeowner Condo Corporation:

- (i) from a person who was a Member at the time when the resolution of the Board of Directors was passed, and
  - (ii) from a person who was a Member at the time when the action was instituted, both jointly and severally.
- (c) Where a Contribution, including any interest owing, is not paid by the Member, the Unit Mortgagee may pay any amount owing in respect of that Contribution and, subject to the terms of the Unit Mortgage, add that amount to the amount owing to the Unit Mortgagee under the Unit Mortgage.
- (d) Where:
  - (i) a Residential Tenant is in possession of a Unit, and
  - (ii) Contributions, including any interest owing in respect of that Unit, are in arrears, the Homeowner Condo Corporation may provide notice to the Residential Tenant to pay the rent owing to the Owner in respect of that Unit to the Homeowner Condo Corporation so that that rent can be applied against the Contributions, including any interest owing, that are in arrears
- (e) Where a Residential Tenant pays the rent to the Homeowner Condo Corporation under subsection 3.12(d), that person is deemed to have paid that rent to the Member.
- (f) The Homeowner Condo Corporation may register a charge in the Registry against the title to an Owner's Unit for the amount of a Contribution levied on the Owner and interest payable but unpaid by the Owner.
- (g) On and from the date of registration of a charge under subsection 3.12(f), such charge has the same priority as a Unit Mortgage and may be enforced in the same manner as a Unit Mortgage.
- (h) If the Homeowner Condo Corporation has registered a charge under this section, the Homeowner Condo Corporation shall withdraw the charge on the payment to it of the amount of the charge
  - (i) Notwithstanding subsection 3.12(g), if
  - (ii) the Homeowner Condo Corporation has registered a charge under this section,
  - (iii) subsequent to the charge being registered another person gains title to the Unit pursuant to: (A) a foreclosure action, or (B) an action for specific performance, and
  - (iv) an amount remains owing to the Homeowner Condo Corporation with respect to the Contribution and interest for which the charge was registered the charge remains registered and is enforceable against the title to the Unit until the amount owing is paid to the Homeowner Condo Corporation and, if it has been discharged, the Homeowner Condo Corporation may register a new charge in accordance with this section 3.12.

**3.13 Interest on Outstanding Accounts** - The Homeowner Condo Corporation may charge interest on any unpaid balance of a Contribution owing to it by an Owner at a rate no greater than the Prime Rate.

**3.14 Recovery of Costs** - Where the Homeowner Condo Corporation takes any steps to collect any Contribution owing, the Homeowner Condo Corporation may:

- (a) recover from the person against whom the steps were taken all reasonable costs, including legal expenses and interest, incurred by the Homeowner Condo Corporation in collecting the amount owing; and
- (b) if a charge is registered against the title to any Unit of the Owner, recover from the Owner all reasonable expenses incurred by the Homeowner Condo Corporation with respect to the preparation, registration, enforcement and discharge of the charge.

**3.15 Investments** - The Homeowner Condo Corporation may invest any funds not immediately required by it in such investments as would be permitted for a condominium corporation under the *Condominium Property Act* (Alberta) or any successor legislation.

**3.16 Trust Money** -

- (a) Where the Homeowner Condo Corporation or any person is in receipt of money paid to or for the benefit of the Homeowner Condo Corporation, that money and all the proceeds arising from that money shall be:
  - (i) legally and beneficially owned by the Homeowner Condo Corporation, and
  - (ii) deemed to be held in trust for the performance of the duties and obligations in respect of which the payment was made.
- (b) Where the Homeowner Condo Corporation is in receipt of money referred to in subsection 3.16(a), the Homeowner Condo Corporation shall except as otherwise authorized in writing pursuant to a resolution of the Board of Directors;
  - (i) deposit all the money into a separate account at a Financial Institution within three (3) Business Days from the day that the Homeowner Condo Corporation received the money; and
  - (ii) designate the account as a trust account registered in the name of the Homeowner Condo Corporation, and
  - (iii) keep all trust money intact and not withdraw, convert, direct, borrow or commingle that trust money, other than pursuant to a resolution referred to in subsection 3.16(b)(i).

**3.17 Estoppel Certificate** - On the written request of a Member, Purchaser, a proposed assignee of a Prepaid Homeowner Lease or Unit Mortgagee or the solicitor of a Member, Purchaser, a proposed assignee of a Prepaid Homeowner Lease or Unit Mortgagee, or a person authorized in writing by any of those persons, the Homeowner Condo Corporation shall, within ten (10) days after receiving the request, certify

- (a) the amount of any Contribution payable by the Member,
- (b) the frequency at which Contributions are payable,
- (c) the amount of Contributions payable that is in arrears, if any,
- (d) the amount of interest owing, if any, on any unpaid balance of a Contribution,
- (e) from and after the Transfer Date, the Prepaid Homeowner Lease is in full force and effect and has not been amended, or, if amended, the nature of such amendments;
- (f) from and after the Transfer Date, that the Member is not in arrears for rent or any other amounts owing under the Member's Prepaid Homeowner Lease, or if the Owner is in arrears, the amounts in arrears,
- (g) from and after the Transfer Date, that the Homeowner Condo Corporation is not in breach of any provision of the relevant Prepaid Homeowner Lease and, to the knowledge of the Homeowner Condo Corporation, the Owner is not in breach of any provision of the Prepaid Homeowner Lease, or, if there is such a breach, the nature of the breach and any steps the Homeowner Condo Corporation has taken in relation thereto, and, in favour of a person dealing with that Member, the certificate shall be conclusive proof of the matters certified in it as of the date of the certificate.

**3.18 Information and Documents on Request** -

- (a) In addition to the rights of Owners to information and documents under the Act, on the written request of a Member, Purchaser, a proposed assignee of a Prepaid Homeowner Lease or Unit Mortgagee or the solicitor of a Member, Purchaser, a proposed assignee of a Prepaid

homeowner Lease or Unit Mortgagee, or a person authorized in writing by any of those persons, the Homeowner Condo Corporation shall, within ten (10) days after receiving the request, provide to the person making the request:

- (i) an information statement that includes all of the particulars of: (A) any action commenced against the Homeowner Condo Corporation in respect of which the Homeowner Condo Corporation has been served, including the amount claimed against the Homeowner Condo Corporation, (B) any unsatisfied judgment or order for which the Homeowner Condo Corporation is liable, and (C) any written demand made on the Homeowner Condo Corporation for an amount in excess of \$5000 that, if not met, may result in an action being brought against the Homeowner Condo Corporation
- (ii) a statement setting out the amount of the Reserve Fund;
- (iii) a statement setting out the amount of the Contributions and the basis on which that amount was determined;
- (iv) a statement setting out any structural deficiencies that the Homeowner Condo Corporation has knowledge of at the time of the request in any of the Buildings;
- (v) loan disclosure statements for current loans of the Homeowner Condo Corporation, including documents showing the starting balance, current balance, interest rate, monthly payment, purpose of the loan, amortization period and default information, if applicable;
- (vi) the particulars or a copy of any subsisting or prior Management Agreement;
- (vii) the particulars or a copy of any subsisting Recreational Agreement;
- (viii) the particulars respecting any post tensioned cables that are located anywhere on or within the Premises;
- (ix) a copy of the Condo Building Budget;
- (x) a copy of the annual financial statements of the Homeowner Condo Corporation;
- (xi) a copy of the By-Law;
- (xii) in respect of a particular fiscal year, a copy of: (A) all approved minutes of all Meetings of Members, if available, (B) draft minutes of all Meetings of Members, if approved minutes are not available, for meetings that occurred at least 30 days before the date of the request, and approved minutes of meetings of the Board of Directors;
- (xiii) a statement setting out the Unit Factors and the criteria used to determine Unit Factor allocation;
- (xiv) a copy of any sublease agreement or other exclusive possession agreement with respect to the possession of a portion of the Common Property or real property of the Homeowner Condo Corporation, including any parking stalls or storage units;
- (xv) a consolidation of all the Rules;
- (xvi) the text of written Ordinary Resolutions and Special Resolutions voted on by the Homeowner Condo Corporation and the results of the voting on those resolutions, other than the results of a vote conducted by a show of hands;
- (xvii) copies of reports prepared for the Homeowner Condo Corporation by professionals, including Engineers but excluding reports requested and obtained by the Homeowner Condo Corporation's legal counsel in relation to actual or contemplated litigation;
- (xviii) copies of insurance certificates held by the Homeowner Condo Corporation;
- (xix) copies of insurance policies held by the Homeowner Condo Corporation;
- (xx) the Current Standard Insurable Unit Description for the Residential Units or Classes of Residential Units (as such terms are defined in the Prepaid Residential Lease); and

- (xxi) copies of Reserve Fund Plans, Reserve Fund Reports and annual reports of the Homeowners Council.
- (b) Subsection 3.18(a) applies to information or documents only for the applicable retention period determined under section 3.20.
- (c) A Member may make copies of any information or documents provided under subsection 3.18(a) and provide copies of this information or these documents to other persons.

**3.19 Fees -**

- (a) The Homeowner Condo Corporation or any person providing documents on behalf of the Homeowner Condo Corporation may charge fees in reasonable amounts, subject to subsection 3.18(b), for the provision, in the ordinary course, of information or documents.
- (b) The Homeowner Condo Corporation shall not charge for providing information or documents to a person making a request under section 3.18(a) if:
  - (i) the information or document provided had not been requested by the person making the request, or
  - (ii) the person making the request is entitled to receive the requested information or document without making a request, but has not yet received that information or document at the time of the request.

**3.20 Retention of Documents –**

- (a) The Homeowner Condo Corporation shall retain all information and documents with respect to which a person may make a request under this Schedule for at least ten (10) years
- (b) The Homeowner Condo Corporation may retain information or a document referred to in subsection 3.19 in an electronic format if the information or document:
  - (i) is complete,
  - (ii) is legible in its entirety, and
  - (iii) is capable of being reproduced by the Homeowner Condo Corporation in an electronic format or in a hard copy format.
- (c) If a version of a document in an electronic format complies with subsection 3.20(b), the version in an electronic format is considered the original document for the purposes of this By-Law.
- (d) The Homeowner Condo Corporation may provide any information or documents requested under subsection 3.18(a) in electronic form unless the person requesting the information or documents specifically requests that they be provided in paper form.

**3.21 Inspection of Records by Unit Mortgagee -** On ten (10) days written notice to the Homeowner Condo Corporation, a Unit Mortgagee may inspect one or more of the following:

- (a) the records pertaining to the management or administration of the Homeowner Condo Corporation;
- (b) the minutes of meetings of the Board of Directors;
- (c) the minutes of any Meetings of Members.

**3.22 Address of Members -** Each Member shall keep the Homeowner Condo Corporation apprised of its address and email address for the purposes of notices to be given under the By-Law and any register of Members being maintained by the Secretary of the Homeowner Condo Corporation. Each Regular Member shall promptly notify the Homeowner Condo Corporation upon obtaining or transferring leasehold title to any Units. The Homeowner Condo Corporation may charge the Member a fee if the Homeowner Condo Corporation must determine at its own cost the status of that Regular Member or

ownership of that Regular Member's leasehold interest in any Units or any change in address for that Regular Member by searching title to the Units in which that Regular Member has an interest.

#### **ARTICLE IV MEETINGS OF MEMBERS**

**4.1 Place of Meetings** - Meetings of the Members shall be at the Taza Lands or at any place within the City of Calgary as determined by the Board of Directors.

**4.2 Annual Meetings** - Subject to section 4.3, the Board of Directors shall call an annual meeting no later than twelve months (12) months (or such shorter period as prescribed by the Act) after the Homeowner Condo Corporation came into existence and subsequently, not later than fifteen (15) months (or such shorter period as prescribed by the Regulations) after the last preceding annual meeting but not later than six (6) months (or such shorter period as prescribed by the Regulations) after the end of the Homeowner Condo Corporation's preceding financial year. The Board of Directors shall call an annual Meeting of Members for the purpose of:

- (a) considering the financial statements and reports of the Homeowner Condo Corporation required by the Act to be presented at the meeting;
- (b) electing directors;
- (c) appointing a public accountant, if required under Part 12 of the Act or under this By-Law; and
- (d) transacting such other business as may properly be brought before the meeting or is required under the Act. Any other matters of business shall constitute special business and a Special Meeting of Members will need to be held unless notice of such special business is given with the notice of the annual meeting in which case the special business may be considered at such annual meeting.

#### **4.3 Meeting to replace Initial Board by new Board of Directors -**

- (a) The Developer, in its capacity as a Regular Member, shall within ninety (90) days from the day that Homeowner Leases have been registered with the Registry for Units representing 51% of Unit Factors, convene a meeting of Members at which the directors of the Interim Board shall be replaced by new directors. In the event the Developer does not convene such meeting with such ninety (90) day period, any Regular May convene such Meeting of Members.
- (b) In addition to any information to be provided to the Members under the Act, the Developer and the Interim Board shall, at the meeting of the Homeowner Condo Corporation convened under section 4.3(a), provide to the Homeowner Condo Corporation, without charge, the following:
  - (i) originals or a copy of all resolutions, minutes and other records and documents of the Interim Board;
  - (ii) copies of all plans, documents and amended documents that are required to be prepared under Applicable Law in respect of Buildings on the Premises;
  - (iii) a copy of all outstanding orders made by the Tsuut'ina Development Authority or any other Governmental Authority in respect of the Premises or any Buildings on the Premises;
  - (iv) a copy of the Condo Building Plan;
  - (v) copies of all manuals, schematic drawings, operating instructions, service guides, manufacturers documentation, records of service and repairs and other similar information or documentation in the possession or control of the Developer or Interim Board respecting the construction, installation, operation, maintenance, repair and servicing of any Common Property or real or personal property of the Homeowner Condo Corporation;

- (vi) a document setting out a list of the members of the Interim Board;
- (vii) a document setting out:
  - the following information respecting each Owner:
    - the name of each Owner and their corresponding Unit numbers, as they appear on the Condo Building Plan;
    - areas of exclusive possession, as referred to in section 17.2 of Schedule I to the Prepaid Residential Lease, assigned to each Owner;
  - the following information respecting each Unit:
    - municipal address of the Unit;
    - the Owner's address as per the Prepaid Homeowner Lease;
    - any additional address for service for the Unit's Owner as provided by the Owner to the Homeowner Condo Corporation;
    - Unit Factors for each Unit;
- (viii) a document setting out a list of the names and addresses of all Unit Mortgagees who have given written notice to the Homeowner Condo Corporation in accordance with Section 3.4(b).
- (ix) a document setting out a list of the names of each Residential Tenant that the Developer or Interim Board has been informed of, the Unit number being occupied by the Residential tenant, and the amount of any deposit paid by an Owner with respect to a rented Unit to the Homeowner Condo Corporation under section 18.1(c) of Schedule I to the Prepaid Residential Lease;
- (x) a copy of any Rules made by the Interim Board;
- (xi) a copy of any unsatisfied judgment of a Court or another decision-maker in proceedings to which the Homeowner Condo Corporation is a party;
- (xii) a copy of any legal or other professional advice or opinions paid for by the Homeowner Condo Corporation;
- (xiii) copies of any Proposed Condo Building Budget or annual Condo Building Budget of the Homeowner Condo Corporation, any financial statements prepared for the Homeowner Condo Corporation's current fiscal year and any financial statements in the possession or control of the Developer or Interim Board respecting previous fiscal years;
- (xiv) copies of all records respecting the account maintained by the Financial Institution holding the Reserve Fund, Operating Account or any other funds of the Homeowner Condo Corporation;
- (xv) copies of all tax records of the Homeowner Condo Corporation;
- (xvi) a copy of each sublease, licence or other instrument granting an Owner the right to exclusive possession of an area;
- (xvii) a copy of any restrictive covenant registered against the Premises;
- (xviii) a copy of all current insurance policies obtained by or on behalf of the Homeowner Condo Corporation, and the certificate respecting each insurance policy; and
- (xix) a copy of any Standard Insurable Unit Description (as defined in the Prepaid Residential Lease).

(c) Within sixty (60) days after the above Meeting of Members, the Homeowner Condo Corporation shall provide each Owner and each Unit Mortgagee who has given written notice pursuant to section 3.4, with the approved minutes, or draft minutes if no minutes have been approved, of the Meeting of Members.

**4.4 Proposals at Annual Meeting** - A Member entitled to vote at an annual Meeting of Members may submit to the Homeowner Condo Corporation notice of a Proposal regarding any matter that the Member proposes to raise at the annual meeting. Any such Proposal may include nominations for the election of directors if the Proposal is signed by the lesser of twenty (20) Members or five percent (5%) (or such other percentage set forth in the Regulations) of Members entitled to vote at the meeting at which the Proposal is to be presented. The Homeowner Condo Corporation shall include:

- (a) the Proposal in the notice of meeting; and
- (b) if so requested by the Member, a statement by the Member in support of the Proposal and the name and address of the Member (provided such statement and Proposal shall together not exceed the prescribed maximum number of words as set forth in the Regulations); unless the Homeowner Condo Corporation is relieved from doing so under subsection 163(6) of the Act and the Board of Directors determines in that case to not include the Proposal in the notice of meeting. The Member who submitted the Proposal shall pay the cost of including the Proposal and any statement in the notice of meeting at which the Proposal is to be presented unless otherwise provided by the Board of Directors or by Ordinary Resolution of the Members present at the meeting.

**4.5 Special Meetings** - The Board of Directors may at any time call a Special Meeting of Members for the transaction of any business which may properly be brought before the Members. The Board of Directors shall call a Special Meeting of Members on written requisition of Members carrying not less than:

- (a) five per cent (5%) of the voting rights (or such lesser percentage as provided in the Regulations) if there are fewer than two hundred (200) Regular Members;
- (b) four per cent (4%) of the voting rights (or such lesser percentage as provided in the Regulations) if there are two hundred (200) or more Regular Members but less than five hundred (500) Regular Members;
- (c) three per cent (3%) of the voting rights (or such lesser percentage as provided in the Regulations) if there are five hundred (500) or more Regular Members but fewer than one thousand (1,000) Regular Members;
- (d) two per cent (2%) of the voting rights (or such lesser percentage as provided in the Regulations) if there are one thousand (1,000) or more Regular Members but fewer than two thousand (2,000) Regular Members;
- (e) one per cent (1%) of the voting rights (or such lesser percentage as provided in the Regulations) if there are two thousand (2,000) or more Regular Members.

The requisition for a meeting shall state the business to be transacted at the meeting and shall be sent to each director and to the registered office of the Homeowner Condo Corporation. If the Board of Directors does not call a meeting within twenty-one (21) days (or such shorter period as set forth in the Regulations) of receiving the requisition and the Board of Directors is not relieved from calling such meeting as provided in the Act, any Member who signed the requisition may call the meeting.

Notwithstanding the foregoing, the Board of Directors shall call a Special Meeting of Members on written requisition of any Member proposing the removal of a member of the Board of Directors who has been convicted of an indictable offence, or any offence (whether or not indictable) involving fraud, theft or dishonesty, or an offence that compromises the property or reputation of the Homeowner Condo Corporation as determined by the Board of Directors.

**4.6 Notice of Meetings** - Notice of the time and place of a Meeting of Members shall be sent to the following:

- (a) to each Member entitled to vote at the meeting and registered on the records of the Homeowner Condo Corporation at the time:
  - (i) notice is sent; or
  - (ii) of any record date fixed by the Board of Directors in accordance with the Act, or failing such record date being fixed, on the record date established pursuant to the Act;
- (b) to each director; and
- (c) to the public accountant of the Homeowner Condo Corporation, if any. A notice shall be provided at least twenty-one (21) days but no more than sixty (60) days (or within such other period as prescribed by the Regulations) prior to the meeting. A notice shall be provided in accordance with the requirements of Article XII of this By-Law and the Regulations and shall, subject to the Act and this By-Law, include any Proposal submitted to the Homeowner Condo Corporation under Section 4.4 above. Notice of a Meeting of Members at which special business is to be transacted shall:
- (d) state the nature of that business in sufficient detail to permit each Member to form a reasoned judgment on the business; and
- (e) provide the text of any Special Resolution or By-Law to be submitted to the meeting. A Member that is not given notice of a Meeting of Members is not deprived of the right to vote at that meeting.

**4.7 Waiving Notice** - A person entitled to notice of a Meeting of Members may in any manner and at any time waive notice of a Meeting of Members, and attendance of any such person at a Meeting of Members is a waiver of notice of the meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

**4.8 Persons Entitled to be Present** - The only persons entitled to be present at a Meeting of Members shall be those entitled to vote at the meeting (including Unit Mortgagees who have given notice pursuant to Section 3.4 and those voting by authority granted under a valid proxy), the directors and the public accountant of the Homeowner Condo Corporation, if any. Any other person may be admitted only on the invitation of the Chair or with the consent of the meeting.

**4.9 Chair of the Meeting** - In the event that the Chair and the Vice-Chair are absent, the Members who are present and entitled to vote at the meeting shall choose one of their number to chair the meeting.

**4.10 Quorum** - Except for an adjourned meeting as provided in Section 4.13 below, a quorum at any Meeting of Members (unless a greater number of Members are required to be present as prescribed by the Regulations) shall be twenty-five percent (25%) of the Regular Members or other persons entitled to vote. If a quorum is present at the opening of a Meeting of Members, the Members present may proceed with the business of the meeting even if a quorum is not present throughout the meeting. If the Homeowner Condo Corporation has only one Member or only one Member in a class of Members, the Member, present in person or by proxy or who submits a vote that meets the requirements of section 171 of the Act, constitutes the meeting. For the purpose of determining quorum, a Member shall be deemed present if present in person, or by the presence of the Member's proxy, or, if authorized under Section 4.12 below, such Member or the Member's proxy is present by Electronic Means.

**4.11 Participation at Meetings by Telephone or Electronic Means** - Any person entitled to attend a Meeting of Members (including Unit Mortgagees and those entitled by proxy) may participate in the meeting (in accordance with the Regulations, if any) using Electronic Means that permit all participants

to communicate adequately with each other during the meeting, if the Homeowner Condo Corporation makes available such a communication facility or the person in question has access to such a communication facility. A person participating in the meeting by any such means shall be deemed to have been present at that meeting. A person participating by Electronic Means may demand a ballot and may vote by any such means if the facility, when necessary, can be adapted so that the votes can be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Homeowner Condo Corporation without it being possible for the Homeowner Condo Corporation to identify how a particular Member or group of Members voted.

**4.12 Meeting Held by Electronic Means** - If the Board of Directors or Members call a Meeting of Members, the Board of Directors or Members, as the case may be, may determine that the meeting shall be held entirely by Electronic Means that permits all participants to communicate adequately with each other during the meeting.

**4.13 Adjournment** - If, within fifteen (15) minutes from the time appointed for a Meeting of Members, a quorum is not present, the meeting shall stand adjourned to one-half hour past the time appointed for that meeting on the same day at the same place, and no notice of such adjournment (except by an announcement at that meeting) need be given to the Members; and if, at the adjourned meeting, a quorum is not present within fifteen (15) minutes from the time appointed for the adjourned meeting, the Meeting of Members shall be adjourned to the corresponding day and time of the next week at the same place. If a quorum is still not present within thirty (30) minutes from the time appointed for the adjourned meeting, then the persons entitled to vote who are present shall be a quorum. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

**4.14 Proxies** - In addition to voting in person, every Member entitled to vote at a Meeting of Members may vote by any of the following means:

- (a) by appointing a proxy holder or one or more alternate proxy holders (who need not be Members but if the proxy holder is a Member then the Member must be in Good Standing) as the Member's nominee to attend, participate and act at the meeting in the manner and to the extent and with the authority conferred by the proxy, subject to the following requirements:
  - (i) the proxy was delivered to the registered office of the Homeowner Condo Corporation by 3:00 p.m. on the second (2nd) last business day preceding the day of the meeting, at which the proxy is to be used;
  - (ii) a proxy is valid only at the meeting in respect of which it is given or at a continuation of that meeting after an adjournment;
  - (iii) the holder of the proxy does not hold proxies from more than four (4) other Members in which case only the first four (4) valid proxies presented to the Homeowner Condo Corporation shall be recognized;
  - (iv) a Member may revoke a proxy by depositing an instrument in writing executed by the Member:
    - at the registered office of the Homeowner Condo Corporation no later than 3:00 p.m. on the last business day preceding the day of the meeting at which the proxy is to be used, or
    - with the Chair on the day of the meeting;
  - (v) a proxy holder or an alternate proxy holder has the same rights as the Member by whom they were appointed, including the right to speak at a Meeting of Members in respect of any matter, to vote by way of ballot at the meeting, to demand a ballot at the

meeting and, except where a proxy holder or an alternate proxy holder has conflicting instructions from more than one Member, to vote at the meeting by way of a show of hands;

- (vi) if a form of proxy is created by a person other than the Member, the form of proxy shall:
- indicate, in bold-face type:
    - the meeting at which it is to be used;
    - that the Member may appoint a proxy holder, other than a person designated in the form of proxy, to attend and act on their behalf at the meeting; and
    - instructions on the manner in which the Member may appoint the proxy holder;
  - contain a designated blank space for the date of the signature and for the Member's signature;
  - contain a designated blank space for the date of the signature and for the Member's signature;
  - provide a means for the Member to designate some other person as proxy holder, if the form of proxy designates a person as proxy holder;
  - provide a means for the Member to specify that the membership registered in the Member's name is to be voted for or against each matter, or group of related matters, identified in the notice of meeting, other than the appointment of a public accountant and the election of directors;
  - provide a means for the Member to specify that the membership registered in the Member's name is to be voted or withheld from voting in respect of the appointment of a public accountant or the election of directors; and
  - state that the membership represented by the proxy is to be voted or withheld from voting, in accordance with the instructions of the Member, on any ballot that may be called for and that, if the Member specifies a choice with respect to any matter to be acted on, the membership is to be voted accordingly;
- (vii) a form of proxy may include a statement that, when the proxy is signed, the Member confers authority with respect to matters for which a choice is not provided only if the form of proxy states, in bold-face type, how the proxy holder is to vote the membership in respect of each matter or group of related matters;
- (viii) if a form of proxy is sent in electronic form, the requirements that certain information be set out in bold-face type are satisfied if the information in question is set out in some other manner so as to draw the addressee's attention to the information; and
- (ix) a form of proxy that, if signed, has the effect of conferring a discretionary authority in respect of amendments to matters identified in the notice of meeting or other matters that may properly come before the meeting must contain a specific statement to that effect;
- by using a mailed-in ballot in the form provided by the Homeowner Condo Corporation provided that the Homeowner Condo Corporation has a system that enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be presented to the Homeowner Condo Corporation without it being possible for the Homeowner Condo Corporation to identify how each Member voted; or
  - by Electronic Means, if the facility enables the votes to be gathered in a manner that permits their subsequent verification and permits the tallied votes to be

presented to the Homeowner Condo Corporation without it being possible for the Homeowner Condo Corporation to identify how each Member voted.

**4.15 Votes to Govern** - All questions proposed for consideration of the Members shall be determined by Ordinary Resolution of the Members, unless otherwise specified. In case of an equality of votes, the Chair shall not have a second or casting vote.

**4.16 Show of Hands** - Except where a ballot is demanded or voting is permitted electronically, voting on any question proposed for consideration at a Meeting of Members shall be by show of hands, and a declaration by the Chair of the meeting as to whether or not the question or motion has been carried and an entry to that effect in the minutes of the meeting shall, in the absence of evidence to the contrary, be evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the motion.

**4.17 Ballots** - For any question proposed for consideration at a Meeting of Members, either before or after a vote by show of hands has been taken, the Chair of the meeting, or any Member or proxy holder may demand a ballot, in which case the ballot shall be taken in such manner as the Chair directs and the decision of the Members on the question shall be determined by the result of such ballot.

**4.18 Annual Financial Statements** - the Homeowner Condo Corporation shall, in addition to any requirements under the Act:

- (a) prepare financial statements, in accordance with Canadian generally accepted accounting principles, for the Homeowner Condo Corporation's preceding fiscal year, an annual report on the Reserve Fund and an annual Condo Building Budget for the Homeowner Condo Corporation's fiscal year that immediately follows the Homeowner Condo Corporation's preceding fiscal year, and
- (b) no less than fourteen (14) days prior to the day on which the annual Meeting is to be convened, provide copies of the financial statements, an annual report on the Reserve Fund and the annual Condo Building Budget to each Owner.

## **ARTICLE V BOARD OF DIRECTORS**

**5.1 Powers** - The Board of Directors shall manage (or, to the extent delegated, supervise the management of) the activities and affairs of the Homeowner Condo Corporation. Without restricting the generality of the foregoing, the Board of Directors has the power (but not the obligation) to:

- (a) enforce any restrictive covenant in respect to any part of the Lands wherein the Homeowner Condo Corporation has the benefit of the restrictions set forth therein, as the Board of Directors may determine in its sole discretion;
- (b) make, amend or repeal Rules from time to time, provided:
  - (i) The Rules must be reasonable and consistent with the Prepaid Residential Lease, and, if inconsistent with the Prepaid Residential Lease, such Rules shall be void and have no effect.
  - (ii) The Rules must not restrict the uses of Units.
  - (iii) The Board of Directors shall inform the Regular members and Residential Tenants of any Rules made, amended or repealed.

**5.2 Number** -

- (a) Until changed in accordance with the Act, the Board of Directors shall consist of that number of directors specified in the Articles. If the Articles specify a minimum and a maximum number of directors, the Board of Directors shall be composed of the fixed number of directors as determined from time to time by the Members by Ordinary Resolution or, if the Ordinary Resolution empowers the directors to determine the number, by resolution of the Board of Directors. No decrease in the number of directors shall shorten the term of an incumbent director.
- (b) Other than the Interim Board, at least 2/3 of the directors of the Board of

**5.3 Qualifications** - The following persons are disqualified from being a director of the Homeowner Condo Corporation:

- (a) anyone who becomes a bankrupt as defined in the *Bankruptcy and Insolvency Act* (Canada),
- (b) anyone who is more than sixty (60) days in arrears in payment of any Contribution required to be made by such persons,
- (c) anyone who is more than sixty (60) days in default of a judgment by a Court of any money owing to the Homeowner Condo Corporation;
- (d) anyone who is or becomes a represented adult as defined in the *Adult Guardianship and Trusteeship Act*;
- (e) anyone who is convicted of an indictable offence for which the person is liable to imprisonment for a term of not less than two (2) years;
- (f) anyone who resigns the office by serving notice in writing on the Homeowner Condo Corporation, effective as of the date set out in the notice; and
- (g) anyone who is removed as a director by the Members by way of Ordinary Resolution.

**5.4 Election and Term** -

- (a) The Members shall elect by Ordinary Resolution, at each annual meeting at which an election of directors is required, directors to hold office for a term expiring at the close of the second annual Meeting of Members following the election, except that a certain number of the directors elected at the first annual Meeting of Members to replace the Interim Board of Directors or any subsequent Meeting of Members where the number of directors are increased shall hold office for a term expiring at the close of the first annual Meeting of Members following the election; the said number of directors to be elected with an initial shorter term of office shall be the number necessary to provide staggered terms of the directors so that half (or approximately half in the case of an odd number of directors) of the directors will be subject to their term of office expiring at the same time. A director not elected for an expressly stated term ceases to hold office at the close of the second annual Meeting of Members following such person's election, but, if qualified, is eligible for re-election. If directors are not elected at a Meeting of Members, the incumbent directors continue in office until their successors are elected.

**5.5 Consent** - An individual who is elected or appointed to hold office as a director is not a director, and is deemed not to have been elected or appointed to hold office as a director, unless:

- (a) that individual, if present at the meeting at which the election or appointment took place, consented to hold office or did not refuse to hold office,
- (b) that individual, if not present at the meeting at which the election or appointment took place, either:
  - (i) consented to hold office in writing before the election or appointment took place or within ten (10) days thereafter (or within such other time as provided in the Regulations); or

- (ii) acted as a director after such individual's election or appointment.

**5.6 Vacation of Office** - A director ceases to hold office when the director dies, resigns, is removed from office by the Members, or becomes disqualified to serve as a director.

**5.7 Resignation** - A director may resign from office by giving a written resignation to the Homeowner Condo Corporation and such resignation becomes effective when received by the Homeowner Condo Corporation or at the time specified in the resignation, whichever is later.

**5.8 Removal** - The Regular Members may, by Ordinary Resolution, remove any director from office before the expiration of the director's term and may elect a qualified individual to fill the resulting vacancy for the remainder of the term of the director so removed, failing which such vacancy may be filled by the Board of Directors as provided by this By-Law.

**5.9 Vacancies** -

- (a) Subject to Section 5.8 above and subject to the Act, a vacancy on the Board of Directors may be filled for the remainder of the term by a qualified individual by resolution of the directors provided the total number of directors so appointed do not exceed one third of the number of directors elected at the preceding annual Meeting of Members and provided the term of such individual shall expire at the close of the next annual Meeting of Members.
- (b) Notwithstanding the above, if there is not a quorum of directors or if a vacancy results from either:
  - (i) an increase in the number or change to the minimum or maximum number of directors provided in the Articles; or
  - (ii) a failure to elect the number of directors required to be elected at any Meeting of Members, the directors then in office shall call a Special Meeting of Members to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any Member; if the director who is ceasing to hold office was elected by a particular class or group of Members, such vacancy shall only be filled by a vote of the Members of that particular class or group of Members.

**5.10 Remuneration** - Unless otherwise determined by Special Resolution, the directors and officers of the Homeowner Condo Corporation shall not receive remuneration or other compensation for their services to the Homeowner Condo Corporation.

**5.11 Reserve Fund Study, Report and Plan** -

- (a) The Homeowner Condo Corporation must retain a Reserve Fund Study Provider to carry out a study of the Depreciating Property as set forth in the Prepaid Residential Lease. On receiving the Reserve Fund Report prepared in accordance with the Prepaid Residential Lease, the Board of Directors must, after reviewing the Reserve Fund Report, approve a Reserve Fund Plan in compliance with the Prepaid Residential Lease,
  - (i) under which a Reserve Fund is to be established, if one has not already been established, and
  - (ii) setting forth the method of and amounts needed for funding and maintaining the Reserve Fund. The Reserve Fund Plan must provide that, based on the Reserve Fund Report, sufficient funds will be available by means of Contributions, or any other method that is reasonable in the circumstances, to repair or replace, as the case may be, the Depreciating Property in accordance with the Reserve Fund Report.

- (b) Notwithstanding that a Reserve Fund Plan has been approved under subsection 5.11(a), the Homeowner Condo Corporation must provide to the Members copies of that approved Reserve Fund Plan prior to the collection of any funds for the purposes of those matters dealt with in the Reserve Fund Report on which the approved Reserve Fund Plan was based and that are to be carried out pursuant that report.
- (c) Until such time that the Board of Directors has approved a Reserve Fund Plan under subsection 5.11(a) and is eligible to collect funds in respect of the Reserve Fund, the Homeowner Condo Corporation may, notwithstanding subsection 5.11(b), collect or otherwise receive funds for a fund that is similar in nature to a Reserve Fund and may make expenditures from and generally continue to operate that fund.

**5.12 Interim Board Reserve Fund Plan** - If the Interim Board arranges for a Reserve Fund Study before a Board of Directors is elected in accordance with section 4.3(a), the Interim Board shall ensure that the Reserve Fund Study is carried out by a Reserve Fund Study Provider who is at arm's length from the Developer and every member of the Interim Board, as the case may be.

**5.13 The Homeowner Condo Corporation as Reserve Fund Study Provider** - Notwithstanding section 5.11(a), if a Condo Building Plan consists of not more than twelve (12) Units, the Homeowner Condo Corporation may, in respect of that Condo Building Plan, carry out the functions of a Reserve Fund Study Provider if authorized to do so by a Special Resolution.

**5.14 When Reserve Fund Study, Report and Plan must be Prepared** - The Homeowner Condo Corporation must complete the First Reserve Fund Study, Reserve Fund Report and Reserve Fund Plan in accordance with Prepaid Residential Lease no later than two (2) years after the date on which the Condo Building Plan is registered with the Registry.

**5.15 Reserve Fund -**

- (a) The Homeowner Condo Corporation shall, from Contributions, establish and maintain a Reserve Fund that is reasonably sufficient to provide for major repairs and replacement of the following, where the repair or replacement is of a nature that does not normally occur annually: (i) any real and personal property of the Homeowner Condo Corporation; and (ii) the Common Property.
- (b) The Homeowner Condo Corporation must maintain the funding of its Reserve Fund at an appropriate amount or in an appropriate state so that the requirements of subsection 5.15(a) continue to be met.
- (c) Except for the purposes of paying for repairs to or replacement of Depreciating Property, neither the Homeowner Condo Corporation nor any person holding money or dealing with money on behalf of the Homeowner Condo Corporation is to commingle any funds that make up the Homeowner Condo Corporation's Reserve Fund with the Homeowner Condo Corporation's Operating Account or any funds of any other person.
- (d) Notwithstanding subsection 5.15(a), funds from the Reserve Fund may be used for
  - (i) a Reserve Fund Study and Reserve Fund Report required to be prepared in accordance with section 5.11 and the Prepaid Residential Lease, and
  - (ii) any other report prepared by an expert examining the condition of the real and personal property of the Homeowner Condo Corporation and the Common Property, and
  - (iii) any other purpose provided for in this By-Law or the Prepaid Residential Lease.
- (e) Notwithstanding subsection 5.15(d), funds shall not be taken from a Reserve Fund for the purpose of making capital improvements unless:

- (i) the removal of funds for that purpose is authorized by a Special Resolution or is necessary to maintain property referred to in subsection 5.15(a) to comply with health, building and maintenance and occupancy standards as required by Applicable Law, and
  - (ii) there will be sufficient funds remaining in the Reserve Fund to meet the requirements of subsection 5.15(a).
  - (iii) For the purposes of this section 5.15 and sections 3.10 and 3.11, the replacement of existing real and personal property of the Homeowner Condo Corporation or the Common Property with: the contemporary equivalent of an obsolete property, or
  - (iv) the contemporary equivalent of an obsolete property, or
  - (v) a lower cost equivalent of the existing property, are not capital improvements.
- (f) The money in the Reserve Fund is an asset of the Homeowner Condo Corporation and no part of that money shall be refunded or distributed to any Member prior to the end of the Term in accordance with section 5.21.

#### **5.16 Use of Reserve Fund During Emergency -**

- (a) Notwithstanding section 5.15(c), the Homeowner Condo Corporation (other than when the Homeowner Condo Corporation is controlled by the Interim Board) may transfer funds currently in the Reserve Fund into the Operating Account for the purposes of temporarily paying for the control, management and administration of the real and personal property of the Homeowner Condo Corporation and the Common Property if the conditions in this section 5.16 are met.
- (b) Before the Homeowner Condo Corporation may transfer funds under this section, the following conditions must be met:
  - (i) a declaration of emergency has been proclaimed under the *Emergencies Act* (Canada), a state of emergency or state of local emergency has been declared under the *Emergency Management Act* or a state of public health emergency or local state of public health emergency has been declared under the *Public Health Act*, and the declaration of emergency, state of emergency, state of local emergency or state of public health emergency or local state of public health emergency remains in effect;
  - (ii) the Homeowner Condo Corporation has received lower revenue from Contributions compared to the revenue expected from Contributions levied on Owners as a result of:
    - the declaration or state of emergency,
    - events that caused or led to the declaration or state of emergency, or
    - events related to the declaration or state of emergency that occurred during the declaration or state of emergency;
  - (iii) as a result of the lower revenue described in clause (i), a shortfall exists between revenue received and expenditures to be paid from the Operating Account.
- (c) The Homeowner Condo Corporation may not transfer from the Reserve Fund to the Operating Account an amount that is more than:
  - (i) the difference between the lower revenue received from Contributions, as referred to in subsection 5.16(b)(ii), compared to the revenue expected from Contributions levied on Owners,
  - (ii) the actual shortfall that exists between revenue received and expenditures to be paid from the Operating Account, whichever is less.
- (d) Prior to transferring funds currently in the Reserve Fund for a purpose identified in subsection 5.16(a), the Board of Directors must:
  - (i) serve a notification to Members consisting of:
    - (A) a statement of the Board of Directors' intention to transfer Reserve Funds for a purpose identified in subsection 5.16(a),

- (B) notice of the date when the Board of Directors intends to make a decision,
  - (C) a description of any alternative that was considered to transferring Reserve Funds, and the reason why the alternative was not adopted, and
  - (D) a proposed revision to the Reserve Fund Plan that: (1) identifies the amount of the Reserve Fund being transferred to the Operating Account under this section, and (2) identifies a specific repayment plan that will be used to repay the amount transferred from the Reserve Fund within two (2) years of the date the declaration or state of emergency has ended,
- (ii) pass a resolution of the directors of the Homeowners Council with a 75% majority of directors eligible to vote that:
- (A) authorizes a transfer from the Reserve Fund to the Operating Account in accordance with this section, and
  - (B) approves the proposed revision to the Reserve Fund Plan referred to in section 5.16(d)(i)(D), and
  - (C) serve a notice to Owners confirming that the changes to the Reserve Fund Plan have been adopted and provide the revised Reserve Fund Plan to Owners.
- (e) Nothing in this section 5.16 is to be read as relieving, limiting or deferring a Member's obligation to pay any Contributions under this By-Law.

**5.17 Repairs, etc. not to be Construed as Capital Improvements** - For the purposes of this By-Law, a repair to or replacement of Depreciating Property that is carried out by the Homeowner Condo Corporation is not to be construed as a capital improvement if that repair or improvement is a matter that was included in the current Reserve Fund Report that was prepared and submitted to the Homeowner Condo Corporation.

**5.18 Annual Report** - The Homeowner Condo Corporation must prepare an annual report for each fiscal year respecting the Reserve Fund setting out at least the following:

- (a) the amount of the Reserve Fund as of the last day of the immediately preceding fiscal year;
- (b) all the payments made into and out of the Reserve Fund for that year and the sources and uses of those payments;
- (c) a list of the Depreciating Property that was repaired or replaced during that year and the costs incurred in respect of the repair or replacement of that property;
- (d) the amount of the Reserve Fund projected for the current fiscal year;
- (e) total payments by Ordinary Resolution or Special Resolution into, and payments out of, the Reserve Fund for the current fiscal year;
- (f) a list of the Depreciating Property projected to be repaired or replaced during the current fiscal year and the projected costs of the repairs and replacements.

**5.19 5-Year Review** - On or before five (5) years from the day that the most recent Reserve Fund Plan was approved, the Homeowner Condo Corporation must, in accordance with the same procedures, requirements and restrictions set out above,

- (a) have a Reserve Fund Study carried out,
- (b) have a Reserve Fund Report prepared,
- (c) approve the Reserve Fund Plan, and
- (d) provide to the Members for the Members' information copies of the approved Reserve Fund Plan referred to in clause 5.19(c) prior to the collection of any Contributions for the purposes of those matters dealt with in the Reserve Fund Report referred to in clause 5.19(b) and that are to be carried out pursuant that report.

**5.20 Operating Account** - The Homeowner Condo Corporation shall, from Contributions, establish and maintain an Operating Account to be used to provide sufficient funds for:

- (a) the control, management and administration of the real and personal property of the Homeowner Condo Corporation and the Common Property, and
- (b) the payment of any other obligation of the Homeowner Condo Corporation, that are not required to be paid out of the Reserve Fund.

**5.21 Use of Reserve Fund at end of Initial Term and Term** -

- (a) If, at the end of the Initial Term where there will be an Extension Period, the Homeowner Condo Corporation has determined there is a sufficient amount in the Reserve Fund in order to meet the requirements of section 5.11, the Homeowner Condo Corporation may, with the consent of the Nation in its sole discretion, credit the excess towards the Extension Rent.
- (b) Upon the expiry of the Term, all amounts remaining in the Reserve Fund shall be distributed amongst the Homeowners in proportions commensurate with the Unit Factors of the Units held by such Homeowners as compared to the Unit Factors of all of the Units. For greater certainty, any funds received by Owners shall be a return of unused Contributions to the Reserve Fund and not in their capacities as Members, and no Owner shall receive funds that exceed, in aggregate, the total Contributions provided by such Owner and its predecessor in title to a Unit to the Reserve Fund.

**5.22 Change of Directors** –

- (a) the Homeowner Condo Corporation shall file, as required under the Act, a notice of any changes among its directors or of any address of a director. A director shall, within fifteen (15) days (or such other time required by the Regulations), send the Homeowner Condo Corporation a notice of any change in such person's address.
- (b) The Homeowner Condo Corporation shall, within thirty (30) days from the conclusion of the Homeowner Condo Corporation's annual Meeting of Members, and from time to time upon the request of an Owner or Unit Mortgagee, provide each Owner and Unit Mortgagee who has provided notice under section 3.4(b) with a written notice stating the names and addresses of the members of the Board of Directors.
  - (i) The Homeowner Condo Corporation shall, following a change in a director of the Homeowner Condo Corporation, the name of a director or the address of a director, promptly provide each Member and Unit Mortgagee who as provided notice under section 3.4(b) with written notice stating the change.

## **ARTICLE VI COMMITTEES**

**6.1 Delegation** - Executive Committee. The Board of Directors may appoint from their number a managing director or a committee of directors (which may be referred to as an executive committee) and delegate to the managing director or committee any of the powers of the Board of Directors except those which may not be delegated by the Board of Directors pursuant to subsection 138(2) of the Act. Unless otherwise determined by the Board of Directors, such a committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chair, and to otherwise regulate its procedures.

**6.2 Other Committees** - The Board of Directors may from time to time appoint any committee (including an audit committee as contemplated under section 194 of the Act) or other advisory body, as it deems

necessary or appropriate for such purposes and, subject to the Act, with such powers as the Board of Directors shall see fit. Any such committee may formulate its own rules of procedure, subject to such regulations or directions as the Board of Directors may from time to time make. Any committee member may be removed by resolution of the Board of Directors.

## **ARTICLE VII MEETINGS OF DIRECTORS**

**7.1 Place of Meetings** - Meetings of the Board of Directors may be held at the registered office of the Homeowner Condo Corporation or at any other place within the Taza Lands, within the City of Calgary or as the Board of Directors may determine.

**7.2 Calling of Meetings** - Meetings of the Board of Directors may be called at any time by the Chair, the Vice-Chair, or any two (2) directors; provided that for the first organization meeting following incorporation, such meeting may be called by any director or the Developer. If the Homeowner Condo Corporation has only one director, that director may call and constitute a meeting.

**7.3 Notice of Meeting** - Notice of the time and place for the holding of a meeting of the Board of Directors shall be given in the manner provided in 12.1 of this By-Law to every director of the Homeowner Condo Corporation not less than seven (7) days before the time when the meeting is to be held. Notice of a meeting shall not be necessary if all of the directors are present, and none objects to the holding of the meeting, or if those absent have waived notice of or have otherwise signified their consent to the holding of such meeting. Notice of an adjourned meeting is not required if the time and place of the adjourned meeting is announced at the original meeting. Every notice of meeting must specify the purpose or the business to be transacted at the meeting, except regular meetings provided for under Section 7.5 below unless required by the Act.

**7.4 First Meeting of New Board of Directors** - Provided that a quorum of directors is present, a newly-elected Board of Directors may, without notice, hold its first meeting immediately following the Meeting of Members at which such Board of Directors is elected.

**7.5 Regular Meetings** - The Board of Directors may appoint a day or days in any month or months for regular meetings of the Board of Directors at a place and hour to be named. A copy of any resolution of the Board of Directors fixing the place and time of such regular meetings of the Board of Directors shall be sent to each director immediately after being passed, but no other notice shall be required for any such regular meeting except if subsection 136(3) (Notice of Meeting) of the Act requires the purpose thereof or the business to be transacted to be specified in the notice.

**7.6 Quorum** - A majority of the number of directors set at the last annual Meeting of Members constitutes a quorum at any meeting of the Board of Directors, and, despite any vacancy among the directors, a quorum of directors may exercise all the powers of the directors. For the purpose of determining quorum, a director may be present in person, or, if authorized under section 7.8, by teleconference and/or by other Electronic Means. A quorum must be maintained throughout the meeting.

**7.7 Resolutions in Writing** - A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or of a committee of directors, shall be as valid as if it had been passed at a meeting of directors or committee of directors. A copy of every such resolution in writing shall be kept with the minutes of the proceedings of the directors or committee of directors.

**7.8 Participation at Meeting by Telephone or Electronic Means** - A director may, in accordance with the Act and if all directors are in agreement and have provided their consent, participate in a meeting of directors or of a committee of directors using Electronic Means that permits all participants to communicate adequately with each other during the meeting. A director participating in the meeting by such means shall be deemed for the purposes of the Act to have been present at that meeting.

**7.9 Chair of the Meeting** - In the event that the Chair and the Vice-Chair are absent, the directors who are present shall choose one of their number to chair the meeting. **7.10 Votes to Govern** - At all meetings of the Board of Directors, every question shall be decided by a majority of the votes cast on the question. Each director shall have one vote. In case of an equality of votes, the Chair shall not have a second or casting vote. Directors may not appoint proxies to attend meetings in their stead.

## **ARTICLE VIII BORROWING**

### **8.1 Borrowing by the Homeowner Condo Corporation –**

- (a) The borrowing of money by the Homeowner Condo Corporation must be authorized by an Ordinary Resolution where the sum of the amount of the loan and all outstanding loans during that fiscal year is more than
  - (i) 15% of the Homeowner Condo Corporation's revenues as set out in the most recent financial statements for the Homeowner Condo Corporation, or
  - (ii) the maximum amount of borrowing for the Homeowner Condo Corporation for that fiscal year, as adopted by a previous resolution to authorize borrowing, whichever is greater.
- (b) A resolution adopted under subsection 8.1(a) must specify the maximum amount the Homeowner Condo Corporation is permitted to borrow in the fiscal year as either a percentage of the Homeowner Condo Corporation's revenues as set out in the most recent financial statements, or as an amount in dollars.
- (c) The Homeowner Condo Corporation may pass more than one resolution under subsection 8.1(a) in a year, but, if the Homeowner Condo Corporation lowers the maximum amount permitted for borrowing by a resolution, the resolution shall have no impact on a loan validly borrowed under a higher permitted maximum amount.

### **8.2 Statement Respecting Permitted Borrowing –**

- (a) The Board of Directors may issue a statement to a lender or a prospective lender attesting to the Homeowner Condo Corporation's
  - (i) maximum permitted borrowing amount, as of the date of issue, and
  - (ii) remaining permitted borrowing amount, based on current indebtedness.
- (b) Unless a statement issued under subsection 8.2(a) is withdrawn before a loan is advanced to the Homeowner Condo Corporation, the statement is conclusive proof in favour of the person who received the statement that if the Homeowner Condo Corporation borrows funds in accordance with the limit described on the statement, it does so validly, unless the person has, or by virtue of the person's position with or relationship to the Homeowner Condo Corporation ought to have, knowledge of more accurate facts at the relevant time.
- (c) The Homeowner Condo Corporation shall withdraw or revise a statement respecting permitted borrowing where the Homeowner Condo Corporation's borrowing limit changes before a loan is advanced to the Homeowner Condo Corporation on the basis of the statement set out in section 8.2(b).

## ARTICLE IX DESCRIPTION OF OFFICES

**9.1 Appointment** - The Board of Directors may designate the offices of the Homeowner Condo Corporation, appoint officers on an annual or more frequent basis, specify their duties and delegate to such officers the power to manage the affairs of the Homeowner Condo Corporation subject to any limitations provided for in the Act. A director may be appointed to any office of the Homeowner Condo Corporation. An officer may, but need not be, a director unless the By-Law provides otherwise. Two or more offices may be held by the same person.

**9.2 Description of Offices** - Unless otherwise specified by the Board of Directors, the officers of the Homeowner Condo Corporation shall have the following duties and powers associated with their positions:

- (a) **Chair of the Board of Directors** - The Chair of the Board of Directors, if one is appointed, shall be a director. The Chair, if any, shall, when present, preside at all meetings of the Board of Directors and of the Members. The Chair shall have such other duties and powers as the Board of Directors may specify.
- (b) **Vice-Chair of the Board of Directors** - The Vice-Chair of the Board of Directors, if one is appointed, shall be a director. If the Chair is absent or is unable or refuses to act, the Vice-Chair, if any, shall, when present, preside at all meetings of the Board of Directors and of the Members and shall have such other duties and powers as the Board of Directors may specify.
- (c) **Executive Director** - If appointed, the Executive Director shall be the chief executive officer of the Homeowner Condo Corporation and shall be responsible for implementing the strategic plans and policies of the Homeowner Condo Corporation. The Executive Director shall, subject to the authority of the Board of Directors, have general supervision of the affairs of the Homeowner Condo Corporation.
- (d) **Secretary** - If appointed, the Secretary shall attend and be the secretary of all meetings of the Board of Directors, Members and committees of the Board of Directors. The Secretary shall enter or cause to be entered in the Homeowner Condo Corporation's minute book, minutes of all proceedings at such meetings; the Secretary shall give, or cause to be given, as and when instructed, notices to Members, directors, the public accountant, the Director appointed by the federal minister responsible for enforcement of the Act, and Members of committees; the Secretary shall be the custodian of all books, papers, records, documents and other instruments belonging to the Homeowner Condo Corporation and shall maintain such registers of Members, directors, officers, and debt obligations as may be directed by the Board of Directors.
- (e) **Treasurer** - If appointed, the Treasurer shall have such powers and duties as the Board of Directors may specify. The powers and duties of all other officers of the Homeowner Condo Corporation shall be such as the terms of their engagement call for or the Board of Directors or Executive Director requires of them. The Board of Directors may from time to time and subject to the Act, vary, add to or limit the powers and duties of any officer. In the case of an office where the officer is not required to be a director (as provided above), a person shall not be qualified to be appointed as such an officer or to continue as an officer if that person resides at the same address as a member of the Board of Directors.

**9.3 Vacancy in Office** - In the absence of a written agreement to the contrary, the Board of Directors may remove, whether for cause or without cause, any officer of the Homeowner Condo Corporation. Unless so removed, an officer shall hold office until the earlier of:

- (a) the officer's successor being appointed;

- (b) the officer's resignation;
- (c) such officer ceasing to be a director (if a necessary qualification of appointment); or
- (d) such officer's death.

If the office of any officer of the Homeowner Condo Corporation shall be or become vacant, the directors may, by resolution, appoint a person to fill such vacancy.

**9.4 Remuneration of Officers** - The officers of the Homeowner Condo Corporation shall not be entitled to remuneration.

## **ARTICLE X CONFLICT OF INTEREST**

### **10.1 Conflict of Interest -**

- (a) Any director or officer of the Homeowner Condo Corporation who:
  - (i) is a party to a material contract or material transaction or proposed material contract or material transaction with the Homeowner Condo Corporation; or
  - (ii) is a director or officer (or an individual acting in a similar capacity) of or has a material interest in any body corporate or other entity who is a party to a material contract or material transaction or proposed material contract or material transaction with the Homeowner Condo Corporation; shall disclose in writing at the directors' meeting or have entered in the minutes, the nature and extent of such director's or officer's interest in such actual or proposed material contract or material transaction with the Homeowner Condo Corporation.
- (b) Provided, however, that this Article X does not apply to any interest in clause (a)(i) if such interest exists only by virtue of that director or officer of the Homeowner Condo Corporation owns an interest in any Units
- (c) The disclosure required by (a) above, shall be made, in the case of a director:
  - (i) at the directors' meeting at which a proposed contract or proposed transaction is first considered;
  - (ii) if the director was not then interested in a proposed contract or proposed transaction, at the first directors' meeting after such director becomes so interested;
  - (iii) if the director becomes interested after a contract or transaction is made, at the first directors' meeting held after the director becomes so interested; or
  - (iv) if an individual who is interested in a contract or transaction later becomes a director, at the first directors' meeting held after the individual becomes a director.
- (d) The disclosure required by Subsection (a) above, shall be made, in the case of an officer who is not a director:
  - (i) immediately after the officer becomes aware that the contract, transaction, proposed contract, or proposed transaction is to be considered or has been considered at a director's meeting;
  - (ii) if the officer becomes interested after a contract or transaction is made, immediately after the officer becomes so interested; or
  - (iii) if an individual who is interested in a contract or transaction later becomes an officer, immediately after the individual becomes an officer.
- (e) If a material contract or material transaction, whether entered into or proposed, is one that, in the ordinary course of carrying on the Homeowner Condo Corporation's activities, would not require approval by the directors or Members, a director or an officer shall, immediately after they become aware of the contract or transaction, disclose in writing to the Homeowner Condo

Corporation or request to have entered in the minutes of meetings of directors or of committees of directors, the nature and extent of their interest.

- (f) A director required to make a disclosure under Article X shall not vote on any resolution to approve the contract or transaction unless the contract or transaction:
  - (i) relates primarily to the director's remuneration as a director, an officer, an employee, or an agent of the Homeowner Condo Corporation;
  - (ii) is for indemnity or insurance under section 151 of the Act.
  - (iii) For the purposes of this Article X, a general written notice to the directors declaring that a director or officer is to be regarded as interested, for any of the following reasons, in a contract or transaction made with a party, is a sufficient declaration of interest in relation to the contract or transaction: (i) the director or officer is a director or an officer;
  - (iv) the director or officer has a material interest in the party; or
  - (v) there has been a material change in the nature of the director's or the officer's interest in the party.
- (g) A contract or transaction for which disclosure is required is not invalid, and the director or officer is not accountable to the Homeowner Condo Corporation or its Members for any profit realized from the contract or transaction, because of the director's or officer's interest in the contract or transaction or because the director was present or was counted to determine whether a quorum existed at the meeting of directors or of the committee of directors that considered the contract or transaction if:
  - (i) disclosure of the interest was made in accordance with this Section;
  - (ii) the directors approved the contract or transaction; and
  - (iii) the contract or transaction was reasonable and fair to the Homeowner Condo Corporation when it was approved.
- (h) Even if the conditions under Subsection (h), above, are not met, a director or an officer, acting honestly and in good faith, is not accountable to the Homeowner Condo Corporation or to its Members for any profit realized from a contract or transaction for which disclosure is required, and the contract or transaction is not invalid by reason only of the interest of the director or officer in the contract or transaction, if:
  - (i) the contract or transaction is approved or confirmed by Ordinary Resolution at a Meeting of Members;
  - (ii) disclosure of the interest was made to the Members in a manner sufficient to indicate its nature and extent before the contract or transaction was approved or confirmed by the Members; and
  - (iii) the contract or transaction was reasonable and fair to the Homeowner Condo Corporation when it was approved or confirmed by the Members.
- (i) A contract is not void by reason only of the failure of a director or officer to comply with the provisions of this Article X but a court may upon the application of the Homeowner Condo Corporation or a Member, set aside or annul the contract or transaction on any terms that it thinks fit, require the director or officer to account to the Homeowner Condo Corporation for any profit or gain realized on the contract or transaction, or make any other order that the court thinks fit.
- (j) The Members of the Homeowner Condo Corporation may examine the portions of any minutes of meetings of directors or of committees of directors that contain disclosures under this Section, and of any other documents that contain those disclosures, during the Homeowner Condo Corporation's usual business hours.

## **ARTICLE XI PROTECTION OF DIRECTORS, OFFICERS AND OTHERS**

**11.1 Standard of Care** - Every director and officer of the Homeowner Condo Corporation, in exercising such person's powers and discharging such person's duties, shall act honestly and in good faith with a view to the best interests of the Homeowner Condo Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No provision in a contract, the Articles, this By-Law or a resolution relieves a director or officer from the duty to act in accordance with the Act or Regulations or relieves them from liability for a breach of the Act or the Regulations. Every director and officer of the Homeowner Condo Corporation shall comply with the Act, the Regulations, Articles, and By-Law.

**11.2 Limitation of Liability** - Provided that the standard of care required of the director or officer under the Act and this By-Law has been satisfied, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Homeowner Condo Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Homeowner Condo Corporation, or for the insufficiency or deficiency of any security in or upon which any of the money of the Homeowner Condo Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Homeowner Condo Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on the director's or officer's part, or for any other loss, damage or misfortune which shall happen in the execution of such person's duties of office, unless the same are occasioned by the director or officer's own willful neglect or default or otherwise result from the director's or officer's failure to act in accordance with the Act or the Regulations.

**11.3 Indemnification of Directors and Officers** - the Homeowner Condo Corporation shall indemnify a director, an officer of the Homeowner Condo Corporation, a former director or officer of the Homeowner Condo Corporation, or another individual who acts or acted at the Homeowner Condo Corporation's request as a director or officer or in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such individual in respect of any civil, criminal, administrative, or investigative action or other proceeding in which the individual is involved because of that association with the Homeowner Condo Corporation or other entity if:

- (a) the person acted honestly and in good faith with a view to the best interests of the Homeowner Condo Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the Homeowner Condo Corporation's request; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the conduct was lawful. the Homeowner Condo Corporation may indemnify such individual in all such other matters, actions, proceedings and circumstances as may be permitted by the Act or the law. Nothing in this By-Law shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this By-Law.

**11.4 Insurance** - Subject to the Act, the Homeowner Condo Corporation shall purchase and maintain insurance for the benefit of any person entitled to be indemnified by the Homeowner Condo Corporation pursuant to Section 11.3 above against any liability incurred by the individual in the individual's capacity as a director or an officer of the Homeowner Condo Corporation; or in the

individual's capacity as a director or officer, or in a similar capacity, of another entity, if the individual acts or acted in that capacity at the Homeowner Condo Corporation's request.

**11.5 Advances** - With respect to the defense by a director or officer or other individual of any claims, actions, suits or proceedings, whether civil or criminal, for which the Homeowner Condo Corporation is liable to indemnify a director or officer pursuant to the terms of the Act or this By-Law, the Board of Directors shall authorize the Homeowner Condo Corporation to advance to the director or officer or other individual such funds as may be reasonably necessary for the defense of such claims, actions, suits or proceedings upon written notice by the director or officer to the Homeowner Condo Corporation disclosing the particulars of such claims, actions, suits or proceedings and requesting such advance. The director or officer shall repay the money advanced if the director or officer does not fulfill the conditions of section 151(3) of the Act.

## **ARTICLE XII NOTICES**

**12.1 Method of Giving Notices** – For the purposes of this section, “document” includes summons, notice, tax notice, order and other legal process. Subject to compliance with the Act:

- (a) Service on the Homeowner Condo Corporation. A document including any written notice or request may be served on the Homeowner Condo Corporation: (i) by leaving it at or by sending it by Recorded Mail: (A) at the address for service provided to each Owner upon the Homeowner Condo Corporation becoming lessor under the Prepaid Homeowner Lease or Developer Prepaid Homeowner Lease, or (B) if a change of address for service has been filed with the Registry, to the address for service shown on the latest notice filed, or (ii) by personal service on a member of the Board of Directors
- (b) Service on a Member. A document, including any written notice or request, may be served by the Homeowner Condo Corporation on a Member: (i) by personal service on the Member, (ii) by ordinary mail or Recorded Mail addressed to: (A) the Member's address as set out in the Prepaid Homeowner Lease or Developer Prepaid Homeowner Lease, or (B) an alternative address for service provided by the Owner to the Homeowner Condo Corporation, or (iii) by Electronic Means to an electronic address that the Owner has specifically provided as an address to which information may be provided by those Electronic Means.
- (c) Service is deemed to have been effected: (i) on the date on which acknowledgment of receipt of Recorded Mail is signed,
  - (i) 7 days after the date on which the document is sent by ordinary mail, or
  - (ii) 24 hours after the document is sent by Electronic Means.

**12.2 Omissions and Errors** - The accidental omission to give any notice to any Member, director, officer, member of a committee of the Board of Directors or public accountant, or the non-receipt of any notice by any such person where the Homeowner Condo Corporation has provided notice in accordance with this By-Law, or any error in any notice not affecting its substance, shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

**12.3 Waiver of Notice** - Any person entitled to notice may waive or abridge the time for any notice required to be given to such person, and such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing.

## **ARTICLE XIII DISPUTE RESOLUTION**

**13.1 Mediation and Arbitration** - Disputes or controversies among Members, directors, or officers of the Homeowner Condo Corporation are as much as possible to be resolved in accordance with mediation and/or arbitration as provided in Article XIII.

**13.2 Dispute Resolution Mechanism** - In the event that a dispute or controversy among Members, directors, or officers of the Homeowner Condo Corporation arising out of or related to the Articles or By-Law, or out of any aspect of the operations of the Homeowner Condo Corporation, is not resolved in private meetings between the parties then without prejudice to or in any other way derogating from the rights of the Members, directors, or officers of the Homeowner Condo Corporation as set out in the Articles, By-Law or the Act, and as an alternative to such person instituting a law suit or legal action, such dispute or controversy shall be settled by a process of dispute resolution as follows:

- (a) the dispute or controversy shall first be submitted to a panel of mediators whereby the one party appoints one mediator, the other party appoints one mediator, and the two mediators so appointed jointly appoint a third mediator; the three mediators will then meet with the parties in question in an attempt to mediate a resolution between the parties;
- (b) the number of mediators may be reduced from three to one or two upon agreement of the parties;
- (c) if the parties are not successful in resolving the dispute through mediation, then the dispute shall be settled by arbitration before a single arbitrator, who shall not be any one of the mediators referred to above, in accordance with the laws of the Province of Alberta; all proceedings relating to arbitration shall be kept confidential and there shall be no disclosure of any kind; the decision of the arbitrator shall be final and binding and shall not be subject to appeal on a question of fact, law or mixed fact and law. All costs of the mediators appointed in accordance with this Section shall be borne equally by the parties to the dispute or the controversy. All costs of the arbitrators appointed in accordance with this Section shall be borne by such parties as may be determined by the arbitrators.

#### **ARTICLE XIV SPECIAL RESOLUTIONS AND VOTING**

**14.1 Special Resolutions** - For greater certainty, and subject to the requirements for the approval by the Lessor Member to amend this By-Law set forth in the Unanimous Members Agreement a Special Resolution of the Members is required to make any amendment to this By-Law or to the Articles to:

- (a) change the Homeowner Condo Corporation's name;
- (b) change the province in which the Homeowner Condo Corporation's registered office is situated;
- (c) add, change or remove any restriction on the activities that the Homeowner Condo Corporation may carry on;
- (d) create a new class or group of Members;
- (e) change a condition required for being a Member;
- (f) change the designation of any class or group of Members or add, change or remove any rights and conditions of any such class or group;
- (g) divide any class or group of Members into two or more classes or groups and fix the rights and conditions of each class or group;
- (h) add, change or remove a provision respecting the transfer of a membership;
- (i) subject to section 133 of the Act, increase or decrease the minimum and maximum number of directors fixed by the Articles;
- (j) change the statement of the purpose of the Homeowner Condo Corporation;
- (k) change the statement concerning the distribution of property remaining on liquidation after the discharge of any liabilities of the Homeowner Condo Corporation;

- (l) change the manner of giving notice to Members entitled to vote at a Meeting of Members;
- (m) change the method of voting by Members not in attendance at a Meeting of Members; or
- (n) add, change or remove any other provision that is permitted by the Act to be set out in the Articles.

**14.2 Voting by Class or Group** - Subject to a Unanimous Members Agreement, the Members of a class of Members are entitled to vote separately as a class on a proposal to make an amendment to this By-Law or to the Articles to:

- (a) effect an exchange, reclassification or cancellation of all or part of the Memberships of the class or group;
- (b) add, change or remove the rights or conditions attached to the Memberships of the class or group, including (i) to reduce or remove a liquidation preference, or (ii) to add, remove or change prejudicially voting or transfer rights of the class or group;
- (c) increase the rights of any other class or group of Members having rights equal or superior to those of the class or group;
- (d) increase the rights of a class or group of Members having rights inferior to those of the class or group to make them equal or superior to those of the class or group;
- (e) create a new class or group of Members having rights equal or superior to those of the class or group; or
- (f) effect an exchange or create a right of exchange of all or part of the memberships of another class or group into the memberships of the class or group.

**14.3 Special Resolution (Disposition of Property)** - The Homeowner Condo Corporation shall not sell, lease, donate or exchange all or substantially all of its property nor any real property owned by it without a Special Resolution of all Members (Members having memberships which would not normally carry the right to vote shall nonetheless have the right to vote in respect to such a sale, lease, donation or exchange). Where there is more than one class or group of Members, each such class or group must authorize such sale, lease, donation or exchange by Special Resolution. At a Meeting of Members, the Members may authorize the sale, lease, donation or exchange and may fix, or authorize the directors to fix, any of the terms and conditions of the sale, lease, donation or exchange. The Board of Directors may, if authorized by the Members approving a proposed sale, lease, donation or exchange, abandon the sale, lease, donation or exchange without the further approval of the Members.

## **ARTICLE XV USE AND OCCUPANCY RESTRICTIONS**

**15.1 Restrictions** - A Regular Member shall not:

- (a) use a Unit, or any part thereof, for: (i) any purpose which may be illegal or injurious to the reputation of the development; (ii) mining of any decentralized digital currency or cryptocurrency, such as bitcoin; (iii) any commercial, professional or other business purposes; or (iv) any purpose involving the attendance of the public at such Unit;
- (b) use a Unit to provide a daycare centre or commercial babysitting services without the prior written consent of the Board of Directors, which consent may be arbitrarily withheld;
- (c) park or permit parking on the common roadways;
- (d) park or permit to be parked recreational vehicles on driveways for longer than seven (7) consecutive days;
- (e) park, store or permit to be parked or stored any vehicle that is not in operating condition outside;

- (f) make or permit noise (including pet noise) in or about any Unit or the Common Property or allow any odor to emanate or escape from the Unit or Common Property or conduct himself in any manner which, in the opinion of the Board of Directors, constitutes a nuisance or unreasonably interferes with the use and enjoyment of a Unit or the Common Property by any other Owner. No musical instrument, audio system, power tool or other device shall be used within a Unit which in the opinion of the Board of Directors causes a disturbance or interferes with the comfort of other Owners;
- (g) do any act or permit any act to be done, or alter or permit to be altered his/her Unit in any manner, which will alter the exterior appearance of the structure comprising his/her or any other Buildings except in accordance with the By-Laws and any rules and policies in place from time to time, and with the prior written approval of the Board of Directors;
- (h) permit laundry (including towels and bathing suits), rugs, blankets or sleeping bags to be hung other than inside the Building;
- (i) permit, erect or hang over or cause to be erected or to remain outside any window, sliding glass door or door or any other part of his/her Unit or Common Property clothes lines, garbage disposal equipment, recreational or athletic equipment, fences, hedges, barriers, partitions, awnings, shades or screens or any other matter or thing without the prior written consent of the Board of Directors. NOTING THAT: if approval has been given the Board of Directors may subsequently withdraw such approval upon thirty (30) days written notice, as the Board's Board of Directors' sole discretion, and in such event the Owner shall comply with the direction of the Board of Directors to remove such item(s). Upon removal of any approved item, an Owner shall restore the Common Property to its previous condition prior to such installation at their sole cost and expense;
- (j) an Owner may put up Christmas decorations that will be visible from the exterior of the Building (for the time period between November 15th of each year to January 31st of the following year) provided that such shall be done at his/her sole expense, and he/she agrees to and shall restore and refurbish any Common Property or Unit damaged as a result of such installation or removal at his/her sole cost and expense;
- (k) an Owner may put up any other seasonal decorations, including religious and cultural holidays, observances and traditions that will be visible from the exterior of the Unit (for the time period three (3) weeks before to two (2) weeks after the occasion) provided that such shall be done at his/her sole expense, and he/she agrees to and shall restore and refurbish any Common Property or Unit damage as a result of such installation or removal at his/her sole cost and expense;
- (l) other patio, deck or balcony lighting shall be permitted, provided that it does not cause an unreasonable nuisance to any other Owner;
- (m) any lighting or decoration as above may only be affixed with hangers which will not damage or penetrate the balcony, deck, patio, or exterior, and must be in a manner and kind which shall be maintained in good repair and in appearance consistent with and in total integrity with the balance of the Building and shall not pose a safety risk or unreasonably interfere with the ability of other Owners to enjoy their Unit;
- (n) erect or fasten any satellite dish, any television or mobile telephone or radio antenna, or any tower or similar structure or appurtenances thereto to any Building, Unit or the Common Property. The Board of Directors may construct upon the Premises any common television antenna, dish or cable system which it believes best serves the interests of the Owners;
- (o) overload existing electrical circuits or store any combustible, flammable or offensive goods, provisions or materials in his/her Unit, in the garbage or recycling enclosures, on the Common Property, normal cleaning products and related household goods excepted;

- (p) do anything or permit anything to be done in the Unit or upon the Common Property or the real or personal property of the Homeowner Condo Corporation or fail to do any act or thing which will or would tend to increase the risk of fire, flood, freeze-up or other damage which would cause an additional expense to the Homeowner Condo Corporation or which would tend to increase the rate of fire insurance premiums with respect thereto or which would render invalid any insurance maintained by the Homeowner Condo Corporation;
- (q) do anything or permit anything to be done by any Owner of the Unit within his/her Building, or on the Common Property that is contrary to any statute, ordinance, bylaw or regulation of any Governmental Authority whether federal, provincial, municipal or otherwise;
- (r) do or permit anything to be done that may cause damage to trees, plants, bushes, flowers or lawns and shall not place chairs, tables, children's playthings, devices or toys or other objects on the lawns and grounds of the Common Property so as to damage them or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- (s) deposit customary household garbage, recycling and/or organic materials outside of the Unit other than in properly secured bags provided by the Owner and placed in the containers provided by the Homeowner Condo Corporation. Additionally: (i) all other bulk and hazardous waste items such as discarded household furnishings, electronic equipment, appliances, tires, paint, packing cartons or crates that the Homeowner Condo Corporation's waste department will not normally collect shall be removed from the Premises by the Owner at his/her sole cost and expense; (ii) all recyclable or organic waste items for which bins are provided in the garbage be disposed of as directed by the Board of Directors and/or the Governmental Authority; and (iii) no garbage shall be left outside a Unit or on the Common Property except in the containers as aforesaid;
- (t) smoke, vape, or allow smoking or vaping of any product or substance anywhere on the Common Property except on an area designated by the Board of Directors, or smoke, vape, or allow smoking or vaping of any product or substance anywhere on the Unit unless the Owner: (i) attempts to restrict smoke, vapor and other noxious substances from entering adjoining premises; (ii) disposes of smoking material into a fire-retardant receptacle placed on the Unit; (iii) ensures such receptacle is filled with either sand or water if outdoors; and (iv) does not throw cigarette butts, matches or other smoking or combustible materials out of or off of windows, sliding glass doors, doors, landings, balconies, patios or anywhere on the Common Property;
- (u) grow or cultivate cannabis in a Unit or anywhere on the Common Property;
- (v) erect, place, allow, keep or display signs, billboards, advertising matter, "For Sale" signs, realtor lock boxes or other notices or displays of any kind on any part of the Common Property or in or about any Building in any manner which may make the same visible from the outside of a Building without the prior written approval of the Board of Directors. Until such time as all Developer units have been sold, Owners shall not display any "For Sale" signs within any Unit or Common Property;
- (w) allow any articles to be hung or placed on any outside windowsill without the prior written consent of the Board of Directors;
- (x) suffer or permit dirt, loam, gravel, paper or other debris, weeds, snow or slush to fill or accumulate or remain on or upon the Unit which material would: (i) alter the level or grades of the Unit as established by any grading plan filed with the Governmental Authority; or (ii) restrict, impair, impede, alter or otherwise interfere with the drainage across the Units including, without limiting the generality of the foregoing, drainage through or around any drainage gutter or other drainage control structure which may be erected on the Units;

- (y) alter, remove, damage or otherwise interfere with any drainage control feature, grass swale, concrete or asphalt drainage gutter or other drainage control structure which may be erected on the Units;
- (z) suffer or permit the restriction, impairment, impediment, alteration or other interference with the underground irrigation system including the zoning and operation of any sprinkler system installed on or under the Premises at any time;
- (aa) permit any member of his/her household, guests or visitors to trespass on that part of the Premises to which another Owner is entitled to exclusive occupation;
- (bb) allow his/her Unit or the Common Property to become untidy, unsanitary or unsightly in appearance. The Board of Directors shall be at liberty to remove any rubbish or clean up Common Property in close proximity to an Owner's premises to its satisfaction and charge the expense to the Owner;
- (cc) render a Unit unfit for human habitation. Units must be kept clean, in good order, and free of insects, pests and vermin at all times. An Owner shall control all insects, pests and vermin inside a Unit (regardless of the origin of such insects, pests and vermin) and shall be solely responsible for the costs associated with such insects, pests and vermin control within the Unit;
- (dd) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it is constructed or dispose of fats, oils, grease, paint, towels, rags, personal hygiene products and wipes down sink drains, toilets, floor drains or into any part of the sewer system;
- (ee) be responsible for clearing snow other than from his/her own balcony or patio areas. An Owner shall not shovel or brush snow, run water or throw anything onto the Unit of another Owner;
- (ff) allow or cause any household or personal effects or articles belonging to him/her to be kept anywhere except inside his/her Building when not in actual use, and each Owner will comply with all requests of the Board of Directors or its representatives that all household or personal effects or articles, including bicycles, toys and like things belonging to an Owner's household be put away inside such Building when not in actual use. NOTING THAT:
  - (i) balcony/patio and/or lawn furniture, neat storage boxes (not to exceed approximately 3 feet in height) and flowerpots (in accordance with these By-Laws) are permitted on a balcony/patio;
  - (ii) nothing shall be hung from the exterior of the Building or attached to a railing without the prior written consent of the Board of Directors;
  - (iii) no storage sheds shall be erected or installed outside the Building without the prior written approval of the Board of Directors; and (iv) bicycle racks on the Common Property are for use only by visitors/guests and Owners are to store their bicycles within their Building;
- (gg) prevent or prohibit access to and use of meter and electrical rooms, exterior water taps or electrical plugs on his/her Building for purposes of maintaining Common Property. An Owner shall be responsible to maintain, repair and replace all exterior hose bibs and exterior water taps and exterior electrical outlets together with any exterior mechanical venting and penetrations as required. An Owner shall be responsible to winterize the taps each year to prevent freezing. If the use by the Homeowner Condo Corporation is more than limited occasional use, the Homeowner Condo Corporation will reimburse the occupant for the use;
- (hh) without the prior written approval of the Board of Directors, have any right of access to those portions of the Common Property used from time to time for utilities areas, Building maintenance or storage areas, or any other parts of the Common Property used for the care, maintenance or operation of the Premises generally;

- (ii) paint, decorate other otherwise alter any portion of a Unit or Common Property required to be maintained by the Homeowner Condo Corporation without the express and prior written consent of the Board of Directors; and
- (jj) cook on a balcony or patio other than using a natural gas, propane or electric barbeque which is to be covered at all times when not in use with a suitable barbeque cover that is in good condition. Barbeques must be kept at least two (2) feet from the Unit when in use and are only permitted on the patio assigned to an Owner's Unit. The gas supply valve to the barbeque is to be in the off position at all times when the barbeque is not in use.
- (kk) An Owner shall be financially responsible for any damage or costs related to forcible entry into his/her Buildings by the Homeowner Condo Corporation or the Board of Directors or any of its servants, agents or nominees in the event of their having to deal with a fire, gas, water leakage or other Emergency Situation and for the purpose of protecting the property of other Owners and the Homeowner Condo Corporation, as the case may be.

## 15.2 Restrictions on Pets

- (a) In the case of matters relating to the pets, an Owner or occupant shall not keep or allow any animal or pet of any kind (other than fish) at any time to reside in the Unit or on the Common Property without the specific approval in writing of the Board of Directors, which approval the Board of Directors may arbitrarily withhold and may, if given, be withdrawn on reasonable grounds anytime on fourteen (14) days' notice to that effect. Additionally:
  - (i) all portions of this By-Law apply to all pets whether they reside or are just visiting a Unit;
  - (ii) all approved dogs and cats must be hand leashed on Common Property and kept under control and in the custody of a responsible person at all times;
  - (iii) any Governmental Authority bylaws in effect with regard to animals shall have effect within the Common Property and bylaw enforcement officers are hereby authorized and are permitted to enforce the Governmental Authority bylaws on the Common Property. All approved pets must be vaccinated as required by the Governmental Authority;
  - (iv) an Owner agrees to pay to the Corporation the cost of any repairs or damage to the Common Property necessitated by and caused by the pet and such amount shall form a contribution owing the Unit;
  - (v) an Owner shall clean up any animal feces immediately from the Common Property. If any Owner fails to remove said feces, then the Corporation may cause the feces to be removed and may assess any costs incurred against the Unit Owner as a contribution owing to the Corporation;
  - (vi) no pet shall be left unattended outside the Building;
  - (vii) no exotic pet, snake, reptile, arachnid, livestock or fowl are permitted on any Unit or anywhere on the Premises; and
  - (viii) the occupant of a Unit containing a pet shall enter into any agreement or agreements requested by the Board of Directors and provide any security required by the Board of Directors to ensure the pet is kept in accordance with these By- Laws and to remedy any damage caused by such pet.

## ARTICLE XVI BY-LAW AND EFFECTIVE DATE

16.1 **By-Law and Effective Date** - Subject to the Articles and the Unanimous Members Agreement, the Board of Directors may by resolution amend this By-Law, which resolution of the Board of Directors shall be effective until the next Meeting of Members where such amendment or repeal shall be put before

the meeting where it may be confirmed, rejected or amended by the Members by Ordinary Resolution, at which time,

- (i) if the amendment is confirmed or confirmed as amended by the Members it remains effective the form in which it was confirmed, and
- (ii) if the amendment is not confirmed by the Members at such Meeting of Members, such amendment shall cease to have effect; provided, however, under no circumstances may the Board of Directors have the authority to amend this By-Law as it relates to the admission or resignation, expulsion or termination of any Members, conditions of membership or transfer of membership.

The Board of Directors and all Members shall observe and obey this By-Law and Rules as are applicable to each of them, as this By-Law and the Rules are amended from time to time. If any provision of this By-Law or Rules are or become illegal and unenforceable, such provisions shall be severed from this By-Law or the Rules, as the case may be, without affecting any other provision of this By-Law or the Rules.

ENACTED as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

CONFIRMED by the member(s) and director(s) of the Corporation this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**INITIAL REGULAR AND  
DEVELOPER MEMBER  
CCH TAZA PARK LP,  
by its General Partner,  
CCH TAZA PARK GP LTD.**

Per: \_\_\_\_\_  
Name:

**LESSOR MEMBER  
TSUUT'INA-CANDEREL LAND  
DEVELOPMENT LIMITED PARTNERSHIP,  
by its general partner,  
TSUUT'INA LAND DEVELOPMENT GP INC.**

Per: \_\_\_\_\_

**DIRECTORS**

<b>DIRECTOR FULL NAME</b>	<b>FULL MAILING ADDRESS</b>	<b>SIGNATURE</b>