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**THE PEAKS IN EAGLE RIDGE**

**NOTICE OF CHANGE OF BYLAWS**

(*CONDOMINIUM PROPERTY ACT*, s. 32 )

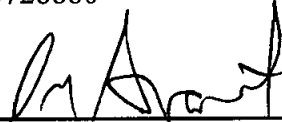
CONDOMINIUM CORPORATION NO. 0728880 hereby certifies that by a special resolution passed as of the 9<sup>TH</sup> day of OCTOBER, 2007, the Bylaws applicable to the aforesaid condominium plan were added to, amended or repealed as follows:

"UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED THAT the Bylaws applicable to Condominium Plan No. 0728880 being the Bylaws set forth in Appendix 1 of the *Condominium Property Act*, are hereby repealed and the Bylaws attached to this Special Resolution are passed in substitution and replacement therefor effective as of the date on which the Registrar of the Land Titles Office for the South Alberta Land Registration District has made a memorandum of filing hereof on the said Condominium Plan as evidenced by its signature below this 9<sup>TH</sup> day of OCTOBER, 2007.

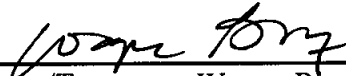
The seal of Condominium Corporation No. 0728880 was hereunto affixed on the 9<sup>TH</sup> day of OCTOBER, 2007.

CONDOMINIUM CORPORATION

NO. 0728880



\_\_\_\_\_  
President- Don Avant



\_\_\_\_\_  
Secretary/Treasurer- Wayne Benz

# CENTRON RESIDENTIAL CORPORATION CONDOMINIUM PROJECT

BY-LAWS OF CONDOMINIUM CORPORATION NO. 0728880

## DEFINITIONS AND INTERPRETATION

1. In these By-laws unless the context or subject matter requires a different meaning:
  - (a) "**Act**" means the *Condominium Property Act*, Revised Statutes of Alberta, 2000, Chapter C-22, as amended from time to time or any statute or statutes passed in substitution therefor; and all regulations made from time to time under the Act;
  - (b) "**Board**" means the Board of Directors of the Corporation;
  - (c) "**By-laws**" means the By-laws of the Corporation, as amended from time to time;
  - (d) "**Capital Replacement Reserve Fund**" means a fund established in accordance with the provisions of the Act, to be used for major repairs and replacements of any portions of the units for which the Corporation is responsible, any real and personal property of the Corporation and the common property;
  - (e) "**common expenses**" means the expenses of performance of the objects and duties of the Corporation and any expenses specified as common expenses in these By-laws;
  - (f) "**common property**" means so much of the parcel as is not comprised in or does not form part of any unit shown on the condominium plan but does not include land shown on the condominium plan that has been provided for the purposes of roads, public utilities and reserve land under Part 17 of the Municipal Government Act, RSA 2000, c.M-7 [see definition of "A" to make sure statutory references are consistent];
  - (g) "**condominium plan**" means condominium plan no. 0728880 registered under the Act at the Land Titles Office and includes any plan of re-division registered in respect of a unit;
  - (h) "**Corporation**" means the corporation constituted under the Act by the registration of the condominium plan whose legal name is "Condominium Corporation No. 0728880";
  - (i) "**Developer**" means a person who, alone or in conjunction with others, sells or offers for sale to the public units or proposed units that have not previously been sold to the public by means of an arm's length transaction;

- (j) "**Insurance Trustee**" means an entity authorized to carry on the business of a trust company under the laws of Alberta selected from time to time on resolution of the Board, whose duties include the receiving, holding and disbursing of proceeds of policies of insurance pursuant to these By-laws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee is the Board;
- (k) "**Interest Rate**" means eighteen (18%) per cent per annum or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation;
- (l) "**Manager**" means any property manager contractually appointed by the Board from time to time;
- (m) "**manager's suite**" means any suite owned by the Corporation and used in connection with management of the project;
- (n) "**ordinary resolution**" means a resolution:
  - (i) passed at a properly convened meeting of the Corporation by a majority of not less than 51% of all the persons present at such meeting and entitled to exercise the power of voting conferred under the Act or these By-laws; or
  - (ii) in writing signed by not less than 51% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these By-laws and representing not less than 5001 of the unit factors;
- (o) "**owner**" means a person who is registered as the owner of the fee simple estate in a unit;
- (p) "**parcel**" means the land comprised in the condominium plan;
- (q) "**privacy area(s)**" means the privacy area as set out in Bylaw 58 hereto;
- (r) "**private motor vehicle**" means small, medium and full-size cars, station wagons, light trucks up to 3/4 ton size, vans, mini-vans, motorcycles and sport utility vehicles;
- (s) "**project**" means all of the real and personal property and fixtures comprising the parcel, land and buildings which constitute the units and common property and all property in which the Corporation has an interest from time to time;
- (t) "**Regulation**" or "**Regulations**" means the Condominium Property Act Regulation currently being Alberta Regulation 168/2000 and any other Regulation

made from time to time in substitution, replacement or addition thereto by the Lieutenant Governor in Council in Alberta pursuant to the Act;

- (u) "special resolution" means:
  - (i) a resolution passed at a properly convened meeting of the Corporation, of which at least seven (7) days' notice specifying the proposed resolution has been given, by a majority of not less than 75% of all the persons entitled to exercise the power of voting conferred under the Act or these By-laws and representing not less than 7500 unit factors; or
  - (ii) a written resolution agreed to in writing by not less than 75% of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the power of voting conferred by the Act or these By-laws and representing not less than 7500 unit factors;
- (v) "spouse" includes a person who holds that position usually enjoyed by a spouse whether or not he or she is legally married;
- (w) "unit" means an area designated as a unit by the condominium plan;
- (x) "unit factor" means the unit factor for each unit as more particularly specified or apportioned and described in and set forth on the condominium plan.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these By-laws and other expressions used in these By-laws and not defined in the Act or in these By-laws have the same meaning as may be assigned to them in the *Land Titles Act* (Alberta) or the *Law of Property Act* (Alberta), as amended from time to time or in any statute or statutes passed in substitution therefor. Words importing the singular number also include the plural, and vice versa, and words importing the masculine gender include the feminine gender or neuter, and vice versa, and words importing persons include firms and corporations and vice versa, where the context so requires.

## MISCELLANEOUS PROVISIONS

### 2. (a) HEADINGS

The headings used throughout these By-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions of any By-law.

### (b) RIGHTS OF OWNERS

The rights and obligations given or imposed on the Corporation or the owners under these By-laws are in addition to any rights or obligations given or imposed on the Corporation or the owners under the Act.

(c) CONFLICT WITH ACT

If there is any conflict between the By-laws and the Act, the Act prevails.

(d) EXTENDED MEANINGS

If and whenever reference hereunder is made to "repair", it is hereby implied and extended to include in its meaning the making of improvements or betterments or the enhancement or replacement with a better thing of or for any thing to which such repair could be made.

**DUTIES OF THE OWNERS**

3. An owner and, where applicable, any tenant or other occupant of a unit, SHALL:

(a) subject always to the Act, permit the Corporation and its agents to enter his unit, between 8 a.m. and 8 p.m. and on a minimum of twenty-four (24) hours' written notice (except in case of emergency when no notice is required), for the purpose of:

- (i) inspecting the unit and maintaining, repairing or renewing party walls and pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the unit;
- (ii) maintaining, repairing or renewing the common property;
- (iii) ensuring that the By-laws are being observed;
- (iv) doing any work for the benefit of the Corporation generally;
- (v) gaining access to meters monitoring the use of any utility,

provided that no entry shall be made on a holiday (which includes a Sunday or other day of religious worship of which the owner has provided written notice to the Corporation). In the event the Corporation must gain access for the aforesaid purposes by using a locksmith, the cost of such locksmith shall be borne by the unit owner;

(b) forthwith:

- (i) carry out all work that may be ordered by any municipality or public authority in respect of his unit; and
  - (ii) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his unit;
- (c) duly and properly clean, wash, repair, maintain and, when required, replace (subject to the prior written approval of the Corporation:
- (i) the interior of the unit and all improvements and additions thereto and all pipes, wires, taps, toilets, sinks and appliances within the unit;
  - (ii) light fixtures and bulbs attached to the exterior of the unit;
  - (iii) any interior wall, ceiling mounted or external air-conditioning equipment installed by or at the request of an owner that provides cooled air to the unit;
- (d) keep in a clean and sightly condition, any privacy area (and any plants or landscaping therein) which is located on or which comprises any part of the common property to which the owner has been granted exclusive use pursuant to By-law 5 or By-law 58 and if the owner shall not maintain such privacy area to a standard similar to that of the remaining common property, the Corporation may give ten (10) days' notice to the owner to this effect and if such notice has not been complied with at the end of that period, then the Corporation may carry out such work and the provisions of By-law 58 shall apply; BUT EXCLUDING the painting of the exterior surface or finishing of any access doors and all other outer boundaries, walls and other outside surfaces and roofs and eavestroughs and all other outside hardware and accoutrements (except as noted herein) affecting the appearance, usability, value or safety of the unit, and keep his unit in a state of good repair, except such maintenance, repairs and damage as are insured against by the Corporation or for which the Corporation is responsible pursuant to these By-laws;
- (e) not paint nor make any repairs, additions or alterations to the exterior of the unit or the building (INCLUDING interior and exterior load bearing and partition walls) of which his unit forms a part or to the plumbing, mechanical or electrical systems within his unit without first obtaining the written consent of the Corporation;
- (f) use and enjoy the common property in accordance with these By-laws and all rules and regulations prescribed by the Corporation and in such a manner as to not unreasonably interfere with the use and enjoyment thereof by other owners, their families or visitors or any tenants or other occupants of a unit or their families or visitors;

- (g) not use his unit or permit it to be used in any manner for any purpose which may be illegal, injurious or that will cause nuisance or hazard to any occupier of another unit (whether an owner or not) or the family of such an occupier;
- (h) notify the Corporation forthwith upon any change of ownership or of any mortgage, lease or other dealing in connection with his unit;
- (i) comply strictly with these By-laws and with such rules and regulations as may be adopted pursuant thereto from time to time and cause all occupiers of and visitors to his unit to similarly comply;
- (j) pay to the Corporation (or if requested to the Manager) when due all contributions levied or assessed against his unit together with interest on any arrears thereof at the Interest Rate calculated from the due date and the Corporation is hereby permitted to charge such interest in accordance with Section 40 of the Act;
- (k) pay to the Corporation all legal expenses incurred as a result of having to take proceedings to collect any common expenses levied or assessed against his unit, and such legal expenses shall be paid on solicitor and his own client indemnification basis;
- (l) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing placed in an envelope delivered to a Board member or the Manager; the Board shall not be required to act on any suggestion, complaint or question that is not in writing and properly submitted to the Board or the Manager;
- (m) deposit with the Corporation, if requested, twelve (12) duly executed post-dated cheques or automatic monthly bank debit for duly assessed condominium contributions;
- (n) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written by such owner; and
- (o) refrain from any activity which would, in any way, compromise the integrity of the structure.

#### **DUTIES OF THE CORPORATION**

4. In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board shall control, manage, maintain, repair, replace and administer the common property (except as hereinbefore and hereinafter set forth) and all real property, chattels, personal property or other property owned by the Corporation for the benefit of all of the



owners and for the benefit of the entire project and, without limiting the generality of the foregoing, SHALL:

- (a) do all things required of it by the Act, these By-laws and any other rules and regulations in force from time to time and shall take all necessary steps it sees fit to enforce these By-laws;
- (b) maintain and repair (INCLUDING replacement where reasonably necessary) exterior lighting, all heating and air-conditioning systems, all electrical and mechanical rooms, and all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities to the project;
- (c) provide and maintain in force all such insurance as is required by the Act and by the provisions of these By-laws and enter into any insurance trust agreements from time to time as required by any Insurance Trustee and approved by the Board and, within ten (10) days of the written request of an owner, purchaser or mortgagee of a unit, or the duly authorized agent of such owner or mortgagee, produce to the purchaser, owner or mortgagee, a certificate or memorandum thereof and within thirty (30) days of the written request of a purchaser, owner or mortgagee of a unit or the duly authorized agent of such purchaser, owner or mortgagee, produce to such purchaser, owner or mortgagee a copy of such insurance policy;
- (d) subject to any obligation an owner may have to clean and maintain his privacy area, clean, maintain and repair:
  - (i) the exterior or outside surfaces of the buildings comprising the units;
  - (ii) any leakage and exterior caulking around windows;
  - (iii) all other outside accoutrements affecting the appearance, usability, value or safety of the parcel or the units and the common property including the structural maintenance, repair and replacement of any privacy area which is located on any part of the common property to which an owner has been granted exclusive use pursuant to By-law 5 or By-law 58;
  - (iv) any manager's suite and the contents thereof;
  - (v) all parking areas, landscaped areas, common sidewalks and the garbage enclosure; and
  - (vi) all concrete, patio walls, steps, rails, fencing and related posts and all utility services within, on, in, under or through the units and common property;

- (e) collect or cause to be collected and receive or cause to be received all contributions towards the common expenses and deposit same in a separate account with a chartered bank or trust company or Province of Alberta Treasury Branch or credit union incorporated under the *Credit Union Act*;
- (f) subject always to and in accordance with the Act and any Regulation passed pursuant thereto, establish and maintain out of the contributions to be levied by the Corporation towards the common expenses or otherwise such amount as the Board may determine from time to time to be fair and prudent for the Capital Replacement Reserve Fund to be used to provide sufficient funds that can reasonably be expected to provide for major repairs and replacements of any portions of the units for which the Corporation is responsible, any real and personal property owned by the Corporation and the common property where the repair or replacement is of a nature that does not occur annually and any other Depreciating Property (as defined in the Act); funds shall not be taken from the Capital Replacement Reserve Fund for the purposes of making capital improvements not contemplated by the replacement reserve fund report of the Corporation unless such improvements are authorized by special resolution; the Capital Replacement Reserve Fund shall be an asset of the Corporation and no part of that money shall be refunded or distributed to any owner of a unit except where the project ceases to be governed by the Act; the Board shall:
  - (i) prepare and make available to owners before or at the time that notice of the next annual general meeting of the Corporation is provided to the owners an annual report in each fiscal year respecting the Capital Replacement 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; and
    - (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;
  - (ii) supply a copy of the approved Capital Replacement Reserve Fund plan to each owner prior to the collection of any funds for the purpose of those matters dealt with in the reserve fund report provided that nothing herein shall restrict or prevent the Corporation from collecting funds in respect of a capital replacement reserve under s. 23(7) of the Regulation

- (iii) within two (2) years after registration of the condominium plan and thereafter at the conclusion of five (5) years from the day that the most recent Capital Replacement Reserve Fund plan was approved, carry out a new reserve fund study, prepare a new reserve fund report, approve a new reserve fund plan, and provide a copy of the newly approved plan to each owner prior to the collection of any further funds for the purposes of the reserve fund; and
- (iv) upon written request, at the expense of the person requesting, provide the most recent reserve fund report, most recent reserve fund plan and most recent annual report prepared under Section 29 of the Regulation to any owner or person purchasing a unit or any mortgagee of a unit;
- (g) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to or for the benefit of the parcel, the Corporation and the owners as required in the control management maintenance, repair, replacement, or administration of the project;
- (h) clear snow, slush and debris from and keep and maintain in good order and condition all areas of the common property designated for vehicular or pedestrian traffic and keep and maintain in good order and condition the fences, the stairs and stairwells, all walkways, the driveway and all outside parking areas, and all grassed or landscaped areas of the common property PROVIDED THAT the general cleaning and maintenance of any privacy area designated to an owner under By-law 5 or By-law 58 shall be the responsibility of the owner to whom such privacy area has been assigned;
- (i) provide adequate garbage receptacles or containers on the common property for use by all the owners and provide for regular collection therefrom;
- (j) at all times keep and maintain for the benefit of the Corporation and all owners copies of all warranties, guarantees, drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation pursuant to Section 46 of the Act;
- (k) not plant any trees or substantial landscaping or make any unauthorized grade changes within any lands which are the subject of an easement or similar grant to any utility company, municipality or local authority;
- (l) establish and maintain lawns, trees and shrubs and other landscaping on the common property and promptly replace, in the discretion of the Board, any lawns, trees or shrubs which die; and
- (m) repair, replace and maintain party walls separating units; PROVIDED THAT if the reason or cause for such repair, replacement or maintenance is the negligent or

willful act or omission of a unit owner, the cost of such repair will be charged to the owner.

**POWERS OF THE CORPORATION**

5. In addition to the powers of the Corporation set forth in the Act, the Corporation through its Board, MAY and IS HEREBY AUTHORIZED TO:
- (a) purchase, hire or otherwise acquire personal property and real property for use by the Corporation or by owners in connection with the maintenance, repair, replacement or enjoyment of the real and personal property of the Corporation or the common property, or their units or any of them, provided that real property shall only be acquired or disposed of by special resolution of the Corporation;
  - (b) borrow monies required by it in the performance of its duties or the exercise of its powers provided that each such borrowing in excess of fifteen (15% ) per cent of the current year's common expenses budget has been approved by special resolution;
  - (c) secure the repayment of monies borrowed by it, and the payment of interest thereon, by negotiable instrument, or mortgage of unpaid contributions (whether levied or not), or mortgage of any property vested in it, or by any combination of those means by special resolution;
  - (d) invest as it may determine any contributions towards the common expenses SUBJECT TO the restrictions set forth in Section 43 of the Act;
  - (e) make an agreement with an owner, tenant or other occupier of a unit for the provision of amenities or services by it to the unit or to the owner, tenant or occupier thereof;
  - (f) grant to an owner the right to exclusive use and enjoyment of part of the common property (INCLUDING extra parking space) or special privileges in respect thereof, and, except for the provisions of these By-laws relating to the patios, balconies and parking privileges attached to each unit, any such grant to be terminable on reasonable notice, unless the Corporation by special resolution otherwise resolves;
  - (g) make such rules and regulations as it may deem necessary or desirable from time to time in relation to the use, enjoyment and safety of the common property and do all things reasonably necessary for the enforcement of these By-laws and such rules and regulations and for the control, management and administration of the common property generally including the commencement of an action under Section 36 of the Act and all subsequent proceedings relating thereto;

- (h) determine from time to time the amounts to be raised and collected for the purposes hereinbefore mentioned;
- (i) raise the amounts of money so determined by levying contributions on the owners in proportion to the unit factors for their respective units or as otherwise herein provided;
- (j) charge interest under Section 40 of the Act on any contribution or common expenses owing to it by an owner at the Interest Rate;
- (k) pay an annual honorarium or stipend to members of the Board in the manner and in the amounts as may be from time to time determined by ordinary resolution at a general meeting;
- (l) provide and maintain a fund to pay expenses not properly chargeable to the Capital Replacement Reserve Fund or maintenance expenses; the fund shall be called a contingency fund and shall be used to cover the cost of unexpected or abnormal repair or expense not budgeted or not covered by the operating budget or the Capital Replacement Reserve Fund;
- (m) join any organization serving the interests of the Corporation and assess the membership fee in such organization as part of the common expenses;
- (n) do all things which are, incidental or conducive to the exercise of its powers granted under the Act and the By-laws;
- (o) subject to any limitations and prohibitions contained in the Act, these By-laws or otherwise by law, have the rights, powers and privileges of a natural person;
- (p) levy penalties by way of monetary sanctions, or commence such other proceedings as may be available, for the contravention of any By-law in accordance with Bylaw 43.

#### **THE CORPORATION AND THE BOARD**

6. The powers and duties of the Corporation shall, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the Board.

#### **COMPOSITION OF THE BOARD**

7. (a) The Board shall initially consist of two (2) nominees of the Developer. After the holding of the Turnover Annual General Meeting, the Board shall consist of not fewer than three (3) nor more than seven (7) owners or legal or common law spouses of the owners or representatives of corporate owners or of mortgagees who have notified their interests to the Corporation. The number of members of

the Board for the next ensuing year shall be fixed by resolution at the annual general meeting just prior to the election of the Board.

- (b) A Board member must be eighteen (18) years of age or older.
- (c) Where a unit has more than one (1) owner, only one (1) owner in respect of that unit may sit on the Board at any point in time.
- (d) Any member of the Board shall make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related and shall refrain from voting on any matter of conflict.
- (e) Every member of the Board shall exercise the powers and discharge the duties of the office of member of the Board honestly and in good faith.
- (f) No owner who is indebted to the Corporation for a contribution, assessment or levy that is more than thirty (30) days overdue shall be eligible for election to or membership on the Board.

#### **RETIREMENT FROM BOARD AND TERM OF OFFICE**

- 8. A Board member shall be elected for a one (1) year term. At each annual general meeting of the Corporation all of the members of the Board shall be deemed to have retired from office and the Corporation shall elect new members accordingly.

#### **ELIGIBILITY FOR ELECTION TO BOARD**

- 9. A retiring member of the Board shall be eligible for re-election. Any prospective member of the Board shall, as a condition of his nomination, make full disclosure of any potential conflict of interest and any direct or indirect relationships he or she may have with the Corporation either contractual, financial or employment related.

#### **REMOVAL FROM BOARD**

- 10. Except where the Board consists of all the owners, the Corporation may, by resolution at an extraordinary general meeting, remove any member of the Board (except the nominee(s) of the Developer) before the expiration of his term of office and appoint another owner in his place, to hold office until the next annual general meeting.

#### **CASUAL VACANCY ON BOARD**

- 11. Where a vacancy occurs on the Board under By-law 20, the remaining members of the Board may appoint a person to fill that office for the remainder of the former member's term provided such person qualifies for membership pursuant to By-law 7.

**QUORUM FOR BOARD**

12. A quorum of the Board is two (2) where the Board consists of four (4) or less members, three (3) where the Board consists of five (5) or six (6) members and four (4) where it consists of seven (7) members. Any member of the Board may waive notice of a meeting before, during or after the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

**OFFICERS OF THE CORPORATION**

13. At the first meeting of the Board held after each annual general meeting of the Corporation, the Board shall elect from among its members a President, a Vice-President, a Treasurer and/or a Secretary who shall hold their respective offices until the conclusion of the next annual general meeting of the Corporation or until their successors are elected or appointed. The President shall be the Chairman of the Board and shall have a casting vote in addition to his original vote. A person ceases to be an officer of the Corporation if he ceases to be a member of the Board. Where a person ceases to be an officer of the Corporation, the Board shall designate from its members a person to fill that office for the remainder of the term. A Board Member may simultaneously hold (2) offices.

**CHAIRMAN OF BOARD MEETINGS**

14. The President shall act as Chairman of every meeting of the Board where he is present. Where the President is absent from any meeting of the Board or vacates the chair during the course of any meeting, the Vice-President shall act as the Chairman and shall have all the duties and powers of the Chairman while so acting. In the absence of both the President and the Vice-President the members present shall from among themselves appoint a Chairman for the meeting who shall have all the duties and powers of the Chairman while so acting. Each meeting of the Board shall be held within the Regional Municipality of Wood Buffalo unless the owners agree, by ordinary resolution, to hold the meeting in another location.

**DUTIES OF OFFICERS**

15. The other duties of the officers of the Board shall be as determined by the Board from time to time subject to any valid restriction imposed or direction given by ordinary resolution.

**VOTES OF BOARD**

16. (a) At meetings of the Board all matters shall be determined by simple majority vote.
- (b) A resolution of the Board in writing signed by all of the members shall have the same effect as a resolution passed at a meeting of the Board duly convened and held.

- (c) All Board meetings shall be conducted in accordance with the rules of procedure established by the Board.

#### **FURTHER POWERS OF BOARD**

17. The Board MAY:

- (a) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member of the Board gives to the other members of the Board not less than seven (7) days' notice of a meeting proposed by him, specifying the reason for calling the meeting provided that the Board shall meet at the call of the President on such notice as he may specify without the necessity of the President giving reasons for the calling of the meeting;
- (b) appoint or employ for and on behalf of the Corporation such agents or servants as it thinks fit in connection with the control, management and administration of the common property and the exercise and performance of the powers and duties of the Corporation;
- (c) subject to any valid restriction imposed or direction given by ordinary resolution at a general meeting of owners, delegate to one or more members of the Board such of its powers and duties as it thinks fit, and at any time revoke such delegation;
- (d) cause the Corporation to enter into an insurance trust agreement in the form and on terms as required by any Insurance Trustee; and
- (e) set and charge for and on behalf of the Corporation reasonable fees to compensate the Corporation for expenses it incurs in producing and providing any documents or copies required to be issued by it under the Act or pursuant to these By-laws.

#### **ADDITIONAL DUTIES OF THE BOARD**

18. The Board SHALL:

- (a) unless otherwise directed by special resolution, cause the Corporation to obtain and retain by contract the services of a Manager or of any professional real property management firm or professional real property manager or agent for such purposes (INCLUDING but not so as to limit the generality of the foregoing the supervision, management and performance of any or all of the duties of the Corporation) and upon such terms as the Board may from time to time decide SUBJECT ALWAYS to the control and direction of the Corporation and the Board, such Manager to be duly licensed under the Real Estate Act (Alberta) and



in all other respects be reasonably fit and suited to perform such duties. The Manager employed by the Board need not devote its full time to the performance of duties of the Corporation so long as those duties are performed in a good and sufficient fashion; if under such contract the Manager holds funds for the Corporation, the contract shall require the Manager to arrange or maintain a fidelity bond owned by and in the name of the Corporation and for the benefit of the Corporation and such bond shall be in an amount required by the Corporation but in any event not less than:

- (i) the total amount of any Capital Replacement Reserve Funds in the hands of or controlled by the Manager; plus
- (ii) one month's total condominium contributions of the Corporation or 1/12 of the total annual condominium contributions for all units in the project (EXCLUDING any special contributions) whichever is greater; plus
- (iii) a sum representing the average monthly amount of cash in the control of the Manager,

provided for grater certainty that at all times when the Board consists only of nominees of the Developer no such contract shall provide for an initial term in excess of one (1) year and the termination provisions of Section 17 of the Act shall apply thereto;

- (b) subject to any valid restrictions or directions given at a general meeting of the owners, carry on the day to day business and affairs of the Corporation;
- (c) keep minutes of its proceedings and, within ten (10) days of the written request and at the expense of the person requesting, provide copies thereof to owners and purchasers and to mortgagees who have notified their interests to the Corporation and to their Solicitors;
- (d) cause minutes to be kept of general meetings of the owners and, within ten (10) days of the written request at the expense of the person requesting, provide copies thereof to owners and purchasers and to mortgagees who have notified their interests to the Corporation and to their Solicitor's;
- (e) cause proper books of account to be kept in respect of all sums of money received and expended by it and the matters in respect of which receipt and expenditure shall take place;
- (f) prepare proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each annual general meeting;

- (g) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (h) on written application of an owner or mortgagee, or any person authorized in writing by him, make the books of account available for inspection at a time convenient to such Board member;
- (i) at least once a year, cause the books and accounts of the Corporation to be audited by an independent chartered accountant or certified general accountant to be selected in advance at each annual general meeting of the Corporation and cause to be prepared and distributed to each owner and to each mortgagee who has, in writing, notified its interest to the Corporation, a copy of the audited financial statement of the receipts of contributions of all owners towards the common expenses and disbursements made by the Corporation and a copy of the auditor's report within ninety (90) days of the end of the fiscal year of the Corporation; provided for certainty; the report of the Auditor shall be submitted to each annual general meeting of the Corporation;
- (j) keep a register noting the names and addresses of all owners and any mortgagees who have given notice of their interests to the Corporation;
- (k) provide and maintain in force all such insurance as its required by the Act and by the provisions of these By-laws and enter into any insurance trust agreements from time to time as required by any Insurance Trustee and approved by the Board an, within ten (10) days of the written request of an owner or purchaser or registered mortgagee of a unit, or the duly authorized agent of such owner or mortgagee, produce to the owner or mortgagee, a certificate or memorandum thereof and within thirty (30) days of the written request from any owner or purchaser or registered mortgagee of a unit, or the duly authorized agent of such owner or mortgagee, produce a copy of such insurance policy.
- (l) within thirty (30) days from the conclusion of the Corporation's annual general meeting, file or cause to be filed at the Land Titles Office a notice in the prescribed form stating the name and address of the members of the Board;
- (m) file or cause to be filed at the Land Titles Office a notice in the prescribed form of any change in the address for service of the Corporation.

#### **DEFECTS IN ELECTION/APPOINTMENT TO BOARD**

19. All acts done in good faith by the Board are, notwithstanding it be afterwards discovered that there was some defect in the election, appointment or continuance in office of any member of the Board, as valid as if the member had been duly elected, appointed or had duly continued in office.

**VACATING OFFICE OF BOARD MEMBER**

20. The office of a member of the Board shall be vacated if the member:
- (a) by notice in writing to the Corporation resigns his office; or
  - (b) dies; or
  - (c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an owner; or
  - (d) becomes bankrupt; or
  - (e) becomes of unsound mind, or is the subject of a Certificate of Incapacity issued under the *Mental Health Act*; or
  - (f) is convicted of an indictable offence; or
  - (g) is absent from two (2) consecutive meetings of the Board without the consent of the remaining members of the Board (whether obtained in advance or otherwise); or
  - (h) ceases to qualify for membership pursuant to By-law 7; or
  - (i) in the case of a company which is a member of the Board, if the company shall become bankrupt or make an assignment for the benefit of creditors or if proceedings are commenced to wind up the company, otherwise than for the purpose of amalgamation or reconstruction; or
  - (j) is refused bonding, at a reasonable premium, by a recognized bonding institution; or
  - (k) commences any legal proceedings against the Board or the Corporation.

**SIGNING AUTHORITIES**

21. The Board shall determine, by resolution from time to time, the manner in which an officer or officers shall sign cheques, drafts, notes and other instruments and documents, including banking forms and authorities not required to be under corporate seal and may authorize the Manager to sign the same with or without co-signing by any officer or officers.

**CORPORATE SEAL**

22. The Corporation shall have a common seal, which shall be adopted by resolution and which shall at no time be used or affixed to any instrument except in the presence of at least one member of the Board or by the persons as may be authorized from time to time

by resolution of the Board, except that where there is only one member of the Corporation, his signature shall be sufficient for the purposes of this By-law and if the only member is a company, the signature of its appointed representative on the Board shall be sufficient for the purpose of this By-law.

#### **ANNUAL GENERAL MEETINGS**

23. The first annual general meeting of the non-Developer owners shall be convened by the Board within the time prescribed by the Act. Subsequent annual general meetings shall be held once in each calendar year, and not more than fifteen (15) months shall elapse between the date of one annual general meeting and that of the next. Each such meeting shall be held within the Regional Municipality of Wood Buffalo unless the owners agree, by ordinary resolution, passed at the Corporation's annual general meeting, to hold the meeting in another location.

#### **EXTRAORDINARY GENERAL MEETINGS**

24. All general meetings other than annual general meetings shall be called extraordinary general meetings.

#### **CONVENING EXTRAORDINARY GENERAL MEETINGS**

25. The Board may whenever it thinks fit and shall upon a requisition in writing by owners representing not less than twenty five (25%) per cent of the total unit factors for all the units or upon the request in writing from mortgagees holding registered mortgages (and who have notified their interests to the Corporation) against units in respect of which corresponding unit factors represent not less than twenty five (25%) per cent of the total unit factors or a combination of such owners or mortgagees entitled to vote with respect to twenty five (25%) per cent of the total unit factors convene an extraordinary general meeting which meeting shall be held within thirty (30) days of the Board's receipt of the said requisition. The agenda for such meeting shall include any legally valid items specified by the requisitioners.

#### **NOTICE OF GENERAL MEETINGS**

26. Not less than seven (7) days' notice of every general meeting specifying the place, the date and the hour of meeting, and in the case of special business the general nature of such business, shall be given to all owners and mortgagees who have notified their interests to the Corporation. Notice shall be given to the owner and to such mortgagees in the manner prescribed in these By-laws, but the accidental omission to give notice to an owner or mortgagee or non-receipt by an owner or mortgagee does not invalidate the meeting or any proceedings thereat. In computing the number of the days of notice of a general meeting required under these By-laws, the day on which the notice is deemed to have been received and the day of the meeting shall be counted. Notice of any meeting

may be waived either at, before or after the meeting by persons entitled to vote at the meeting and such waiver shall be deemed the equivalent of receipt of due and proper notice of the meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

27. (a) All business that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the Board, or at any extraordinary general meeting, shall be deemed special business. Items of special business must be set forth in the notice of general meeting;
- (b) All general meetings of the Corporation shall be conducted in accordance with the rules of procedure established by the Board.

#### **QUORUM FOR GENERAL MEETINGS**

28. Save as in these By-laws otherwise provided, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business and one-quarter (1/4) of the persons entitled to vote representing not less than 2500 of the unit factors present in person or by proxy shall constitute a quorum.

#### **ADJOURNMENT FOR LACK OF QUORUM**

29. If within fifteen (15) minutes from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned for thirty (30) minutes on the same day, at the same place and if at the adjourned meeting a quorum is not present within five (5) minutes from the time appointed for the meeting, the persons entitled to vote who are present shall constitute a quorum.

#### **CHAIRMAN FOR GENERAL MEETINGS**

30. The President of the Board shall be the Chairman of all general meetings or in his absence from the meeting or in case he shall vacate the chair, the Vice-President of the Board shall act as Chairman provided always that if the President and Vice-President be absent or shall vacate the chair or refuse to act, the meeting shall elect a Chairman.

#### **ORDER OF BUSINESS FOR GENERAL MEETINGS**

31. The Order of Business at general meetings, and as far as is appropriate at all extraordinary general meetings, shall be:
  - (a) if the President or Vice-President of the Board shall be absent or elects to vacate the chair or refuses to act, the election of the Chairman of the meeting;
  - (b) call to order by the Chairman and establish quorum;

- (c) proof of notice of meeting or waiver of notice;
- (d) reading and disposal of any unapproved minutes;
- (e) reports of officers;
- (f) reports of committees;
- (g) financial report;
- (h) appointment of auditors and solicitors;
- (i) resignation of Board;
- (j) election of Board;
- (k) unfinished business;
- (l) new business;
- (m) adjournment.

#### **VOTING BY SHOW OF HANDS**

32. At any general meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is demanded by any owner or registered mortgagee present in person or by proxy. Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favor or against the resolution. Except for matters requiring a special resolution, all matters shall be determined by ordinary resolution.

#### **POLL VOTES**

33. A poll, if demanded, shall be taken in whatever manner the Chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In the case of equality in the votes, whether on a show of hands or on a poll, the Chairman of the meeting is entitled to a casting vote to break a tie in addition to his original vote. A demand for a poll may be withdrawn.

#### **VOTING CALCULATION**

34. On a show of hands, each person entitled to vote for any unit shall have one vote for that unit. On a poll, the votes of persons entitled to vote for such unit shall correspond with the number of unit factors for the respective units owned or mortgaged to them.

Notwithstanding anything to the contrary herein contained, the Chairman, if he determines such procedure is prudent, may hold a vote by secret ballot (one vote per unit) in regard to election to the Board.

### **VOTES PERSONALLY OR BY PROXY**

35. Votes at any general meeting may be given either personally or by proxy.

### **PROXIES**

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

### **ELIGIBILITY TO VOTE**

37. Except in cases where by or under the Act a special resolution is required, no owner is entitled to vote at any general meeting unless all assessments payable in respect of his unit have been duly paid to the date thirty (30) days prior to the date of such meeting.

### **VOTE BY CO-OWNERS**

38. (a) co-owners may vote by proxy but only if the proxy is jointly appointed by them or by one of the co-owners appointed by the other or all others, as the case may be, and in the absence of such proxy, co-owners are not entitled to vote separately on a show of hands except when a special resolution is required by the Act, but any one co-owner may demand a poll.

(b) On any poll, each co-owner is entitled to such part of the vote applicable to a unit as is proportionate to his interest in the unit. The joint proxy (if any) on a poll shall have a vote proportionate to the interests in the unit of the joint owners as do not vote personally or by individual proxy.

### **RESOLUTION OF THE OWNERS**

39. Subject to the requirements of the Act, a resolution signed or agreed to in writing by an owner shall have the same effect as a resolution passed at a meeting of the owners duly convened and held.

### **SUCCESSIVE INTERESTS**

40. When an owner's interest is subject to a registered mortgage, the power of voting conferred on the owner shall be exercised in the following order:

(a) first, by the first mortgagee, provided such mortgagee has provided written notice of the mortgage to the Corporation and is present at the meeting at which the vote is conducted;

- (b) second, by the owner; and
- (c) third, by any subsequent mortgagees in order of their priority among themselves, provided any mortgagee wishing to vote has provided written notice of the mortgage to the Corporation and is present at the meeting at which the vote is conducted.

#### **TRUSTEE VOTE**

41. Where an owner is a trustee, he shall exercise the voting rights in respect of the unit to the exclusion of persons beneficially interested in the trust, and those persons shall not vote.

#### **VOTING RIGHTS OF MORTGAGEE**

42. Notwithstanding the provisions of these By-laws with respect to appointment of a proxy, where the owner's interest is subject to a registered mortgage and where the mortgage or these By-laws or any statute provides that the power of vote conferred on an owner may or shall be exercised by the mortgagee and where the mortgagee has given written notice of his mortgage to the Corporation, no instrument or proxy shall be necessary to give the mortgagee the said power to vote. The mortgagee's power to vote shall be limited by the owner's failure to pay contributions as set forth in the Act.

#### **VIOLATION OF BY-LAWS**

43. (a) Any infraction or violation of or default under these By-laws or any rules and regulations established pursuant to these By-laws on the part of an owner, his servants, agents, licensees, invitees or tenants that has not been corrected, remedied or cured within ten (10) days of having received written notification from the Corporation to do so, may be corrected, remedied or cured by the Corporation and any costs or expenses incurred or expended by the Corporation including costs as between a solicitor and his own client, in correcting, remedying or curing such infraction, violation or default shall be charged to such owner and shall be added to and become part of the assessment of such owner for the month next following the date when such costs or expenses are expended or incurred (but not necessarily paid) by the Corporation and shall become due and payable on the date of payment of such monthly assessment and shall bear interest both before and after judgment at the Interest Rate until paid.
- (b) The Corporation may recover from an owner by an action for debt in any court of competent jurisdiction any sum of money which the Corporation is required to expend as a result of any act or omission by the owner, his servants, agents, licensees, invitees or tenants, which violates these By-laws or any rules or regulations established pursuant to these By-laws and for which ten (10) days



prior written notice has been given by the Corporation and there shall be added to any judgment, all costs of such action including costs as between a solicitor and his own client. Nothing herein shall be deemed to limit any right of any owner to bring an action or proceeding for the enforcement and protection of his rights and the exercise of his remedies.

- (c) If the Board is of the opinion that a breach of any By-law has occurred, it may, by resolution, cause a notice to be delivered to the owner alleged to be in breach specifying the nature and the particulars of the breach, and specifying a reasonable time in which the breach is to be rectified (or for the owner to have commenced rectification of the breach if it is not of a nature as to be capable of being rectified within ten (10) days), shown to be untrue or otherwise explained to the satisfaction of the Board, in its sole discretion. The time specified shall be no earlier than ten (10) days from the date the notice is delivered to the owner allegedly in breach. Upon resolution, the Board may impose a reasonable non-monetary or monetary sanction, the minimum monetary sanction to be Fifty (\$50.00) Dollars to a maximum monetary sanction of Ten Thousand (\$10,000.00) Dollars, to be leviable upon the expiry of the time specified to rectify the breach if the breach has not been rectified (or for the owner to have commenced rectification if the breach is not of a nature as to be capable of rectification in the time allowed), or shown to be untrue or otherwise explained to the satisfaction of the board. The notice alleging the breach shall also specify the non-monetary or monetary sanction to be levied if the breach is not rectified or shown to be untrue or otherwise explained to the satisfaction of the board. If a tenant of an owner is alleged to be in breach, the notice shall also be served on the tenant and it shall specify whether the owner, the tenant, or both are liable for payment of the monetary sanction. Each day of a continuing breach shall be deemed a contravention of a By-law.
- (d) Where a person fails to abide by a non-monetary sanction or to pay to the Corporation a monetary sanction imposed hereunder, the Corporation may proceed under Section 36 of the Act to enforce the sanction.
- (e) sanction may not be imposed that has the effect of prohibiting or restricting the devolution of units or any transfer, lease, mortgage or other dealing with the units or of destroying or modifying any easement implied or created by the Act.

#### **DEVELOPER'S RIGHTS**

- 44. As the project is to be developed in stages or phases, the following provisions and rules shall apply and govern until the final stage or phase is completed:
  - (a) During such time as the Developer, its successors or assigns, is the owner of one or more units, it shall have the right to maintain a reasonable number of units, whether owned or leased by it, as display units and to carry on all sales and

