

RIVERSIDE RV VILLAGE

BYLAWS OF CONDOMINIUM CORPORATION NO. 961 2304

SUMMARY OF CONTENTS

IN SUBSTITUTION AND REPLACEMENT FOR THE BYLAWS REGISTERED IN THE SOUTH ALBERTA LAND REGISTRATION DISTRICT AS INSTRUMENT #961 263 554 ON NOVEMBER 7, 1996, #001 182 044 ON JULY 4, 2000, #021 299 161 ON AUGUST 27, 2002, and #031 250 758 ON JULY 26, 2003.

I N D E X

<u>Number</u>	<u>Page</u>
1. DEFINITIONS AND INTERPRETATION.....	1
2. MISCELLANEOUS PROVISIONS	4
3. DUTIES OF THE CORPORATION.....	5
4. POWERS OF THE CORPORATION	6
5. THE CORPORATION AND THE BOARD	8
6. NUMBER ON BOARD	8
7. TERM OF OFFICE AND RETIREMENT FROM BOARD.....	9
8. ELIGIBILITY FOR RE-ELECTION TO BOARD	9
9. REMOVAL FROM BOARD	9
10. CASUAL VACANCY ON BOARD.....	9
11. QUORUM FOR BOARD	9
12. OFFICERS OF THE CORPORATION	9
13. CHAIRMAN OF BOARD MEETINGS.....	9
14. DUTIES OF OFFICERS	10
15. VOTES OF BOARD	10
16. FURTHER POWERS OF BOARD	10
17. ADDITIONAL DUTIES OF THE BOARD.....	11
18. DEFECTS IN APPOINTMENTS TO BOARD	12
19. VACATING OFFICE OF BOARD MEMBER.....	13
20. SIGNING AUTHORITIES	13
21. CORPORATE SEAL	13
22. ANNUAL GENERAL MEETINGS	13
23. EXTRAORDINARY GENERAL MEETINGS	14

24.	CONVENING EXTRAORDINARY GENERAL MEETINGS	14
25.	NOTICE OF GENERAL MEETINGS	14
26.	PROCEEDINGS AT GENERAL MEETINGS	14
27.	QUORUM FOR GENERAL MEETINGS	15
28.	ADJOURNMENT FOR LACK OF QUORUM.....	15
29.	CHAIRMAN FOR GENERAL MEETINGS.....	15
30.	ORDER OF BUSINESS FOR GENERAL MEETINGS.....	15
31.	VOTING BY SHOW OF STICK OR CARD	16
32.	POLL VOTES	16
33.	VOTING CALCULATION	16
34.	VOTES PERSONALLY OR BY PROXY	16
35.	PROXIES	17
36.	ELIGIBILITY TO VOTE	17
37.	VOTE BY CO-OWNERS	17
38.	RESOLUTION OF THE OWNERS	17
39.	SUCCESSIVE INTERESTS	17
40.	TRUSTEE VOTE	17
41.	VOTING RIGHTS OF MORTGAGEE.....	17
42.	VIOLATION OF BYLAWS	18
43.	DAMAGE OR DESTRUCTION.....	19
44.	INSURANCE.....	20
45.	CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS	23
46.	SPECIAL ASSESSMENTS.....	26
47.	DEFAULT IN PAYMENT OF CONTRIBUTIONS.....	27
48.	ESTOPPEL CERTIFICATE.....	28
49.	LEASING OF UNITS	28
50.	SEVERABILITY	29
51.	NOTICES.....	29
52.	NOTICE OF DEFAULT TO MORTGAGEES.....	29
53.	DEBT RETIREMENT ON TERMINATION.....	29
54.	COMPANY WHICH IS MEMBER OF BOARD.....	29
55.	ALTERNATE BOARD REPRESENTATIVE	30
56.	EXCLUSIVE USE AREAS.....	30
57.	REALTY TAXES	30
58.	INDEMNIFICATION OF OFFICERS AND MANAGERS	31

59. NON-PROFIT CORPORATION 31

60. USE AND OCCUPANCY BYLAWS 31

61. AMENDMENT OF BYLAWS 42

62. CHANGE OF LEGISLATION 42

63. ARBITRATION AND MEDIATION 42

Personal Information Protection Act, S.A. 2003, c. P-6.5 ("PIPA") "The Board of Directors shall endeavour to keep individual Owners' personal information confidential and will not disclose same without their consent, as set forth in PIPA, however, the Unit Owners agree and specifically consent to give the Board sole discretion to release any information which the Board, in its sole discretion, deems to be in the best interest of the Corporation."

NOTE: These Bylaws have been passed by Condominium Corporation No. 961 2304 for the purpose of repealing, replacing and substituting the Bylaws registered in the South Alberta Land Registration District as Instrument #961 263 554 on November 7, 1996, #001 182 044 on July 4, 2000, #021 299 161 on August 27, 2002, and #031 250 758 on July 26, 2003.

RIVERSIDE RV VILLAGE

BYLAWS OF CONDOMINIUM CORPORATION No. 961 2304

DEFINITIONS AND INTERPRETATION

1. In these Bylaws, where capitalized and unless the context or subject matter requires a different meaning:

- a) "Act" means the *Condominium Property Act*, R.S.A. 2000, c. C-22, as amended from time to time, or any statute or statutes passed in substitution therefore or amendment thereof;
- b) "Adjacent Accessory Structure" means a subordinate Structure which is an addition to, adjacent to, adjoining or supplements a Recreation Vehicle, such as an addition, Deck, Deck Cover, Enclosed Deck, ground cover Deck, awning or sunscreen but does not include any Detached Accessory Structures;
- c) "Architectural Standards" means all specifications limiting, restricting and otherwise affecting the use and appearance of the Units as prescribed by the Board from time to time;
- d) "Board" means the Board of Directors of the Corporation;
- e) "Bylaws" mean the Bylaws of the Corporation, as amended from time to time;
- f) "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 the real and personal property of the Corporation and the Common Property;
- g) "Common Expenses" (elsewhere commonly referred to as "condominium fees" or "special assessments") means the expenses of performing the objects and duties of the Corporation and any other expenses specified as common and reserve expenses in these Bylaws and may include expenses incidental to the property of the Corporation or the Common Property or expenses incurred by the Corporation on behalf of all Owners;
- h) "Common Property" means Units #120, #158, #184, #215, and any portion of the Condominium Plan lands which are designated as Common Property and so much of the Parcel as is not comprised in or does not form part of any Unit and includes all underground utilities and lines;
- i) "Condominium Plan" means the bare land Condominium Plan registered at the Land Titles Office under the Act as Condominium Plan No. 961 2304 and includes any Redivision Plans registered under the Act;
- j) "Corporation" means the Corporation constituted under the Act by the registration of the bare land Condominium Plan whose legal name is "Condominium Corporation No. 961 2304";
- k) "Deck" means an elevated unenclosed wooden Structure adjacent to or

adjoining a Recreation Vehicle intended for use as a gathering, seating, or barbecuing area and where the top surface is above ground level;

- l) "Detached Accessory Structure" means a building separate, subordinate and incidental to the main Recreation Vehicle, and includes outbuildings such as Guest Cabins, storage Sheds and wood boxes;
- m) "Guest Cabin" means a Detached Accessory Structure designed and intended to be used for occasional sleeping accommodations. It shall not contain any cooking facilities or wood-burning appliances;
- n) "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 Bylaws and the Act. If no Insurance Trustee is appointed, then the Insurance Trustee shall be the Board;
- o) "Interest Rate" means eighteen (18%) percent per annum or such lesser or greater rate as is equal to the maximum rate permitted under the Regulation to the Act. The Interest Rate shall be compounded monthly;
- p) "Manager" means any property manager contractually employed or appointed by the Board from time to time to manage the day to day affairs of the Corporation;
- q) "Municipal Authority" means the municipal government or agency having due and proper jurisdiction over the Parcel and the development thereof being the Town of Sundre;
- r) "Occupant" or "Tenant" means the rightful and lawful Occupant or lessee of a Unit, whether or not the Occupant is an Owner, and includes all family members, invitees, licensees, servants and guests of such Occupant or Tenant;
- s) "Ordinary Resolution" means a resolution:
 - i) passed at a properly convened meeting of the Corporation by a majority of all the persons present or represented by proxy at the meeting and entitled to exercise the powers of voting conferred by the Act or these Bylaws; or
 - ii) signed by a majority of all of the persons who, at a properly convened meeting of the Corporation, would be entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing more than 50% of the total Unit Factors for all of the Units;
- t) "Owner" means a person who is registered as the Owner of the fee simple estate in a Unit and where the term "Owner" is used in Bylaw 60 that term includes a Tenant;
- u) "Parcel" means the land comprised in the Condominium Plan;

- v) "Project" means all of the real and personal property and fixtures comprising the Parcel, land and buildings which constitute the Units and Common Property;
- w) "Recreation Vehicle" means a portable Structure intended as temporary accommodation for travel, vacation or recreational use. Such a Structure includes a Park Model, Motor Home, Pull Trailer, Fifth Wheel Trailer, Truck Camper, or Tent Trailer (but excludes converted busses unless the Board consents, in writing) as follows:
 - i) Park Model - A vehicular portable Structure that is generally permanently parked in a recreational vehicle park;
 - ii) Motor Home - A vehicular portable Structure of self-propelled design;
 - iii) Pull Trailer, Fifth Wheel Trailer, Truck Camper, or Tent Trailer - A vehicular portable Structure intended to be towed or carried by a motor vehicle. Truck Campers shall be affixed to a truck in a roadworthy configuration.
- x) "Redivision Plan" means any subsequent plan of redivision of Condominium Plan No. 961 2304;
- y) "Service Post" means the post or receptacle located on each Unit that supplies 30 amp, 120 v electrical service to the Unit;
- z) "Shed" means a Detached Accessory Structure intended solely for the storage of goods and equipment and not for human occupancy;
- aa) "Special Resolution" means a resolution:
 - i) passed at a properly convened meeting of the Corporation by a majority of not less than 75% of all the persons entitled to exercise the powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units; or
 - ii) 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 powers of voting conferred by the Act or these Bylaws and representing not less than 75% of the total Unit Factors for all the Units;
- bb) "Structure" means anything built or constructed from any parts to make a whole object;
- cc) "Tip Outs" means slide outs and anything that can be folded up, reduced in size or enlarged that is temporarily or permanently attached to a Recreation Vehicle excepting awnings;
- dd) "Unit" means land that is situated within the Parcel and is described as a Unit in the Condominium Plan or Redivision Plans by reference to boundaries governed by monuments placed pursuant to the provisions of the *Surveys*

Act, R.S.A. 2000, c. S-26 respecting subdivision surveys, and specifically, Units #1-67 inclusive in Condominium Plan No. 961 2304, Units #69-117 inclusive in Condominium Plan No. 971 1313, Units #121-157 inclusive in Condominium Plan No. 981 2180, Units #160-162 inclusive in Condominium Plan No. 981 2733, Units #163-183 inclusive in Condominium Plan No. 981 2525, and Units #185-214 inclusive in Condominium Plan No. 981 2536;

- ee) "Unit Factor" means that fraction expressed in ten-thousandth shares that each Unit owns in the Common Property and as is more particularly specified or apportioned and described in and set forth on the bare land Condominium Plan; and
- ff) "Wall" means an upright Structure more than 12 inches high made from wood, stone or any other material serving to enclose or divide property.

Words and expressions which have a special meaning assigned to them in the Act have the same meaning in these Bylaws and other expressions used in these Bylaws and not defined in the Act or in these Bylaws have the same meaning as may be assigned to them in the *Land Titles Act*, R.S.A. 2000, c. L-4, or the *Law Of Property Act*, R.S.A. 2000, c. L-7, 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. In addition:

a) HEADINGS

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

b) RIGHTS OF OWNERS

The rights and obligations given or imposed on the Corporation or the Owners under these Bylaws 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 Bylaws and the Act, the Act prevails.

d) SEVERABILITY

The provisions of these Bylaws shall be deemed independent and severable and the invalidity, in whole or in part of any section, part or provision herein, shall not affect the validity of the whole or remaining sections, parts or provisions herein contained, which shall continue in full force and effect as if the invalid portion has never been included herein.

e) 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 CORPORATION

3. In addition to the duties of the Corporation set forth in the Act, the Corporation, through its Board SHALL:

- a) control, manage, maintain, repair, replace and administer the Common Property (except as hereinafter set forth), and all real property, chattels (including the common roadways, club car, security gates, washrooms, showers, laundry facilities, clubhouse, and caretakers residence), 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;
- b) keep in a state of good and serviceable repair and properly maintain any facility fixtures, accoutrements and other apparatus and equipment used in connection with the Common Property, common facilities, or other assets of the Corporation;
- c) do all things required of it by the Act, these Bylaws and any other rules, regulations and controls in force from time to time;
- d) maintain and repair (INCLUDING renewal where reasonably necessary) all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities for the time being existing in the Parcel and capable of being used in connection with the enjoyment of more than one Unit or Common Property;
- e) provide and maintain in force all such insurance as is required by the Act and by the provisions of these Bylaws and enter into any insurance trust agreements from time to time as required by any Insurance Trustee and approved by the Board and, on the written request of an Owner or registered mortgagee of a Unit, or the duly authorized agent of such Owner or mortgagee, produce to the Owner or mortgagee a certified copy of the policy or policies of insurance effected by the Corporation or a certificate or memorandum thereof and the receipt or receipts for the last premium or premiums in respect thereof;
- f) collect and receive all contributions towards the Common Expenses and deposit same in a separate trust account with a chartered bank or trust company or Province of Alberta Treasury Branch or Credit Union incorporated under the *Credit Union Act*, R.S.A. 2000, c. C-32;
- g) subject always to and in accordance with the Act and any Regulation, 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 real and personal property owned by the Corporation, all of the facilities and amenities described in Bylaws 3(a) and (b) and the Common Property where the repair or replacement is of a nature that does not occur annually. Funds shall not be taken from the Capital Replacement Reserve Fund for the purposes of making capital improvements or additions unless such additions 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;

- h) 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 Project, the Corporation and the Owners as the Board may deem justifiable in the management or administration of the entire Project;
- i) keep and maintain in good order and condition all areas of the Common Property designated for vehicular or pedestrian traffic or visitor parking as the Board determines appropriate and keep and maintain in good order all storage and laundry areas and grassed or landscaped areas of the Common Property excepting grassed and landscaped areas within the Units;
- j) provide adequate garbage receptacles or containers on the Common Property for use by all Owners and provide for regular collection therefrom;
- k) at all times keep and maintain for the benefit of the Corporation and all Owners copies of all drawings and specifications, plans, written agreements, certificates and approvals provided to the Corporation pursuant to Section 46 of the Act; and
- l) 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.

POWERS OF THE CORPORATION

4. 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/or real property for use 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%) percent 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;

- 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 of part of the Common Property, any such grant to be terminable on reasonable notice, unless the Corporation by Special Resolution otherwise resolves and the Corporation may delegate its responsibility to care for and maintain that area or those areas to that Owner;
- 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 Bylaws and for the control, management and administration of the Common Property generally, including the commencement of an Action under Section 36 and/or Section 67 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 amounts so determined by levying contributions on the Owners equally 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, stipend or salary 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, either or both, incidental or conducive to the exercise of its powers granted under the Act and the Bylaws;
- o) subject to any limitations and prohibitions contained in the Act, these Bylaws or otherwise By law, have such powers and do all such things which any body corporate shall be empowered and authorized to do under the *Business Corporations Act, R.S.A. 2000, c. B-9* (as amended and replaced from time to time) and do all things and have such rights, powers and privileges of a

natural person;

- p) purchase, acquire, own and operate real property for the general use or benefit of some or all of the Owners or employees of the Corporation, and acquire and grant (as the case may be) rights to joint access or mutual use (including entering into and observing and performing any agreement for joint or mutual administration and management thereof) to shared services or facilities, provided that real property shall only be acquired or disposed of by Special Resolution of the Corporation;
- q) levy penalties by way of monetary sanctions, or commence such other proceedings as may be available, for the contravention of any Bylaw;
- r) establish and enforce all setback requirements for side, front and rear yards and to approve the site location for each recreational vehicle located on a Unit; and
- s) regulate, supervise and manage the removal of any trees or other vegetation from the individual Units and the Common Property, and all such Regulation and supervision shall conform with the applicable Town of Sundre bylaws.

THE CORPORATION AND THE BOARD

5. The powers and duties of the Corporation shall, subject to any valid restriction imposed or direction given at a General Meeting, be exercised and performed by the Board.

NUMBER ON BOARD

6. The composition of the Board shall provide that:

- a) The Board shall consist of not less than three (3) nor more than seven (7) Owners, spouses of Owners, representatives of Corporate Owners or representatives of mortgagees who have notified their interests to the Corporation, and the Board shall be elected at each annual general meeting (although members may also be elected at an extraordinary general meeting). 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;
- 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; and
- 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.

TERM OF OFFICE AND RETIREMENT FROM BOARD

7. Board members shall be elected for a two (2) year term. At each annual general meeting of the Corporation, all the members of the Board whose terms have expired shall retire from office and the Corporation shall elect new Board members accordingly. Members of the Board shall be elected at an annual general meeting for a term expiring at the conclusion of the annual general meeting convened in the second (2nd) year following the year in which he was elected to the Board. At the first Annual General Meeting following the registration of these Bylaws, one half (½) of the Board Members shall be elected for a one (1) year term and the remaining Members shall be elected for a two (2) year term.

ELIGIBILITY FOR RE-ELECTION TO BOARD

8. A retiring member of the Board shall be eligible for re-election.

REMOVAL FROM BOARD

9. The Corporation may, by Ordinary Resolution at an Extraordinary General Meeting, remove any member of the Board 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

10. Where a vacancy occurs on the Board under Bylaw 19, 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 Bylaw 6.

QUORUM FOR BOARD

11. 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

12. 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 to break a tie. 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 person may simultaneously hold two (2) offices.

CHAIRMAN OF BOARD MEETINGS

13. 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 municipality in which the Units are located unless the Owners agree, by Ordinary Resolution, at an annual general meeting, to hold the meeting in another location.

DUTIES OF OFFICERS

14. The other duties of the officers of the Board shall be as determined by the Board from time to time.

VOTES OF BOARD

15. Voting by Board members shall be governed as follows:

- 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) Where a Board member has a material interest in any agreements or transactions to which the Corporation is to become a party, that Board member must disclose his interest and refrain from voting on such agreement or transaction; and
- d) All meetings of the Board shall be conducted in accordance with the rules of procedure as established by the Board.

FURTHER POWERS OF BOARD

16. 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 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) 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 or contract employee 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) 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 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 and is a sole signing authority 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 replacement reserve funds in the hands of or controlled by the Manager; and
 - ii) one year's total condominium contributions of the Corporation or the total annual condominium contributions for all Units in the Project (EXCLUDING any special contributions) whichever is greater; and
 - iii) a sum representing the average monthly amount of cash in the control of the Manager;
- e) enter into an insurance trust agreement in form and on terms as required by any Insurance Trustee;
- f) 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 Bylaws.

ADDITIONAL DUTIES OF THE BOARD

17. The Board SHALL:

- a) subject to any valid restrictions imposed or directions given at a General Meeting of the Owners, carry on the day to day business and affairs of the Corporation;
- b) keep minutes of its proceedings and, upon written request at the expense of the person requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- c) cause minutes to be kept of General Meetings of the Owners and, upon written request at the expense of the person so requesting, provide copies thereof to Owners and to mortgagees who have notified their interests to the Corporation;
- d) 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;

- e) prepare or cause to have prepared financial statements comprising proper accounts relating to all monies of the Corporation, and the income and expenditure thereof, for each Annual General Meeting. Such financial statements shall be prepared in accordance with generally accepted accounting principals;
- f) maintain financial records of all the assets, liabilities and equity of the Corporation;
- g) on written application of an Owner or mortgagee, or any person authorized in writing by him, within twenty-eight (28) days, make the books of account available for inspection at a time convenient to such Board member;
- h) at least once a year, cause the books and accounts of the Corporation to be audited or reviewed by an independent chartered accountant, certified general accountant or certified management accountant to be selected at each annual general meeting of the Corporation and cause to be prepared and distributed to each Owner and to each mortgagee who has notified its interest to the Corporation in writing, a copy of the audited Financial Statement or Notice to Reader Report 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 or Notice to Reader Report within ninety (90) days of the end of the fiscal year of the Corporation. The report of the Auditor or Reviewer shall be submitted to each annual general meeting of the Corporation. Any obligations under this paragraph may be waived upon the passing of an Ordinary Resolution to that effect;
- i) keep a register noting the names and addresses of all Owners and any mortgagees who have given notice of their interests to the Corporation;
- j) 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;
- k) 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; and
- l) administer all setback requirements, positioning of Recreational Vehicles and Structures on individual Units, and addition and removal of trees and other vegetation.

DEFECTS IN APPOINTMENTS TO BOARD

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

VACATING OFFICE OF BOARD MEMBER

19. 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;
 - b) dies;
 - c) is in arrears more than thirty (30) days of any contribution, levy or assessment required to be made by him as an Owner;
 - d) becomes bankrupt;
 - e) becomes of unsound mind, or is the subject of a Certificate of Incapacity issued under the *Mental Health Act*, R.S.A. 2000, c. M-13;
 - f) is convicted of an indictable offence for which he is liable to imprisonment;
 - g) is absent from meetings of the Board for a continuous period of two (2) consecutive meetings without the consent of the remaining members of the Board and a majority of the remaining members of the Board resolve at the next subsequent meeting of the Board that his office be vacated;
 - h) ceases to qualify for membership pursuant to Bylaw 6;
 - 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) or his spouse, commences any legal proceedings against the Board or the Corporation.

SIGNING AUTHORITIES

20. 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

21. 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.

ANNUAL GENERAL MEETINGS

22. An Annual General Meeting 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 municipality or municipal district on which the Units are located unless the Owners agree, by Ordinary Resolution, to

hold the meeting in another location.

EXTRAORDINARY GENERAL MEETINGS

23. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

CONVENING EXTRAORDINARY GENERAL MEETINGS

24. The Board may whenever it thinks fit and shall upon a requisition in writing by Owners representing not less than fifteen (15%) percent 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 fifteen (15%) percent of the total Unit Factors or a combination of such Owners or mortgagees entitled to vote with respect to fifteen (15%) percent 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

25. A minimum of fourteen (14) 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 Bylaws, 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 Bylaws, 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

26. Proceedings at general meetings shall include that:
- a) All business that is transacted at any extraordinary meeting or at an annual general meeting, with the exception of the consideration of accounts and financial statements, appointment of auditors and solicitors, election of members to the Board, election of the Chairman, calling of the roll, certification of proxies and proving notice of meeting, shall be deemed special business.
 - b) Items of special business must be set forth in the notice of general meeting in sufficient detail so as to permit an Owner or mortgagee to form a reasoned judgment on the nature of that business. Items of special business may or may not require a Special Resolution.
 - c) All General Meetings of the Corporation shall be conducted in accordance with the rules of procedure as established by the Board;

- d) Subject to paragraph 26.e) below, motions from the floor may be voted upon at a General Meeting;
- e) No item of Special Business, voted upon and passed at a General Meeting, shall be effective to direct or limit the exercise by the Board of any authority, power or discretion vested in it under the Act or these Bylaws unless notice of such Special Business was mailed to all known addresses of persons eligible to vote (and delivered to all other persons at the Corporation's address) not less than fourteen (14) days before the General Meeting, stating:
 - i) the nature of such Special Business in sufficient detail to permit an Owner or mortgagee to form a reasoned judgment on that business as was set out in the notice; and
 - ii) the text of any resolution to be submitted to the General Meeting concerning such Special Business was included with the notice.

QUORUM FOR GENERAL MEETINGS

27. Save as in these Bylaws 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 ten (10%) percent of the persons entitled to vote representing not less than 1000 of the Unit Factors present in person or by proxy shall constitute a quorum.

ADJOURNMENT FOR LACK OF QUORUM

28. If within thirty (30) minutes from the time appointed for a General Meeting a quorum is not present, the meeting shall stand adjourned to the corresponding day in the next week at the same place and time, and if at the adjourned meeting a quorum is not present within ten (10) minutes from the time appointed for the meeting, the persons entitled to vote who are present shall constitute a quorum.

CHAIRMAN FOR GENERAL MEETINGS

29. 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

30. 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 of General Meetings;
- e) reports of officers;
- f) reports of committees;
- g) consideration of financial report;
- h) appointment of auditors and solicitors;
- i) unfinished business;
- j) new business;
- k) resignation of Board;
- l) election of Board; and
- m) adjournment.

VOTING BY SHOW OF STICK OR CARD

31. At any General Meeting a resolution by the vote of the meeting shall be decided on a show of stick or card, 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 stick or card, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour or against the resolution. Except for matters requiring a Special Resolution, all matters shall be determined by Ordinary Resolution.

POLL VOTES

32. 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 stick or card or on a poll, the Chairman of the meeting is entitled to a casting vote in addition to his original vote to break a tie. A demand for a poll may be withdrawn.

VOTING CALCULATION

33. On a show of stick or card, 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

34. Votes at any General Meeting may be given either personally or by proxy.

PROXIES

35. 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

36. An Owner is not entitled to exercise the power of voting conferred on the Owner by the Act or the Regulation where any contribution payable in respect of his Unit or any other obligation owing to the Corporation in respect of the Owner's Unit or Common Property is in arrears for more than thirty (30) days prior to the day that the power of voting may be exercised but the presence of any such defaulting Owner shall be included in the count for quorum constitution purposes pursuant to Bylaw 28.

VOTE BY CO-OWNERS

37. Votes by Co-Owners will be governed by the following terms:

- 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 stick or card 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

38. A resolution of the Owners in writing signed by each Owner or his duly appointed proxy shall have the same effect as a resolution passed at a meeting of the Owners duly convened and held.

SUCCESSIVE INTERESTS

39. Where Owners are entitled to successive interests in a Unit, the Owner entitled to the first interest (or if his interest is mortgaged by registered first mortgage notified to the Corporation, the mortgagee under such mortgage) is alone entitled to vote, whether on a show of stick or card or a poll.

TRUSTEE VOTE

40. 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

41. Notwithstanding the provisions of these Bylaws with respect to appointment of a proxy, where the Owner's interest is subject to a registered mortgage and where the

mortgage or these Bylaws 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 BYLAWS

42. Where there is a violation of these Bylaws:

- a) Any infraction or violation of or default under these Bylaws or any rules and regulations established pursuant to these Bylaws 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 Bylaws or any rules or regulations established pursuant to these Bylaws 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;
- c) If the Board determines that a breach of any Bylaw 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. Upon resolution, the Board may impose a reasonable non-monetary or monetary sanction, the minimum monetary sanction to be One Hundred (\$100.00) 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. The notice alleging the breach shall also specify the non-monetary or monetary sanction to be levied if the breach is not rectified. 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 Bylaw.
- 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 and/or Section 67 of the Act to enforce the sanction.

- e) A 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.

DAMAGE OR DESTRUCTION

43. Damage or destruction shall be governed by the Board in the following manner:

- a) In the event of damage or destruction as a result of fire or other casualty, the Board shall determine within sixty (60) days of the occurrence whether there has been substantial damage. For the purpose of this paragraph, substantial damage shall mean damage to the extent of twenty-five (25%) percent or more of the replacement value of the Common Property immediately prior to the occurrence. Prior to making any determination under this subparagraph the Board shall obtain the opinion of an independent insurance appraiser to the effect that substantial damage has or has not occurred. If there has been substantial damage the Board shall convene an Extraordinary General Meeting to advise the Owners that substantial damage has occurred. At least seven (7) days notice of such meeting must be given by registered mail to all Owners and mortgages who have given notice.

Unless there has been substantial damage and the Owners resolve by Special Resolution not to proceed with repair or restoration within one hundred twenty (120) days after the damage or destruction, the Board shall arrange for prompt repair and restoration using proceeds of insurance for that purpose. The Board shall cause the proceeds of all insurance policies to be disbursed to the contractors engaged in such repair and restoration in appropriate progress payments. Any costs of such repairs and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board may assess all the Unit Owners for such deficiency as part of the Common Expenses. Costs of repair and restoration within the deductible of any insurance coverage shall constitute a Common Expense, unless otherwise charged to an Owner under Bylaw 44.

Where there has been substantial damage and the Owners resolve by Special Resolution within one hundred twenty (120) days after the damage or destruction not to repair, the Board shall on behalf of the Owners make application to terminate the condominium status of the Parcel in accordance with the provisions of the Act, and each of the Owners shall be deemed to consent to such application. Upon termination of the condominium status:

- i) any liens or charges affecting any of the Units shall be deemed to be transferred in accordance with their existing priorities to the interests of the respective Owners in the Parcel; and
 - ii) the proceeds of insurance shall be paid to the Insurance Trustee, if any, the Owners and mortgagees, as their respective interests may appear, in proportion to their respective interests in the Parcel in accordance with the terms of any insurance trust agreement in effect.
- b) The Corporation is not responsible for any damage or loss whatsoever caused

by or to any property or contents of any nature or kind in or upon any Unit or in or upon any part of the Common Property designated for the exclusive use of any Unit Owner.

- c) No Owner shall be entitled to claim any compensation from the Corporation for any loss or damage to the property or person of the Owner arising from any defect or want of repair of the Common Property or any part thereof, unless such loss or damage is covered by the insurance held or required to be held by the Corporation pursuant to the Act or these Bylaws, whichever is the greater.
- d) Where the Corporation is required to enter a Unit for the purpose of maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the Unit and capable of being used in connection with the enjoyment of any other Unit or the Common Property, the Corporation and its servants, employees and agents shall in carrying out any work or repairs do so in a proper and workmanlike manner and shall make good any damage to the Unit occasioned by such work and restore the Unit to its former condition, leaving the Unit clean and free from debris.
- e) Notwithstanding anything to the contrary herein expressed or implied, each Owner shall be responsible for damage caused to all items in any Unit or the Common Property by himself, members of his family, his tenants or members of their families, his invitees, contractors or licensees that are not required by these Bylaws to be insured against by the Corporation (or in fact insured against by it whether required or not but only to the extent of the insurance deductible); and should any Owner fail to repair in a manner satisfactory to the Board or its representative then the Board or its representative may do or cause to be done such repair; and the Owner affected agrees to and shall reimburse the Corporation for all monies expended for labour, materials, normal overhead and profit and all costs incurred in collection in respect of the doing of such repairs and the Board or its representative may use all or any of the remedies open to it as hereinafter set out to recover such monies for the Corporation together with interest thereon as herein provided for overdue assessments and such monies shall be a charge upon his Unit to the same extent as they would be if they were Common Expense charges assessed upon his Unit.

INSURANCE

44. The insurance of the Corporation shall be governed by the following terms:

- a) The Board, on behalf of the Corporation, shall obtain and maintain, subject always to the Act, and in particular, Section 47 thereof, the following insurance:
 - i) Fire insurance with extended coverage endorsement for such perils as set forth in the Act and its Regulation (the perils Insured against shall be "all risks" as that term is generally understood, in the insurance business, of physical loss or damage) insuring: (A) all of the insurable Common Property; (B) all insurable property of the Corporation, both real and personal of any nature whatsoever; for the full replacement cost thereof, without deduction for depreciation; and insuring the

interests of and naming as insureds (i) all Owners from time to time; (ii) all mortgagees who have given written notice of their interests to the Corporation; (iii) the Corporation; and (iv) the Board and any person referred to in Bylaw 16 hereof (hereinafter collectively called the "Insureds") as their respective interests may appear;

EXCLUDING COVERAGE FOR THE RECREATION VEHICLE, BUILDINGS, IMPROVEMENTS AND BETTERMENTS ON THE UNITS WHICH SHALL BE PLACED BY EACH OWNER. EACH OWNER SHALL OBTAIN THEIR OWN FIRE AND LIABILITY INSURANCE FOR THEIR RESPECTIVE UNITS. UPON THE REQUEST OF THE BOARD, AN OWNER SHALL PROVIDE TO THE BOARD EVIDENCE OF REQUIRED INSURANCE COVERAGE.

- ii) Boiler and vessel insurance if any boilers and vessels exist on the Project;
 - iii) Public liability insurance insuring the Insureds against any liability to the public and/or to the Owners and their invitees, licensees or Tenants, incidental to the enforcement of these Bylaws and the ownership, control, management, administration and use of the Common Property and such insurance shall be limited to liability in an amount not less than Two Million (\$2,000,000.00) Dollars inclusive for bodily injury and/or property damage per occurrence;
 - iv) Directors and Officers liability insurance, including errors and omissions coverage, in such amounts and with such deductibles as the Board may determine, insuring the Board and every member thereof from time to time and all employees of the Corporation from and against all liabilities, charges, loss, costs, and expenses, including counsel fees, reasonably incurred by him in connection with any Action, suit or proceeding to which he may be made a party by reason of his being or having been a member or officer of the Board;
 - v) Liability insurance for the Corporation arising out of a breach of duty as the Occupier of the Common Property;
 - vi) Liability insurance for the Corporation arising out of the ownership, use or operation of any machinery, equipment, and vehicles;
 - vii) Such other insurance and coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution; and
 - viii) For the purposes of any insurance obtained and maintained by the Corporation pursuant to this Bylaw 46 or pursuant to the Act, it is reasonable in the circumstances of this Corporation for that insurance coverage to contain, among other limitations, exceptions, exclusions or restrictions, a deductible in an amount agreed to by the Board and the insurer.
- b) Each and every said policy of insurance shall name the Insureds and shall, as available and where applicable, provide:

- i) that in no event shall insurance coverage be brought into contribution with insurance purchased by any Owner or mortgagee and such Corporation insurance shall be deemed as primary insurance;
 - ii) standard mortgage endorsements (IBC 3000 or its equivalent) attached to each such policy;
 - iii) a waiver by the insurer of its rights of subrogation against the Corporation, its Manager, agents, employees and servants, and the Owners and any member of the household of any Owner, except for arson, fraud and vehicle impact;
 - iv) the policy shall be written on a stated amount basis; and
 - v) a cross liability endorsement wherein the rights of any Insured shall not be prejudiced with respect to another Insured;
- c) The Board shall obtain an appraisal or appraisal update from a duly qualified appraiser setting out the full replacement cost of the Common Property, all of the recreational facilities and amenities described in Bylaw 3(a) and all of the property of the Corporation every year or at any other time the Board deems necessary. A copy of such appraisal or appraisal update shall be delivered to each mortgagee who has given written notice of his mortgage to the Corporation. The Board shall forthwith obtain insurance coverage under any and all such policies of insurance in accordance with such appraisal or appraisal update to insure the full replacement value as set forth in such appraisal or appraisal update. In addition to such insurance coverage for the replacement value of the Common Property and any other property of the Corporation, the Board shall review and adjust the level of insurance coverage for other risks (INCLUDING liability) to such amounts and levels required by and as would be maintained by an Owner of similar property in the locality in which the condominium property is situate;
- d) A certificate or memorandum of all insurance policies and endorsements thereto shall be provided by the Board, or by the Manager on its behalf, as soon as practicable to each of the Insureds upon written request therefor, and a duplicate original or certified copy of each such policy shall be forwarded upon request to each mortgagee who has in writing notified the Board of its interest. Further, a renewal certificate or memorandum of new insurance policies shall be furnished to each Insured upon request. The master policy of all insurance coverage shall be retained by the Corporation in its offices, and shall be available for inspection by any and all of the Insureds upon reasonable request.
- e) Notwithstanding anything aforesaid, and subject to the terms of any Insurance Trust Agreement, all proceeds of insurance on loss or claim shall be paid to the Insurance Trustee (if any) or the Corporation, and exclusive authority to adjust losses and settle proceeds under all insurance policies shall be vested in the Board or its authorized representative, and the Insurance Trustee; provided that any expenses of the Insurance Trustee shall be treated as Common Expenses of the Corporation.
- f) The Owners shall carry insurance on their own Units as provided that the

liability of the insurers issuing insurance obtained by the Board hereunder shall not be affected or diminished by reason of insurance so carried by any Unit Owner AND PROVIDED FURTHER THAT neither the Corporation nor the Board shall be required or have any duty to insure the interests of Owners or Tenants against liability or for their belongings, contents or other property.

- g) In the event a claim is made under any insurance policy of the Corporation and the Board, in its sole discretion and acting reasonably, determines that the Owner (or members of his family, his tenants or members of their families, his invitees, contractors or licensees) is responsible for the loss or damage that gave rise to the claim, the Corporation may recover the deductible portion of the claim from that Owner and such amount shall be recoverable by the Corporation as a contribution due to the Corporation from the Owner for the amount of the deductible and all costs, charges and liabilities associated therewith, and with the collection thereof, incurred by the Corporation.

CONTRIBUTIONS FOR COMMON EXPENSES AND BUDGETS

45. The particulars that govern the contributions for Common Expenses and budgets shall include that:

- a) The Common Expenses of the Corporation shall be paid equally by the Owners notwithstanding the Unit Factors for their respective Units or as otherwise set forth herein and, without limiting the generality hereof, shall include the following:
- i) All levies or charges on account of garbage removal, electricity, water, sewer, gas and fuel services supplied to the Corporation for the Project and for the benefit of all Owners and not charged directly to any one Owner either by meter or otherwise;
 - ii) Management fees and Insurance Trustee fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees or independent contractors of the Corporation;
 - iii) All the charges on account of lawn maintenance and landscaping with respect to the Common Property and for ice, snow and debris removal from the Common Property;
 - iv) All charges on account of light standards or poles and related fixtures located on the Common Property;
 - v) All charges on account of staffing and maintenance of the portions of the Common Property for which the Corporation is responsible under these Bylaws;
 - vi) All costs of furnishings, tools and equipment for use in and about the Project facilities or amenities including the repair, maintenance or replacement thereof;
 - vii) All insurance costs in respect of the insurance for which the Corporation is responsible under these Bylaws and/or the Act;

- viii) All charges incurred by the Corporation on account of maintenance, operation, repair or restoration of any Unit or the Common Property, either in the absence of insurance coverage or within the deductible of insurance coverage;
 - ix) All costs of and charges for all manner of consultation, professional and servicing assistance required by the Corporation including without limiting the generality of the foregoing all legal, accounting, auditing and engineering (including replacement reserve fund studies) fees and disbursements;
 - x) All reserves for repairs and replacement of Common Property the repair or replacement of which is the responsibility of the Corporation;
 - xi) The cost of maintaining fidelity bonds as provided in these Bylaws;
 - xii) The cost of borrowing money for the purpose of carrying out the duties and objects of the Corporation;
 - xiii) Municipal taxes, levies or assessments on any Unit owned by the Corporation;
- b) At least thirty (30) days prior to the end of each fiscal year the Corporation shall deliver or mail to each Owner at the mailing address provided by the Owner:
- i) a copy of the budget for the ensuing fiscal year; and
 - ii) a notice of the assessment for his contribution towards the Common Expenses for said ensuing fiscal year. Said assessment shall be made to the Owners equally, notwithstanding their respective Unit Factors, except, in the sole discretion of the Board, acting reasonably, any expenses that relate directly and solely to the maintenance, operation, repair or restoration of all or part of the Common Property or of any one or more Units and not all the Units may be charged and shall be paid solely by the recipient Units of such maintenance, operation, repair or restoration, as the Board may determine.
- c) The budget shall set out by categories an estimate of the Common Expenses of the Corporation for the next fiscal year. The budget shall include a reasonable provision for contingencies and for the Capital Replacement Reserve Fund.
- d) The Capital Replacement Reserve Fund may be used for the repair or replacement of any real and personal property owned by the Corporation and the Common Property but is not intended to be used to cover annually recurring maintenance and repair costs which are to be set out and provided for in the annual budget;
- e) The Common Expenses set forth in each contribution shall be payable to the Corporation, or to any other person, firm or corporation to whom the Corporation shall direct payment to be made from time to time, in one

instalment, payable on the 31st day of January each year or at such other time as may be prescribed by the Corporation;

- f) All payments of whatsoever nature required to be made by each Owner and not paid within ten (10) days from the due date for payment shall bear interest at the Interest Rate from the date when due until paid. All payments on account shall first be applied to interest and then to the contribution payment first due.
- g) The Corporation shall, on the application of an Owner, or any person authorized in writing by any of those persons, certify within ten (10) days:
 - i) the amount of any contribution determined as the contribution of the Owner;
 - ii) the manner in which the contribution is payable;
 - iii) the extent to which the contribution has been paid by the Owner; and
 - iv) the interest owing, if any, on any unpaid balance of a contribution;

and, in favour of any person dealing with that Owner the certificate is conclusive proof of the matters certified therein.

- h) Upon the written request of an Owner, purchaser or mortgagee of a Unit the Corporation shall, within ten (10) days of receiving that request, provide to the person making the request one or more of the following as requested by that person:
 - i) a statement setting forth the amount of any contributions due and payable in respect of a Unit;
 - ii) the particulars of:
 - (A) any Action commenced against the Corporation and served upon the Corporation;
 - (B) any unsatisfied judgment or order for which the Corporation is liable; and
 - (C) any written demand made upon the Corporation for an amount in excess of Five Thousand (\$5,000.00) Dollars that, if not met, may result in an Action being brought against the Corporation;
 - iii) the particulars of or a copy of any subsisting management agreement;
 - iv) the particulars of or a copy of any subsisting recreational agreement;
 - v) a copy of the current budget of the Corporation;
 - vi) a copy of the most recent financial statements, if any, of the Corporation;

- vii) a copy of the Bylaws of the Corporation;
 - viii) a copy of any minutes of proceedings of a General Meeting of the Corporation or of the Board;
 - ix) a copy of any lease agreement or exclusive use agreement with respect to the possession of a portion of the Common Property;
 - x) the particulars of or a copy of any subsisting lease or exclusive use agreement with respect to the possession of any portion of the Common Property;
 - xi) statement setting forth the amount held in the Capital Replacement Reserve Fund;
 - xii) the Unit Factors and the criteria used to determine Unit Factor allocation;
 - xiii) a statement setting forth any structural deficiencies that the Corporation has knowledge of at the time of the request in any of the Units that are included in the Condominium Plan; and
 - xiv) in the case of a mortgagee, the records pertaining to the management or administration of the Corporation as prescribed in Section 45 of the Act.
- i) The omission by the Board to fix the contributions hereunder for the next ensuing fiscal year or other period provided for herein, shall not be deemed a waiver or modification in any respect of the provisions of these Bylaws or release of the Owner or Owners from their obligation to pay the contributions or special assessments, or any instalments thereof for any year or period, but the contributions fixed from time to time shall continue until new contributions are fixed. No Owner can exempt himself from liability for his contributions toward the Common Expenses by waiver of the use or enjoyment of any of the Common Property or by vacating or abandoning his Unit.
 - j) The Board or the Manager supplying any documents required to be provided in these Bylaws or under Section 44 of the Act, shall be entitled to charge a reasonable fee for the production thereof.

SPECIAL ASSESSMENTS

46. If at any time it appears that the annual contributions towards the Common Expenses will be insufficient to meet the Common Expenses, the Corporation may assess and collect a special contribution or assessment against each Unit in an amount sufficient to cover the additional anticipated Common Expenses. The Corporation shall give notice of such further assessment to all Owners which shall include a written statement setting out the reasons for the assessment and each assessment shall be due and payable by each Owner in the manner and on the date or dates specified in the notice. Each such special assessment shall be determined and assessed against the Owners equally notwithstanding their respective Unit Factors or in accordance with Bylaw 45b)ii). Unless otherwise provided, all such special assessments shall be payable within ten (10) days of the due date

for payment as specified in the notice and if not paid shall bear interest at the Interest Rate from the due date until paid.

DEFAULT IN PAYMENT OF CONTRIBUTIONS

47. Default in payment of assessments and lien for unpaid assessments, instalments and payments:

- a) The Corporation shall and does hereby have a lien on and a charge against the estate or interest of any Owner for any unpaid contribution, assessment, instalment or payment due to the Corporation, which lien shall be a lien against such estate or interest subject only to the rights of the municipal or local authority in respect of unpaid realty taxes, assessments or charges of any kind against the Unit title or interest of such Owner to the extent provided for in the Act. The Corporation shall have the right to file a caveat or encumbrance against the Unit title or interest of such Owner in respect of the lien or charge for the amount of such unpaid contribution, assessment, instalment or payment as hereinbefore mentioned, and for so long as such unpaid contribution, assessment, instalment or payment remains unpaid, provided that each such caveat or encumbrance shall not be registered until after the expiration of thirty (30) days following the due date for the first payment in arrears. As further and better security, each Owner responsible for any such unpaid contribution, assessment, instalment or payment which is in arrears for more than thirty (30) days, shall be deemed to have given to the Corporation a mortgage or encumbrance for the full amount thereof and all contributions, assessments, instalments and/or payments, and interest thereon at the Interest Rate from the due date or dates for payment of the same, and the Corporation shall be entitled to enforce its lien, charge and security and pursue such remedies as may be available to it at law or in equity, from time to time including the recovery by the Corporation of its reasonable costs, including legal expenses and fees incurred by the Corporation in collecting the amount owing and disbursements on a solicitor and his own client basis from such defaulting Owner;
- b) Any other Owner or person, firm, or corporation whatsoever may pay any unpaid contribution, assessment, instalment or payment after the expiration of thirty (30) days following the due date for payment by the Owner in default, with respect to a Unit, and upon such payment, such party, person, firm or corporation shall have a lien, subject to the estates or interests hereinbefore mentioned and shall be entitled to file a caveat or encumbrance in respect of the amount so paid on behalf of the Owner in default, and shall be entitled to enforce his lien, thereby created, in accordance with the other terms and conditions of this Bylaw;
- c) Notwithstanding and in addition to any other term, condition or provision herein contained or implied, each unpaid contribution, assessment, instalment or payment shall be deemed a separate, distinct and personal debt and obligation of the Owner against whom the same is assessed and collectible as such. Any Action, suit or proceeding to recover such debt or to realize on any judgment therefore shall be maintainable as a separate Action, suit or proceeding without foreclosing or waiving the lien, charge or security, securing the same;

- d) All reasonable costs of the Manager, administration costs and legal costs and disbursements incurred by the Corporation (INCLUDING costs on a solicitor and his own client basis) which either the Manager or the Corporation expends as a result of any Act or omission of an Owner, his servants, agents, licensees, invitees or Tenants which violates these Bylaws or any rules or regulations established pursuant thereto or incurred or in any way for securing or enforcing its interests hereunder or the taking of any remedies to cure any default hereunder shall constitute a payment due the Corporation.

ESTOPPEL CERTIFICATE

48. Any certificate as to an Owner's position with regard to contributions, expense assessments or otherwise, issued by an officer of the Corporation or the Manager shall be deemed to be an Estoppel Certificate and the Corporation and all of the Owners shall be estopped from denying the accuracy of such certificate against any mortgagee, purchaser or other person dealing with the Unit Owner but this shall not prevent the enforcement against the Unit Owner incurring the said expense of all obligations of the said Unit Owner whether improperly stated in such Estoppel Certificate or not. The Corporation will issue an Estoppel Certificate certifying payment of all contributions upon receipt by the Corporation of payment of such contributions notwithstanding that such payment is subsequently dishonoured or stopped by a financial institution.

LEASING OF UNITS

49. In the leasing of Units, the following provisions shall govern:

- a) In the event that any Owner desires to lease or rent his Unit, the term of such tenancy shall not be less than two (2) months, it being the object of the Corporation to prevent short term rentals. The Owner shall furnish to the Corporation an undertaking, in form satisfactory to the Corporation, signed by the proposed lessee or Occupant, that the proposed lessee or Occupant of the Unit will comply with the provisions of the Act and of the Bylaws of the Corporation. The Owner shall not be released of any of his obligations and shall be jointly and severally liable with the proposed lessee or Occupant with respect to such obligations. The undertaking from the proposed lessee or Occupant shall be in writing, and shall be to the following effect:

"I, _____ covenant and agree that I, the members of my household and my guests from time to time will, in using the Unit rented by me, any exclusive areas relating to the Unit and all the Common Property, comply with the *Condominium Property Act*, R.S.A. 2000, c. C-22, the Bylaws and all rules and regulations of the Corporation during the term of my tenancy."

- b) The Corporation IS HEREBY AUTHORIZED TO:
- i) impose and collect deposits under Section 53 of the Act;
 - ii) give notices to give up possession of residential Units under Section 54 of the Act; and
 - iii) make applications to the Court under Sections 55 and 56 of the Act.

- c) No Tenant shall be liable for the payment of contributions or assessments or Common Expenses under these Bylaws unless notified by the Corporation that the Owner from whom he rents the Unit is in arrears of payment of contributions, in which case the Tenant shall deduct from the rent payable to the Owner, such arrears contributions and shall pay the same to the Corporation for the purpose of applying that rent against the annual contributions that are in arrears. Any such payment by the Tenant shall be deemed to be a rental payment made to the Owner.

SEVERABILITY

50. The provisions hereof shall be deemed independent and severable and the invalidity in whole or in part of any Bylaw does not affect the validity of the remaining Bylaws, which shall continue in full force and effect as if such invalid portion had never been included herein.

NOTICES

51. Unless otherwise expressly provided in these Bylaws, service of any notice required to be given under the Act or under these Bylaws shall be well and sufficiently given if sent by prepaid mail to the Owner at the address of his Unit or other known address or if left with him or some other adult person at the said address or to the Corporation at its address for service shown on the Condominium Plan, or to a mortgagee at its address supplied to the Corporation. Any notice given by post shall be deemed to have been sent and received forty-eight (48) hours after it is posted. An Owner or a mortgagee may at any time in writing advise the Corporation of any change of address at which notices shall be served or given and thereafter the address specified therein shall be deemed to be the address of such Owner or a mortgagee, as the case may be, for the giving of notices. The word "notice" shall include any request, statement or other writing required or permitted to be given hereunder or pursuant to the Act or these Bylaws.

NOTICE OF DEFAULT TO MORTGAGEES

52. Where a mortgagee has notified the Corporation of its interest, any notice of default sent to an Owner shall also be sent to the mortgagee.

DEBT RETIREMENT ON TERMINATION

53. Subject to the provisions of the Act, upon termination of the condominium status for any purpose, all debts of the Corporation shall first be paid out of the assets, and the balance of the assets, if any, shall be distributed to the Owners equally notwithstanding their respective Unit Factors subject to the interests of any mortgagees.

COMPANY WHICH IS MEMBER OF BOARD

54. A company which is a member of the Board may by proxy, power of attorney or resolution of its directors appoint such person as it thinks fit to Act as its representative on the Board and to attend meetings thereof and vote at such meetings on behalf of the company and such representative shall be entitled to so Act provided notice in writing thereof shall have been given to the Board. Where a company is the only member of the Board a minute or resolution signed by its representative or by the alternate of its representative duly appointed pursuant to the Bylaw next following shall be deemed to be a

resolution of the Board.

ALTERNATE BOARD REPRESENTATIVE

55. A representative of a company on the Board may appoint any person whether another Owner or not and whether a member of the Board or not to serve as his alternate representative on the Board and as such to attend and vote in his stead at meetings of the Board and to do anything specifically provided for in these Bylaws. Such alternate shall, if present, be included in the count for quorum and if he be a member of the Board he shall be entitled to two votes, one as a member of the Board and the other as an alternate representative of a member of the Board. If the representative so directs, notice of meetings of the Board shall be sent to the alternate representative of a member of the Board. If and when the appointing representative vacates the office of a representative of a member of the Board or removes the alternate representative from office as alternate representative, any appointment or removal under this Bylaw shall be made in writing under the hand of the representative making the same.

EXCLUSIVE USE AREAS

56. Exclusive use areas shall be governed by the following terms:

- a) The Board may, in addition to other restrictions set out in these Bylaws, specify and limit the nature and extent of the use or uses of any exclusive use area assigned or designated by it hereunder.
- b) While any such exclusive use area is not included in the Condominium Plan as part of a condominium Unit, and shall not be deemed to be an area leased pursuant to Section 50 of the Act, any such exclusive use area shall be maintained at the sole expense of the Owner to whom it has been assigned;
- c) If the Owner shall fail to properly maintain any such exclusive use area assigned to him or them after ten (10) days' notice to him or them to correct any maintenance problem set forth in said notice from the Board, then the Board or its representative may order the maintenance corrected and the Owner affected shall reimburse the Board for all monies expended and all costs incurred in order to rectify said maintenance problem and pay interest thereon at the Interest Rate after demand for payment.
- d) The term exclusive use area does not include any fence, rail or similar Structure bordering any designated exclusive use area or any hard surface, curbs or retaining Wall;
- e) The Corporation and its servants and agents shall, notwithstanding the grant of any right, licence or privilege of exclusive use of any area to any Owner, have and enjoy free and uninterrupted right at any and all times and from time to time to enter upon, pass and repass over, and occupy any and all parts of such exclusive use area for the purpose of carrying out any of the duties or functions of the Corporation.

REALTY TAXES

57. The realty taxes and other municipal and governmental levies or assessments against land, including improvements, comprising all or any part of the Units and the

Common Property comprising the Project shall be assessed and imposed in accordance with provisions of the Act.

INDEMNIFICATION OF OFFICERS AND MANAGERS

58. The Corporation shall indemnify every member of the Board, Manager, officer, authorized volunteer or employee and his or her heirs, executors and administrators against all loss, costs and expense, including counsel fees, reasonably incurred by him in connection with any Action, suit or proceeding to which he may be made a party by reason of his being or having been a Board member, Manager or officer of the Corporation, except as to matters as to which he shall be finally adjudged in such Action, suit or proceeding to be liable for fines or penalties imposed in a criminal suit or Action or for unjustified profit or advantage or for any illegal Act done or attempted in bad faith or dishonesty or for failing to discharge the duties of the office of a member of the Board honestly and in good faith. All liability, loss, damage, costs and expenses incurred or suffered by the Corporation by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Corporation as Common Expenses. The Corporation may by Ordinary Resolution, require that all members of the Board be bonded by a recognized bonding institution in an amount not less than the total amount of the Capital Replacement Reserve Fund, the cost of such bonding to constitute a Common Expense of the Corporation.

NON-PROFIT CORPORATION

59. The Corporation is not organized for profit. No Owner, member of the Board or person from whom the Corporation may receive any property or funds or shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof. The foregoing, however, shall neither prevent nor restrict the following:

- a) reasonable compensation may be paid to any member of the Board or Owner while acting as an agent or employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation; and
- b) any member of the Board or Owner may, from time to time, be reimbursed for his Actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation;
- c) members of the Board may receive an annual honorarium, stipend or salary established pursuant to Bylaw 4.k).

USE AND OCCUPANCY BYLAWS

60. All Owners and their family members and their Occupants and guests must adhere to all of the following Bylaws, rules, regulations and controls and any new rules and regulations adopted by the Board from time to time;

- a) ARCHITECTURAL STANDARDS

The Town of Sundre will have ultimate authority regarding the Red Deer River 1:100 year flood plain and the granting of development permits, and reference should be made to the applicable Town of Sundre bylaws pertaining to the Recreation Vehicle Direct Control District.

An Owner SHALL comply with the following Bylaws as they apply to Architectural Standards:

- i) Adjacent Accessory Structures, Detached Accessory Structures, Recreation Vehicles, Guest Cabins, Sheds, and Decks are permitted, but subject to the Bylaws and the Rules and Regulations;
- ii) Fully detailed drawings of any proposed changes, construction or alterations to a Unit and/or Structures thereon shall be submitted to the Board. All Owners must have Board approval in writing before applying for a development permit from the Town of Sundre or proceeding with the proposed changes, construction or alterations. All applicable permits must be obtained before changes, construction or alterations can begin. When applying for a Development Permit from the Town of Sundre, drawings must be stamped "Approved" by the Board. Approval is valid for one (1) year only. No development or construction shall be undertaken (whether permanent or temporary) on any Unit without the Owner having secured a Town of Sundre development permit;
- iii) The latest additions to the National Building Code, Alberta Building Code and Canadian Electrical Code shall govern construction of all Structures;
- iv) The electrical distribution system from the transformer to the Service Post shall not be altered, modified, or relocated without prior written approval of the Board;
- v) The Board will establish Rules and Regulations in accordance with the applicable Town of Sundre bylaws governing the size, design, appearance and general Recreation Vehicle district standards on any given Unit. No more than one Recreation Vehicle shall be allowed per Unit and no commercial/warehouse/industrial type of Structure shall be allowed on any Unit. Each Unit must have a minimum of one parking space. Any additional Recreation Vehicle shall be considered a guest and shall not stay for more than 14 consecutive days.
- vi) Failure to comply with Bylaw 60a)ii), 60a)iii), 60a)iv) and 60a)v) will require the removal of the changes, construction or alterations to property and/or Structures thereon at the Owners' expense;
- vii) In addition to the above, an Owner shall not place, erect or construct upon any Unit without the written consent of the Board, any Adjacent Accessory Structures, Detached Accessory Structures, Guest Cabins, Sheds, and/or Decks of any kind, type, size or shape whatsoever, provided that each Unit shall be allowed to have one Recreational Vehicle of a maximum size of twelve (12') feet wide for Park Models, and eight (8') feet wide for other models (excluding slide outs) by forty (40') feet long (excluding a bay window) and forty-four (44) feet long for Park Models and fourteen (14') feet in height.
 - (A) failure to comply with section 60a)vii) will require the removal of any Recreational Vehicle, Adjacent Accessory Structures,

Detached Accessory Structures, Guest Cabins, Sheds, and/or Decks of any kind, type, size or shape whatsoever at the Owners' expense;

- (B) with respect to any such Recreational Vehicle brought onto a Unit, it must meet any requirements stipulated by the Board with respect to age and general condition of that Recreational Vehicle;
 - (C) any permitted ancillary equipment relating to a Recreational Vehicle such as Adjacent Accessory Structures, Detached Accessory Structures, Guest Cabins, Sheds, and/or Decks and skirting shall be a colour acceptable to the Board;
 - (D) slide outs of any Recreational Vehicle shall only be allowed if they are factory installed; and
 - (E) Recreational Vehicles shall only be skirted with materials that match the general colour scheme of the Recreational Vehicle;
- viii) The Board shall have the right to accept or reject new construction materials as new building technology enters the marketplace;
 - ix) Owners shall be allowed the occasional use of a tent on a Unit provided such tent does not exceed one hundred (100) square feet; and provided that tents which are not used during the week are dismantled;
 - x) Owners shall be allowed the use of a non-permanent temporary tent type sunshade/picnic shelter on a Unit provided such sunshade/picnic shelter does not exceed one hundred forty-four (144) square feet;
 - xi) Every attempt shall be made not to allow light to trespass to neighbouring properties. Lighting erected on the Common Property by the Board is exempt from this subsection;
 - xii) Chattels are permitted on a Unit, subject to the prior written approval of the Board, but generally shall be limited to:
 - (A) one small decorative pond, not to exceed 25 square feet in size with a maximum depth of eighteen (18") inches;
 - (B) one small decorative bridge built into the Landscaping. The bridge is not to exceed ten (10') feet in length and (4') feet in width;
 - (C) one decorative arbour; and
 - (D) lawn and/or tree ornaments, however, the Board retains the right to have the number of ornaments reduced or removed where such are a deterrent to the park or offensive to the general population of the park as determined by the Board, in its sole discretion, acting reasonably.

- xiii) With respect to any development, construction or alteration of a Unit which has been approved in writing by the Board, it shall:
 - (A) be completed within a time frame as determined by the Board;
 - (B) be regulated by the Board as to the time of the day within which it can be carried out;
 - (C) only be done by qualified tradespersons, by the Owner himself, or under the direct supervision of the Owner himself; and
 - (D) comply with all set back requirements of the Board and any governmental agency having jurisdiction;
- xiv) Fences, Walls, hedges or Structures shall not be constructed or allowed to be maintained upon any Unit without the consent, in writing, of the Board and shall be in compliance with the applicable Town of Sundre bylaws. Only one privacy screen per Unit shall be permitted, to a maximum of sixteen (16') feet long by four feet, six inches (4'6") high; and
- xv) Railroad ties or similar products shall not be allowed on any Unit.

b) INSURANCE / REGISTRATION

With regards to Insurance/Registration, an Owner SHALL:

- i) carry current registration for his Recreation Vehicle and carry insurance (liability) on the Unit and Recreation Vehicle, and provide copies of same to the Board on request; and
- ii) notify the Corporation forthwith of any change in his residential address.

c) OCCUPANCY

With regards to Occupancy, an Owner SHALL:

- i) limit his occupancy to 240 days per calendar year due to the Project's zoning designation as Limited Seasonal Recreational by the Town of Sundre, with the exception of Units 1-12 inclusive, which may be occupied 365 days per year;
- ii) not use his Unit, or any part thereof, for any commercial, professional or other business purpose or for a purpose involving the attendance of the public at such Unit. No business signs or advertising shall be posted on the Project or any Unit; and
- iii) not use his Unit, or any part thereof for any purpose which may be illegal or injurious to the reputation of the Project as determined by the Board in its sole discretion.

d) COMMUNICATION

With regards to communication, an Owner SHALL:

- i) be allowed one satellite dish on his Unit. A second satellite dish may be installed with the written approval of the Board;
- ii) only use a satellite dish that is approved by the Board. A satellite dish over thirty-six (36") inches in diameter will not be permitted, however, it is acknowledged that some satellite dishes are not circular or oval in shape. The Board may approve such a dish if it roughly conforms to the dimensions stated herein;
- iii) not construct or erect anywhere on the Unit, any tower or similar Structures or appurtenances such as but not limited to masts, television or mobile telephone or radio antenna, except in connection with a common television antenna or cable system as authorized by the Board and then only in accordance with the regulations therefore which may be established by the Board;
- iv) not cut, trim or remove any tree to obtain satellite service.

e) NOISE

With regards to noise, an Owner SHALL:

- i) not create or cause excessive noise at any time which in the opinion of the Board or Manager constitutes a nuisance or unreasonably interferes with the use and enjoyment of a Unit or the Common Property by any other Owner or Occupant. Quiet hours are from 11:00 p.m. to 7:00 a.m.
- ii) not allow a radio or similar type of device to be operated in such a manner as to be an annoyance to adjacent properties;
- iii) not loiter in the showers, washrooms, laundry areas or the clubhouse;
- iv) only operate power tools, perform non-emergency repairs and undertake construction work in accordance with the hours established by the Board.

f) FIRE SAFETY

With regards to fire safety, the Board or the Manager shall have the sole right to demand fires be reduced in size or extinguished when in the opinion of the Board or Manager, said fires are unsafe or weather conditions create immediate danger, and in addition, an Owner SHALL:

- i) equip all Recreational Vehicles and Sheds being used for sleeping accommodations with fire extinguishers;
- ii) at all times comply with applicable Town of Sundre bylaw regarding the Regulation of open burning and not leave fires burning during high

winds. All fires and/or open flames must be extinguished prior to retiring or leaving the Unit. An adult must supervise fires at all times;

- iii) keep all fire pits at a safe distance from overhanging branches and other combustible material. The Board may regulate such distance;
- iv) contain all fires within the following:
 - (A) preformed concrete blocks specifically designed for fire pit construction;
 - (B) manufactured metal fire pits or chimilias; and
 - (C) all fire pits must be placed on flat concrete blocks, pavers, sand or gravel;
- v) not cover firewood with anything other than clear polyethylene; and
- vi) not burn any material that creates excessive smoke or obnoxious or offensive fumes or odours.

g) LAND USE

With regards to land use an Owner SHALL:

- i) comply with Board policies and the applicable Town of Sundre bylaws as they apply to the location of any Recreation Vehicle, and;
 - (A) any Recreation Vehicle and any Adjacent Accessory Structure shall be set back at least 3 meters (9.84 ft) from the front and rear of a Unit and at least 1.5 meters (4.92 ft) from each side (including slide outs) of a Unit;
 - (B) any Detached Accessory Structure shall be set back at least 3 meters from the front, .3 meters (1 ft) from side or rear of a Unit and at least 3 meters from any creek as measured from the top of the bank;
- ii) not do anything or permit anything to be done by any Occupant or Tenant of the Unit either to the Unit or to the Common Property that is contrary to any statute, ordinance, bylaw or Regulation of any government authority whether Federal, Provincial, Municipal or otherwise and includes Condominium Corporation No. #961 2304 Bylaws.

h) ANIMALS (DOMESTIC)

With regards to animals, an Owner SHALL:

- i) not bring onto the Parcel any non-domesticated animal, fowl or pet of any kind. When not on a Unit, all dogs and cats and any other domestic animals or pet of any kind must be hand leashed and kept under control and in the custody of a responsible person at all times

who shall not allow the animal to defoul or defecate on any landscaped area of the Project;

- ii) comply with any Municipal bylaw in effect in the Town of Sundre with regard to pets. Further, any such Municipal bylaw shall have effect within the Common Property and municipal officers are hereby authorized and are permitted to enforce Municipal bylaws on the Units and Common Property;
- iii) be responsible for all cleaning up after their pets and their guest's pets;
- iv) allow the Board to take action in accordance with the Rules and Regulations if an animal is dangerous or a nuisance, in the sole opinion of the Board, acting reasonably; and
- v) not allow animals in any building situated on the Common Property.

i) TARPAULINS

An Owner shall only use clear polyethylene to cover chattels with the exception of Recreation Vehicles and Sheds, in which case no coverage is allowed. The use of tarpaulins is not allowed, except for winter closure or short term coverage of building materials, and if used for winter closure, shall be removed by the May long weekend. Manufactured barbecue covers used to cover barbecues are permitted as are patio swing covers used to cover patio swing sets. Coloured tarpaulins may be used for rain cover but shall be taken down at the end of the evening or weekend, as appropriate.

j) VEHICLES

With regards to motor vehicles, an Owner SHALL:

- i) not park any motor vehicle anywhere on the Project except in designated locations as determined by the Board;
- ii) not store any more than one accessory item, such as a boat or utility trailer, on any Unit;
- iii) not allow his guests or visitors to park their vehicles on his Unit or on the Project except in an area designated for that purpose by the Board and then only in accordance with any visitor parking rules established by the Board;
- iv) be allowed the storage of a second unoccupied Recreational Vehicle during the period of October 1st to the following May Long Weekend;
- v) not wash or make adjustments to or repairs of any motor vehicles on Common Property. The Corporation is exempt from this Bylaw;
- vi) not operate a motor vehicle licensed for highway use anywhere on the Project unless he holds a valid drivers licence;

- vii) follow all of the rules and regulations prescribed by the Board for the operation of motor vehicles within the Project. Since the Project is a gated community and the roads are not ordinarily open to the public, the operation of motor vehicles within the Project is not subject to the *Traffic Safety Act*, R.S.A. 2000, c. T-6;
- viii) not park any motor vehicles in such a manner as to impede the passage on roads, driveways and parking areas within the Project; and
- ix) not drive or permit to be driven any motor vehicle on the Parcel at a speed in excess of fifteen (15) kilometres per hour.

k) MAINTENANCE / SANITATION

With regards to Maintenance/Sanitation, an Owner SHALL:

- i) not allow his Unit or any exclusive use area assigned to him, either alone or in conjunction with others, to become unsanitary or unsightly in appearance. The Board shall have the right to remove rubbish and cleanup an Owner's Unit and adjacent area and levy the expenses incurred to the offending Owner;
- ii) duly and properly maintain and keep his Unit in a good state of cleanliness and repair and in so doing, shall;
 - (A) forthwith and promptly carry out and complete any work that may, from time to time and at any time, be ordered by any municipal or public authority or the Corporation in respect of his Unit;
 - (B) repair, maintain, and keep in a neat, clean and tidy state and appearance consistently with and in total integrity with the balance of the Project his Unit and all improvements and additions thereto and thereon and, if he fails to do so, 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 Bylaw 42 shall apply;
 - (C) not make repairs, additions, or alterations to his Unit or the Common Property without first obtaining the written consent of the Board. Not make repairs, additions, or alterations to any plumbing systems within his Unit or improvements thereon without first obtaining the written consent of the Board;
 - (D) not do or permit anything to be done that may cause damage to or will alter the appearance of any of the Common Property without first obtaining the written consent of the Corporation;
 - (E) not landscape or alter creek banks or dam or divert or do anything in or to the creek that may affect the flow or the fish or wildlife habitat without prior written approval of the Water Management Branch of Alberta Environment;

- (F) not permit anything to be done on his Unit or upon the Common Property (including the failure to do anything) which will or would tend to increase the risk of hazard or the rate of insurance premiums with respect thereof or which would render invalid any insurance maintained by the Corporation;
 - (G) comply strictly with these Bylaws and the Architectural Standards in respect of the maintenance, repair, and cleanliness of, either or both, his Unit and the Common Property and cause all Occupiers of and visitors to his Unit to similarly comply;
- iii) subject always to the Act, permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to come onto his Unit for the purpose of inspecting the Unit and maintaining, repairing, renewing or operating Common Property or to ensure the operation of the Common Property including all pipes, wires, cables, ducts, conduits, plumbing, sewers and other facilities for the furnishing of utilities and capable of being used in connection with the enjoyment of any Unit or Common Property of for the purpose of maintaining, repairing or renewing the Common Property, or for the purpose of ensuring that the Bylaws are being observed, or for the purpose of doing any work for the benefit of the Corporation generally or for the purpose of monitoring the use of any utility;
 - iv) use and enjoy his Unit and the Common Property in accordance with these Bylaws, the Architectural Standards and all rules, regulations and controls 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;
 - v) 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;
 - vi) not do any Act or permit any Act to be done or alter or permit to be altered, his Unit or the Common Property (except as otherwise specifically permitted herein) in any manner whatsoever or which will alter either of the appearance of grade of his Unit or of any other Units without the consent in writing of the Board;
 - vii) except as otherwise specifically permitted herein, not do or permit anything to be done that may cause damage to or will alter the appearance of any of the Common Property (including any area to which the Owner has been granted exclusive use) without first obtaining the written consent of the Corporation;
 - viii) permit the Corporation, its representatives and persons authorized by the Corporation, to enter his Unit to carry out maintenance and repair work required to be performed for maintenance and betterment of the

Project generally;

- ix) not erect, place, allow, keep or display signs, billboards, advertising matter, "For Sale" signs or other notices or displays of any kind on his Unit, or in any window on his Unit or on Common Property except if the property is for sale. An exception is decorative name and address signs as approved by the Board. If the Unit is for sale, only one "For Sale" sign may be displayed;
- x) not cut or wilfully damage any tree in excess of four (4) inches in diameter as measured within one (1) foot of ground level or landscape without the written permission of the Board. Notwithstanding this Bylaw, dead or dying trees posing a danger to people or property may be removed with Board approval;
- xi) not store more than 4.5 litres of any flammable/combustible liquid on his Unit. This material must be stored in CSA approved containers. The use and storage of normal cleaning products and related household goods as well as propane stored in approved propane cylinders is not included in this By-Law;
- xii) not permit, or install on his Unit or on the Common Property or on the real property of the Corporation, any clotheslines, garbage disposal equipment and recreational or athletic equipment without the prior written consent of the Board;
- xiii) not deposit customary household refuse and garbage outside his Unit other than in properly secured garbage bags and placed in containers provided by the Corporation. The Owner shall remove all bulk waste items, such as discarded household furnishings, mattresses, oily waste, tires, construction materials, and other junkyard materials, which a sanitation department will not normally collect from the Project;
- xiv) with the exception of stringing up or hanging patio lights, not string wire, rope or cord between trees or place in such a manner as to form a fence or barrier. The Corporation is exempt from this section;
- xv) not allow the exterior of the Recreation Vehicle to become soiled and dirty or fall into disrepair;
- xvi) dispose of Recreational Vehicle grey water and sewage using the sewer system. Porta-pottie type equipment is to be dumped using the sewer system when in use or in the toilets provided by the Corporation; and
- xvii) not use a toilet, sink, tub, drain or other fixture for a purpose other than that for which it is constructed.

I) SECURITY

With regards to security, an Owner SHALL:

- i) not permit any member of his household, guests or visitors to trespass

on the part of the Parcel to which another Owner is entitled to exclusive occupation;

- ii) not, without the prior written approval of the Board, have any right of access to those portions of the Common Property used from time to time for utility areas, building maintenance, storage areas, operating machinery or any other parts of the Common Property used for the care, maintenance or operation of the Project generally; and
- iii) respect the fact that the main gate to the Project will remain closed when not in immediate use for motor vehicle or pedestrian traffic. The two emergency exits are for use in an emergency situation only. They shall not be used for the normal entry and exit of traffic. In special circumstances they may be used for the one time entry or exit of oversized Recreational Vehicles that cannot be moved to or from the applicable Unit using the Project roadways.

m) MISCELLANEOUS

An Owner SHALL:

- i) not use firearms, air guns, bows & arrows, cross bows, slingshots, paintball guns, fireworks or pyrotechnics within the Parcel. The Board of Directors will add to this list as necessary;
- ii) adhere to all of the Rules and Regulations and any new rules regulations and controls adopted by the Board from time to time;
- iii) notify the Corporation forthwith upon any change of ownership or lease or other dealings in connection with his Unit;
- iv) provide to a Tenant or new Owner of his Unit, a package containing all the duties, Bylaws and rules, regulations and controls therein;
- v) 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;
- vi) pay to the Corporation by way of reimbursement all expenses incurred by the Corporation which are wholly attributable to his Unit or which are the subject of indemnification;
- vii) 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;
- viii) indemnify the Corporation for damage to or the cost of repairing or replacing damage to any part of the Common Property or any Unit, which is in the sole opinion of the Board, the responsibility of an Owner, his Occupants, invitees, or by any default under these Bylaws

by such Owners, his Occupants and invitees;

- ix) pay to the Corporation on demand any bank charges or Corporation charges for any late or "NSF" cheque written by such Owner;
- x) pay all rates, taxes, charges, outgoings and assessments that may be payable in respect of his Unit;
- xi) if he wishes the Corporation to respond to his suggestions, questions or complaints, express them in writing placed in an envelope or mailed to Riverside RV Village, Box 1689, Sundre, Alberta, T0M 1X0. 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; and
- xii) ensure that his Occupants comply with those requirements that the Owner must comply with as listed under all the Rules and Regulations and Bylaws of Riverside RV Village hereof and, upon request of the Corporation, obtain from the Tenants or have the manager who leases the Units on behalf of the Owners obtain from the Tenants the undertaking as referenced herein at Bylaw 49.

AMENDMENT OF BYLAWS

61. These Bylaws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise and the Corporation shall cause to be prepared and distributed to each mortgagee who has notified its interest to the Corporation, a notice or memorandum of any proposed amendments, additions or repeal at least fourteen (14) days prior to the date of any such Special Resolution.

CHANGE OF LEGISLATION

62. Should the Act or any other ordinance, bylaw, or Regulation of a government authority whether, Federal, Provincial, Municipal or otherwise be amended and changed in the future, then they shall be deemed to have been amended accordingly to adopt any and all such changes which are required to be adopted to enable the Corporation to operate at all times with full powers and to use all remedies available to it.

ARBITRATION AND MEDIATION

63. Any dispute respecting any matter arising under these Bylaws may, with the agreement of the parties to the dispute, be dealt with by means of mediation, conciliation or similar techniques to encourage settlement of the dispute or be arbitrated under the *Arbitration Act*, R.S.A. 2000, c. A-43.