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PART I - DEFINITIONS AND INTERPRETATION

1. Replacement of Existing Bylaws

These by-laws are adopted by Condominium Corporation No. _____ to replace the by-laws set out in the Condominium Property Act.

2. Definitions and Interpretation

2.1 The following definitions apply to all parts of these by-laws:

- a) "Act" means the Condominium Property Act, as amended from time to time;
- b) "Apartment Home" means a unit within the project;
- c) "Board" means the Board of Directors of the Corporation;
- d) "Common Property" means the areas shown as such on the condominium Plan (i.e. all parts of the project except the interiors of individual units);
- e) "Condominium Corporation" means the corporation that came into existence when the Condominium Plan for the project was registered, namely Condominium Corporation No. _____;
- f) "Condominium Plan" means the condominium plan registered under the Condominium Property Act;
- g) "Corporation" means the Condominium Corporation;
- h) "Developer" means the registered owner of all the Units on the date the Units first became available for sale to the general public;
- i) "Occupant" means a person present in a Apartment Home or on the Common Property with the permission of an Owner. Occupant includes Owners and tenants of Owners;
- j) "Owner" means the registered owner of an Apartment Home;
- k) "Special Resolution" means a resolution passed by Owners who collectively hold 75% of the votes;

- 2.2 Unless the context otherwise requires, words and expressions which have a special meaning assigned to them in the Condominium Act or in the Land Titles Act have the same meaning in these by-laws. References to the Condominium Act or other laws shall be read so as to include applicable amendments and substitute legislation.
- 2.3 The rights and obligations given or imposed by these by-laws are in addition to the rights and obligations given or imposed by the Act.
- 2.4 Wherever these by-laws conflict with the Act, the Act prevails.
- 2.5 These by-laws are to be read with all the changes in number and gender required by the context (eg: "he" means "he or she").

PART II - THE CORPORATION

3. Duties of the Corporation

- 3.1 In addition to the duties imposed on it by the Act, the Corporation has the duty to:
 - a) enforce the by-laws of the Corporation;
 - b) place and maintain insurance (as required by the Act) on the entire project (units and common property) covering destruction or damage caused by fire and such other perils as the Board may deem desirable;
 - c) maintain the common property, including:
 - i) fertilizing, watering and mowing lawns;
 - ii) removing ice and snow from all roadways and sidewalks within a reasonable time after they accumulate;
 - iii) repairing or replacing pipes, wires, cables, sump pumps and ducts, unless such items are solely for the enjoyment of only one Apartment Home;
 - iv) maintaining all exterior parking facilities;
 - v) maintaining the building, including roofs, exterior cladding, mechanical systems, hallways, lobbies, elevators and stairwells;
 - vi) providing and maintaining reasonable outside lighting;
 - vii) maintaining all fencing, decks, patios, posts, driveways and sidewalks.

4. Powers of the Corporation

In addition to the powers given to it by the Act, the Corporation has the power to:

- a) acquire personal property to be used:
 - i) by the Corporation for the maintenance, repair or replacement of any property which the Corporation is required to maintain;
 - ii) by the Owners in connection with their enjoyment of their apartment homes, the common property or the corporation's property.
- b) borrow money required by it in the performance of its duties or the exercise of its powers;
- c) secure the payment of money borrowed by it (and interest on that money) by a negotiable instrument, by a mortgage of any property owned by it, or by any combination of those means;
- d) grant a lease to an Owner, permitting that Owner to exercise exclusive possession in respect of any part the common property;
- e) enter into an agreement respecting the provision of services to an Owner or an Occupant of an Apartment Home;
- f) do all things reasonably necessary to enforce the by-laws and any rules passed pursuant to these by-laws;
- g) enter into agreements, including management agreements, recreational agreements and parking stall license agreements.;
- h) levy fines, not exceeding \$200.00 per infraction, for the contravention of any by-law;
- i) commence such legal proceedings as it deems necessary to carry out its duties under the Act and these by-laws;
- j) create such rules and regulations as it thinks are advisable concerning the rental of units to tenants. Such rules may include the imposition of damage deposits, a requirement that tenants sign an undertaking to be bound by the by-laws, procedures for giving tenants notice to vacate, and any other rules which the Corporation could reasonably make to protect the lifestyle of the Project;
- k) do whatever is necessary to accomplish the things the Corporation is permitted or required to do by the Act and by these by-laws.

5. The Board of Directors

- 5.1 The Corporation shall have a Board of Directors, consisting of not less than three (3) and not more than seven (7) people.
- 5.2 At an election of members of the Board, each person entitled to vote may vote as many nominees as there are vacancies to be filled on the Board.
- 5.3 A person need not be an Owner to be elected to the Board.
- 5.4 Only one Owner in respect of each Apartment Home may sit on the Board as one time.
- 5.5 An Owner whose condominium fees are more than thirty (30) days in arrears is not eligible to be nominated for election to the Board.

6. Term of Office

- 6.1 Each member of the Board serves for a 2 year term. More specifically, an elected member's term of office expires at the conclusion of the annual general meeting held in the second year following the year in which he was elected to the Board.
- 6.2 The Owners may, by special resolution at a general meeting, remove any member of the Board before his term of office expires.
- 6.3 Upon prior written notice to the Board member affected, the Board may declare that the office of the member is vacated if the member:
 - a) becomes bankrupt under the Bankruptcy Act (Canada);
 - b) becomes mentally incompetent;
 - c) is more than 60 days in arrears in payment of any contribution required to be made by him as an owner, or
 - d) is absent from three consecutive meetings of the Board without permission of the Board.

7. Vacancies on the Board

If, for any reason, a vacancy occurs on the Board, the Board may appoint another person to serve on the Board for the remainder of the former member's term.

8. Officers of the Corporation

8.1 The Board shall designate, from its members, a President, a Vice-President, a Secretary and a Treasurer. In addition to any specific duties which the Board assigns to them, the officers of the Corporation shall have the following duties:

- a) The President is responsible for the daily execution of the business of the Corporation. He acts pursuant to the resolutions of the Board, or by its subsequent ratification. The President is also responsible for the conduct of Board meetings and annual general meetings.
- b) The Vice-President shall assist the President, and replace him in the event that he is absent or disabled.
- c) The Secretary shall maintain the minutes of the Board meetings and shall be responsible for all the correspondence of the Corporation.
- d) The Treasurer shall:
 - i) receive all money paid to the Corporation and deposit it as the Board may direct;
 - ii) properly account for the funds of the Corporation and keep such books as the Board may direct;
 - iii) when directed to do so by the Board, present a full detailed accounts of receipts and disbursements of the Corporation, and
 - iv) prepare, for submission at the annual general meeting:
 - financial statements for the previous fiscal year
 - a budget for the current fiscal year.

8.2 A person ceases to be an officer of the Corporation if he ceases to be a member of the Board.

8.3 If 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 former officer's term.

9. Procedure for Board Meetings

9.1 The Board shall meet:

- a) at such times and places as the Board directs,
- b) when any member of the Board gives the other members not less than seven (7) day's notice of the meeting, specifying the reason for calling the meeting;
- c) in emergency situations, at the call of the president. In these situations, the president shall use his or her best efforts to ensure that all Board members receive notice of the meeting.

9.2 Generally, Board meetings may be conducted without formal rules of procedure, as long as all Board members are given a reasonable chance to participate in the meetings. If a Board member so requests, Board meetings shall follow Robert's Rules of Order.

9.3 A quorum at a Board meeting shall be a majority of the Board members.

9.4 At Board meetings, all matters shall be determined by majority vote. If a vote is tied, the chairman is entitled to a casting vote in addition to his original vote.

10. Resolutions in Writing

A written resolution signed by a majority of Board members has the same effect as a resolution passed at a duly convened meeting of the Board.

11. Seal of the Corporation

The Board shall adopt a corporate seal. The Corporation's formal signature consists of the signatures of 2 Board members, accompanied by the seal.

12. Signing Authority

12.1 The Board may prescribe other forms of signature for various types of documents where a formal signature is not required. Examples include:

- a) signing authority for cheques, deposits and other banking documents;
- b) letters issued by the Corporation, in accordance with Board resolutions;

12.2 The Board may authorize a property manager (or other agent) to issue estoppel certificates and replies to information requests, under seal or otherwise.

13. Duties of the Board

Generally, the Board is responsible for carrying out all the duties of the Corporation. More specifically, the duties of the Board include:

- a) enforcing these bylaws;
- b) managing the common property;
- c) placing and maintaining the insurance coverages required under the Act and these bylaws;
- d) adopting a budget (for common expenses) and assessing condominium fees to cover those expenses;
- e) preparing and distributing financial statements;
- f) meeting the requirements of the Act and these bylaws concerning Capital Replacement Reserve Funds;
- g) providing Owners, purchasers or mortgagees with any information required to be provided under the Act or these by-laws;
- h) providing notices of meetings to those mortgages who have given the Corporation written notice of their mortgages and of their intention to exercise the Owner's voting rights;
- i) filing notices at the Land Titles Office as required under the Act;
- j) calling and holding general meetings;

14. Powers of the Board

Generally, the Board has all the powers it reasonably requires to carry out its duties. More specifically, the Board's powers include:

- a) hiring agents, contractors or employees;
- b) delegating various powers and duties (and revoking such delegations);
- c) charging reasonable fees for providing documents required under the Act or these by-laws.
- d) establishing policies concerning various issues. All such policies shall have the force of a bylaw, as long as the policy respects the spirit of these bylaws.
- e) taking whatever legal steps are required to enforce the bylaws;

15. Capital Replacement Reserve Fund

- 15.1 In accordance with the Act, the Board shall (every 5 years) obtain a Reserve Fund Report, which:
- a) lists all the parts of the common property which are expected to require replacement or major repairs within 25 years;
 - b) estimates the cost of those replacements or repairs;
 - c) recommends one or more ways of funding the estimated repair/replacements costs;
- 15.2 After receiving the report, the Board shall adopt a Reserve Fund Plan which describes how the expected repairs/replacements will be funded.
- 15.3 The Board shall provide each owner with a copy of the Reserve Fund Plan within a reasonable time after the Plan has been adopted.
- 15.4 As part of its annual financial statements, the Board shall prepare a statement showing the funds flowing in to (and out from) the Capital Replacement Reserve Fund, during the year.
- 15.5 In addition to the Capital Replacement Reserve Fund, the Board may establish a **Capital Improvement Fund**, to be used for improvements to the areas which the Corporation is obliged to maintain.

16. Appointment of Committees

- 16.1 The Board may appoint (and dissolve) committees for various purposes, as it sees fit.
- 16.2 The Audit Committee shall consist of at least 2 people, neither of which may be the Treasurer of the Corporation. The other committees shall consist of as many people as the Board shall decide is an effective number of members.
- 16.3 Each committee shall appoint a chairman and each chairman shall report to the Board on his committee's activities.
- 16.4 Committees do not have authority to deal directly with Owners, Occupants or others, unless the Board has expressly authorized that committee to do so.

17. Penalties for By-Law Contravention

- 17.1 If the Board determines that a breach of a by-law is occurring, it may (by resolution) cause a notice to be delivered to the owner alleged to be in breach. The notice shall specify the nature and particulars of the breach, as well as a reasonable time within which the breach is to be rectified. The time specified shall be no earlier than three (3) days from the date the notice is delivered to the owner involved.
- 17.2 If the Board resolution so provides, the Board of Directors may impose a fine (not exceeding \$200.00 per day) to be levied if the breach has not been rectified within the time specified in the notice. If a fine is to be levied, the notice alleging the breach shall also specify the fine to be levied if the breach is not rectified.
- 17.3 If the person alleged to be in breach is a tenant, the notice shall be served on both the tenant and the owner. The notice shall specify whether the owner, the tenant, or both, are liable for payment of the penalty.
- 17.4 Each day of a continuing breach shall be deemed to be a separate contravention of a by-law;
- 17.5 An owner who objects to a notice given by the Board (or to a fine leviable or levied) may appeal the resolutions of the Board to a special general meeting of the Owners, convened in the manner specified by these by-laws.
- 17.6 The Owners convened in special general meeting may rescind, amend or confirm the resolution or resolutions of the Board. In so doing, the Owners may consider all the circumstances surrounding the alleged breach and any subsequent actions.
- 17.7 The appeal to the Owners shall be conducted according to rules of natural justice. No error in procedure shall operate so as to nullify the proceedings, unless the error is sufficiently grave as to prejudice the rights of one or more Owners.

PART III - GENERAL MEETINGS

18. Convening of Meeting and Notice

- 18.1 Each year, the Board shall convene an annual general meeting of the Owners within 90 days after the end of the Corporation's fiscal year.
- 18.2 In addition, the Board may convene a general meeting of the Owners whenever it considers it proper to do so.
- 18.3 Upon the written request of Owners who collectively represent at least 25% of the voting rights in the Corporation, the Board shall convene a general meeting of the Owners.
- 18.4 Whenever a general meeting is to be convened, the Board shall give each Owner at least 14 days notice of the meeting. The notice shall be in writing and it shall state:
 - a) the place, date and time of the meeting, and
 - b) the nature of any special business to be discussed at the meeting.
- 18.5 An annual general meeting or a general meeting, or anything done at that meeting, is not invalid by reason only that a person was inadvertently not given a notice of the meeting.
- 18.6 At any meeting where a by-law is to be amended or replaced, the Board shall give each Owner a written copy of the text of the proposed amendment or replacement, at least 14 days before the meeting. The amendment, or replacement shall be by special resolution.

19. Quorum

- 19.1 Except as otherwise provided in these by-laws, no business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present or represented by proxy at the meeting.
- 19.2 A quorum for a general meeting is present when persons whose total vote represents at least 2500 unit factors are present in person (or represented by proxy) at that meeting.
- 19.3 If a quorum is not present within 30 minutes from the appointed starting time, a general meeting shall stand adjourned to the following week, at the same time and place. At the adjourned meeting, if a quorum is not present within one-half hour from the appointed starting time for the meeting, the Owners who are present constitute a quorum for the purpose of that meeting.

20. Order of Business

20.1 The order of business at an annual general meeting and, as far practicable at any other general meeting, shall be as follows:

- a) call to order by the chairman;
- b) proof of notice of meeting and certifying of proxies;
- c) reading and disposal of any unapproved minutes;
- d) reports of officers;
- e) reports of committees;
- g) election of members of the board;
- h) unfinished business;
- i) new business;
- j) adjournment.

21. Manner of Voting

21.1 Unless a polled vote is demanded, all resolutions shall be decided on a show of hands. The chairman's declaration that a resolution has been carried by show of hands is conclusive proof of that fact, without proof of the number or proportion of votes recorded in favour of (or against) such resolution.

21.2 The chairman of the meeting shall not vote upon a show of hands.

21.3 On a show of hands, each Apartment Home is entitled to one vote.

21.4 Except for matters requiring a special or a unanimous resolution, all matters shall be determined by a simple majority vote.

22. Polling the Vote

22.1 Any person entitled to vote at a meeting may demand that a poll (i.e. a vote by written ballot) be taken. If a person demanding a poll withdraws the demand, the vote shall be taken by a show of hands.

22.2 Polls shall be taken in such manner as the chairman thinks fit.

22.3 On a poll, the votes of persons entitled to vote shall correspond with the unit factors for the respective units owned by (or mortgaged to) them. The results of the poll shall be determined by the totals of unit factors voted for or against the resolution in question.

22.4 If a polled vote results in a tie, the chairman shall direct a recount. If the vote remains tied, that chairman shall cast a final and deciding vote, in addition to his original vote.

23. Proxies

- 23.1 Any person entitled to vote may do so personally or by proxy. On a show of hands, a person carrying another voter's proxy may indicate that he is showing hands for one or more Apartment Homes.
- 23.2 An instrument appointing a proxy shall be in writing and signed by the person making the appointment. Proxy instruments may be general or restricted to a particular meeting or issue. The holder of a proxy need not be an Owner.
- 23.3 If a corporation owns a Apartment Home, it may appoint an individual to vote on its behalf. The secretary has the discretion to decide whether the corporation's appointment is in order.

24. Restrictions on Voting

- 24.1 Whenever a mortgagee has given the Corporation notice of its mortgage on an Apartment Home, the Owner involved may exercise his right to vote only when the mortgagee is not present at the meeting, in person or by proxy.
- 24.2 An Owner whose Condominium Fees are more than 30 days in arrears is not eligible to vote at a general meeting, unless the vote concerns a Special Resolution.
- 24.3 Where the registered owner of a Apartment Home is a trustee, the trustee shall be entitled to exercise the voting rights in respect of the Apartment Home to the exclusion of persons beneficially interested in the trust.

25. Vote by Co-owners

- 25.1 If a Apartment Home is owned by more than one person, each of those co-owners may vote personally or by proxy.
- 25.2 In the case of a vote taken by a show of hands, co-owners are entitled to one vote between them.
- 25.3 In a polled vote, each co-owner is entitled to vote all of the unit factors allocated to the unit which he or she co-owns. However, if more than one co-owner of the same unit wishes to vote, each co-owner may vote for that portion of that unit's unit factors as is proportionate to the co-owner's interest in the Unit. For example, if each of 2 co-owners of a unit wish to vote, each of them may vote 1/2 the unit factors allocated to that unit.

26. Resolutions in Writing

A written resolution signed by persons who hold enough votes to pass the resolution at a meeting, has the same effect as a resolution passed at a meeting.

PART IV - OCCUPATION AND USE OF UNITS

27. Duties and Obligations of Occupants

27.1 An occupant shall:

- a) permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when not notice is required), to enter the Apartment Home for the purpose of:
 - i) inspecting the unit;
 - ii) maintaining, repairing, or replacing pipes, wires, cables and ducts, existing in the Apartment Home and use or capable of being used in connection with the enjoyment of any other Apartment Home or the Common Property;
 - iii) maintaining or replacing Common Property; or
 - iv) ensuring that the by-laws are being observed.
- b) carry out all work that may be required pursuant to these by-laws or ordered by any public authority in respect of the Apartment Home;
- c) permit the Corporation and its agents, at all reasonable times, to carry out its maintenance obligations under the Act or these by-laws;
- d) pay all rates, taxes, charges and assessments that may be payable in respect of the Apartment Home;
- e) keep the interior of the dwelling in a good state of repair;
- f) notify the Corporation forthwith of:
 - i) any change in ownership or occupation of the Apartment Home,
 - ii) any intention to rent the Apartment Home, or
 - iii) any encumbrances registered against the Apartment Home;
- g) tightly wrap, tie, deposit and otherwise deal with garbage as directed by the Board, and by the applicable by-laws and regulations of the municipality;
- h) comply with all reasonable requests of the Board.

28. Restrictions on Occupants

Except with the written consent of the Board, an occupant shall not:

- a) use the Apartment Home or the Common Property in a manner that unreasonably interferes with their use and enjoyment by other Occupants;
- b) use the Apartment Home or the Common Property in a manner (or for a purpose) that is illegal or that is likely to cause a nuisance or a hazard to other Occupants;
- c) make undue noise in the Apartment Home or on the Common Property;
- d) keep an animal in the Apartment Home or on the Common Property;
- e) do anything in respect of the Apartment Home or the Common Property that will increase the risk of fire, or result in an increase of any insurance premiums payable by the Corporation;
- f) use a toilet, sink, tub, drain or other plumbing fixture for a purpose other than that for which it was constructed;
- g) hang or place on the Common Property or outside a dwelling, anything that the Board considers aesthetically displeasing or offensive;
- h) leave household articles outside the dwelling when those articles are not in actual use;
- i) obstruct a sidewalk, walkway, passage, or parking area other than for entering or leaving the Apartment Home;
- j) use any portion of the Common Property except in accordance with these by-laws and any Rules passed by the Board;
- k) attach a television antenna, aerial, tower, satellite dish, or a similar structure to a Apartment Home;
- l) paint, decorate or otherwise affect the portions of the Apartment Home which are required to be maintained by the Corporation;
- m) make structural, mechanical or electrical changes to a Apartment Home unless the changes do not affect the areas which the Corporation is required to maintain, or any other Apartment Home.

PART V - USE OF THE COMMON AREAS

29. Exclusive Use Area

29.1 Except where these by-laws otherwise provide, each Occupant has the right to exclusive use and possession of:

- a) the parking stall designated (by the Board) for the use of the Occupant of that unit;
- b) the surface of any patio or balcony attached to that Occupant's unit.

30. Parking

30.1 "Private Passenger Motor Vehicles" are motor vehicles:

- whose main purpose is the transportation of private non-paying passengers,
- which can be legally driven on City streets, and
- which do not contain sleeping or cooking facilities.

30.2 Occupants may park Private Passenger Motor Vehicles within their designated parking stall(s), subject to the following conditions:

- a) the occupant must comply with the other bylaws (re: danger, noise, commercial activity, etc.),
- b) the vehicle may not be undergoing repairs or adjustments (oil changes, tune-ups, body work, etc.), and
- c) the vehicle must be in active use (i.e. bearing an active license plate and capable of being used from day to day).

30.3 Occupants must comply with any reasonable requests from the Board (regarding cleanliness, moving vehicles to permit snow removal, etc.) concerning the use of parking stalls.

- 30.4 **“Commercial Motor Vehicles”** are motor vehicles whose purpose (as determined by design and signage) is the transportation of paying passengers or some other commercial purpose (tow trucks, delivery vans, taxicabs, etc.). Commercial Motor Vehicles may be parked on driveways or in visitor parking areas only for the time necessary for delivery of their goods or service.
- 30.5 **“Recreational Motor Vehicles”** are motor vehicles which contain sleeping or cooking facilities, or both. Recreational Motor Vehicles may be parked on a driveway only for a reasonable period of time required to load and unload the vehicle.
- 30.6 On the application of an occupant, the Board may relax the parking bylaw and grant the occupant written permission to park a motor vehicle other than as specified above. Such approval may be revoked on notice to the occupant and all persons affected by the decision.
- 30.7 The Corporation is not responsible for any damage caused by (or done to) any property located within the parking areas.

31. Sidewalks and Walkways

The Corporation is responsible for removing ice and snow from all sidewalks and driveways within the Project. However, the Corporation is at liberty to delay the snow removal for a reasonable time because of weather conditions, availability of contractors or other reasons.

32. Landscaping and Lawns

The Corporation has the exclusive right and obligation to maintain all landscaping within the Project. Accordingly, the occupants may not plant trees, build fences, create flower beds or otherwise alter the Common Property without the written consent of the Board.

33. Animals

Expect with the written consent of the Board, occupants may not keep pets of any kind in their units on anywhere in the project.

34. Combustible Material

Occupants shall not keep any dangerous materials (gasoline, propane, etc.) anywhere within the project unless appropriate precautions are taken to provide for the safety of the other owners. The Board has absolute discretion in terms of deciding whether precautions taken are appropriate.

35. Structures

35.1 No building or structure shall be erected on the Common Property, except by the Corporation.

35.2 No trailers (with or without living, sleeping, or eating accommodation) and no tents, sheds or portable buildings shall be placed or maintained on the Common Property, except with the prior approval of the Board. If any such item has been approved by the Board, the Board may subsequently withdraw its approval and the occupant shall remove the items forthwith.

36. Signs

No signs, billboards, notices or advertising matter of any kind shall be placed on any part of the Common Property without the prior written consent of the Board.

37. Personal Property

The Corporation is not responsible for any loss or damage to any personal property owned by the Occupants. Each occupant is responsible for insuring the contents of his dwelling.

38. Sales

No auction sale or other sale shall be held in or about the property without the prior written consent of the Board.

PART VI - COMMON EXPENSES

39. Description of Common Expenses

The common expenses of the Corporation include:

- a) charges for utilities supplied to the Corporation;
- b) the property manager's fees;
- c) the costs of landscape maintenance and snow removal;
- d) the costs of maintaining the common property;
- e) the cost of placing and maintaining the insurance required by the Act and these by-laws;
- f) all professional and consulting costs, including without limiting the generality of the foregoing, legal and accounting fees and disbursements;
- g) all other charges which the Corporation incurs in good faith in relation to its obligations under the Act and these by-laws;
- h) reserves for future maintenance and expenses;
- i) any utility charges which are centrally metered and therefore billed to the Corporation, rather than to individual owners;
- j) the costs of acquiring equipment which the Board thinks should be acquired in order to carry out its duties.

40. Assessment of Contributions

- 40.1 At least thirty (30) days prior to the beginning of each fiscal year, the Board shall prepare a budget, showing:
- a) an estimate of the common expenses to be incurred during the year;
 - b) a reasonable allowance for contingencies;
 - c) an allowance for any surplus or deficiency expected from the previous year.
- 40.2 Each year's estimated common expenses shall be assessed to the Owners in the proportion that each Owner's unit factors bear to the total of the unit factors in the Project.
- 40.3 If the amounts estimated prove inadequate for any reason (including non-payment of an Owner's assessed contribution), the Board may levy such further assessments as are required.
- 40.4 Unless the Board directs another method of payment, each owner shall pay his assessment to the Corporation in equal monthly instalments, due on the first day of each month during the fiscal year for which such assessment is made.
- 40.5 Interest on all assessed contributions in arrears accrues at the rate of 1.5% per month, calculated from the date due until payment is received by the Corporation.
- 40.6 If the Board fails to prepare a budget and assess contributions as directed by these by-laws, the monthly instalments fixed for the preceding year shall continue until new instalments are fixed.

41. Default

- 41.1 The Corporation has the right to recover from any Owner, by an action for debt:
- a) the unpaid amount of any assessment, together with interest and the actual costs incurred by the Corporation in recovering the unpaid assessment (including legal costs on a solicitor client basis),
 - b) any costs incurred by the Corporation in performing the Owner's duties as outlined in the Act or these by-laws, and
 - c) any other amount which an Owner owes the Corporation.

- 41.2 The Corporation also has a charge against the estate of the defaulting Owner, for any amounts that the Corporation has the right to recover under the Act or these bylaws. The charge shall be deemed to be an interest in land. The Corporation may register a caveat in that regard against the title to the defaulting Owner's unit. The Corporation shall not be obliged to discharge the caveat until all arrears, (including interest and enforcement costs) have been paid.
- 41.3 No action shall be commenced and no caveat shall be registered until the payment in question is at least 30 days overdue.
- 41.4 Any person may pay any unpaid contribution with respect to the Apartment Home after the expiration of thirty (30) days following the due date for payment by the owner in default, and upon such payment being made, such person shall be subrogated to the Corporation charge, and shall be entitled to file a caveat in respect of the amount so paid on behalf of the owner in default, and shall be entitled to enforce his charge in accordance with this provision.

PART VII - MISCELLANEOUS

42. Property Insurance Carried by Corporation

42.1 The Board shall place and maintain insurance on:

- a) all insurable common property within the project;
- b) all insurable property owned by the Corporation, and
- c) all the units (including kitchen fixtures, bathroom fixtures, installed carpets, and improvements and betterments made to the units by the owners).

All property insurance must be for the full replacement value of the insured property, without deduction for depreciation.

42.2 The perils insured against shall be those included in:

- a) the insurance industry standard "Residential Condominium Corporation Board Form" or its equivalent; and
- b) standard boiler and machinery insurance, insofar as applicable to any boilers or machinery owned (or managed) by the Corporation,

together with such other risks or causes of physical loss, destruction, or damage as the Board may determine.

- 42.3 The named insureds shall be the Corporation and the owners of individual units as they appear from time to time.
- 42.4 In placing property insurance, the Board shall request that:
- a) no breach of the conditions by one or more insureds shall cause the policy to become void with respect to the interests of the other insureds;
 - b) the provisions of the "Standard Mortgage Clause" approved by the Insurance Bureau of Canada, or an equivalent clause, shall be read into the policy for the benefit of all mortgagees;
 - c) co-insurance shall be on a stated-amount basis only;
 - d) the insurer's rights of subrogation shall be waived as against the Corporation and the owners and their families, except in cases of arson, fraud, vehicle impact and any other cases that may be specified in the policy. Such waiver in no way affects the insurer's rights of subrogation against tenants.
 - e) the policy may not be cancelled without at least sixty (60) days' prior written notice to the corporation and to all mortgagees (of units) holding a valid certificate of insurance addressed to them.
- 42.5 The Board has the exclusive right to settle any claim under the Corporation's property insurance with the insurer, and the owner of the damaged unit shall be bound by such settlement. Notwithstanding the foregoing, the Board may give written authorization to an owner to settle with the insurer any claim regarding his or her own unit.
- 42.6 All monies received by the Corporation under its property insurance shall be in trust for the mortgagees and owners as their respective interests may appear, the interest of a mortgagee being always paramount to that of an owner with respect to any one unit. The application of such monies held in trust is always subject to the provisions of section 38 (4) of the Act.
- 42.7 Once in every three (3) years, the Board shall obtain an appraisal of the full replacement value of all property to be insured by the Corporation. Each year, the Board shall review the coverage of all property insurance carried by the Corporation, and maintain it at the replacement value indicated by such appraisal and required by these Bylaws. Failure to have obtained an appraisal shall not invalidate or affect any property insurance placed or maintained by the Board.

43. Public Liability Insurance

- 43.1 The Board shall obtain and maintain public liability insurance (minimum \$1,000,000 per incident) to cover potential liability to third parties (including owners and their families, servants, employees, agents, invitees, and tenants).
- 43.2 The names insureds shall be the Corporation, the members of the Board, any owners while acting on behalf of the Corporation, and the Property Manager.

44. Directors' and Officers' Liability Insurance

- 44.1 The Board shall obtain and maintain directors' and officers' liability insurance (including liability for errors or omissions) in such amount as it deems appropriate.
- 44.2 The named insureds shall be all current and former members of the Board and any owners while acting on behalf of the Corporation.

45. Insurance Carried by Owners

- 45.1 Each unit owner is responsible for carrying property insurance on all personal property (other than personal property of the Corporation insured by the Corporation) located in the unit.
- 45.2 Each unit owner shall obtain and maintain public liability insurance (minimum \$1,000,000 per incident) to cover potential liability to third parties (including other owners and their tenants). Proof of such insurance shall be shown to the Board or the Property Manager on request.
- 45.3 Nothing in these By-Laws restricts an Owner from carrying additional insurance in respect to the ownership, use or enjoyment of his or her unit.

46. Responsibility for Deductibles

46.1 Where a claim for destruction or damage arises under any Corporation insurance:

- a) If the destruction or damage resulted from the act or omission of an owner (or the owner's family, servants, employees, agents, invitees, or tenants), that owner shall be responsible for paying the insurance deductible;
- b) If the destruction, or damage resulted from the act or omission of the Corporation or its agent, the Corporation shall be responsible for paying the insurance deductible;
- c) If it is not possible to determine who caused the damage or destruction, then
 - i) where the destruction or damage affects only the property of the Corporation or the common property, the Corporation shall pay the insurance deductible;
 - ii) where the destruction or damage affects only one unit, the owner of the unit shall pay the insurance deductible;
 - iii) in other cases, the owner(s) of each affected unit shall be responsible for paying a proportionate share of the insurance deductible, based on the amount of damage to the unit compared to the total damage contained in the claim. The Corporation is responsible for the remaining portion of the deductible, if any.