

**CONDOMINIUM CORPORATION
NO. 002-3846**

(PHASE 3 - BLOCK "C")

**GLENIFFER LAKE RESORT
&
COUNTRY CLUB
Spruce View, Alberta**

The Condominium Plan as registered depicts the Units as actually sub-divided together with their relationship to the Common Property.

The Condominium Plan is in the format prescribed by the Condominium Property Act and its Regulations.

**BY-LAWS OF THE CORPORATION
(Amended October 15, 2007)**

**CONDOMINIUM CORPORATION
NO. 002-3846
Spruce View, Alberta**

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**BY-LAWS OF THE
CONDOMINIUM CORPORATION NO. 0023846**

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PART 1 – DEFINITIONS

1. DEFINITIONS

These By-Laws have been enacted by Condominium Corporation No. 002 3846 to replace the By-Laws set out in the Act.

1.1 The following definitions shall apply to all parts of the By-laws:

- (a) “Act” shall mean the Condominium Property Act, Chapter C-22, R.S.A. 1980, as amended, and any successor legislation in effect from time to time;
- (b) “Board” means the Board of Directors elected pursuant to the By-laws, which shall constitute the board of directors referred to in the Act;
- (c) “By-laws” mean the By-laws of the Corporation, as amended from time to time;
- (d) “Common Expenses” means all the expenses of performance of the objects and duties of the Corporation and all expenses specified as Common Expenses in the By-laws, but does not include Utility Expenses;
- (e) “Common Property” means so much of the Parcel as is not comprised in any Unit shown on the Condominium Plan;
- (f) “Condominium Plan” means the plan registered under the Act as Condominium Plan No. 002 3846;
- (f) “Corporation” means the corporation constituted under the Act by the registration of the Condominium Plan;
- (g) “Developer” means Resort Development Funding Corporation;
- (h) “Manager” means a person, firm or corporation appointed as manager pursuant to By-law 15.2 hereof;
- (i) “Mortgagee” means the holder of a mortgage registered against the title to one or more Units;
- (j) “Occupant” means an Owner and anyone present on a Unit or in or upon the Common Property with the consent or authority of an Owner.
- (l) “Owner” or “Unit Owner” means a person who is registered as the owner of the fee simple estate in a Unit in the Parcel;
- (m) “Owner’s Contribution” includes Common Expenses, Utility Expenses and any other expenses assessed to a Unit pursuant to the By-laws or the Act;

- (n) Parcel” means the land comprised in the Condominium Plan;
 - (o) “Person” includes a corporation, and the heirs, and personal legal representative of a person;
 - (p) “Special Resolution” means a resolution:
 - (i) passed at a properly convened meeting of the Corporation by a majority of not less than seventy five (75%) per cent of all the persons entitled to the powers of voting conferred by the Act or the By-laws representing not less than seventy five (75%) per cent of the total of Unit Factors for all Units; or
 - (ii) signed by not less than seventy five (75%) per cent of all 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 the By-laws and representing not less than seventy five (75%) per cent of the total Unit Factors for all the Units;
 - (q) “Unit” means an area designated as a Unit by the Condominium Plan;
 - (r) “Unit Factor” means the Unit Factor for such Unit as more particularly described in the Condominium Plan;
 - (s) “Utility Expenses” means expenses incurred by the Corporation to supply utilities or services to one or more Units, allocated pursuant to sub-section 33.2(b) to the Units so supplied
- 1.2 Words and expressions which have a special meaning assigned to them in the Act or in the Land Titles Act of Alberta have the same meaning in these By-laws, unless the context otherwise requires.
- 1.3 These By-laws are to be read with all changes of number and gender required by the context.
- 1.4 The headings in the body of these By-laws are not part of the By-laws and are inserted only for convenience of reference.
- 1.5 If there is any conflict between these By-laws and the Act, the Act prevails.

PART II – THE CORPORATION

2. DUTIES OF THE CORPORATION

- 2.1 The Corporation shall take all steps necessary to enforce these By-laws.
- 2.2 In addition to its duties and responsibilities under the Act and as provided in the preceding sub-paragraph, the Corporation shall;

- (a) where practical, establish and maintain suitable lawns, beaches and picnic areas on the Common Property.
- (b) maintain, repair or replace pipes, wires and cables existing in the Parcel and used or capable of being used in connection with the enjoyment of more than one Unit or the Common Property. MAIN UNDERGROUND WATERLINES ONLY ARE THE RESPONSIBILITY OF THE CORPORATION; ALL STAND PIPES AND INVERTS ARE THE RESPONSIBILITY OF THE INDIVIDUAL UNIT OWNERS;
- (c) provide adequate garbage receptacles on the Common Property for use by all owners and provide for regular garbage collection;
- (d) maintain the parking and storage facilities provided for the Owners;
- (e) provide and maintain reasonable outside lighting;
- (f) maintain and keep in a state of good repair the amenities of the building, if any, and all Common Property roads, perimeter fences and sidewalks;
- (g) enter into such agreements and to do such things necessary to provide water, sewer, gas, power and other utilities to the Parcel.

3. POWERS OF THE CORPORATION

3.1 In addition to its powers under the Act, the Corporation shall have the power to:

- (a) acquire personal property to be used:
 - (i) for the maintenance, repair or replacement of any real or personal property of the Corporation or the Common Property; or
 - (ii) by Owners in connection with their enjoyment of the real and personal property of the Corporation or the Common Property.
- (b) borrow money required by it in the performance of its duties or the exercise of its powers;
- (c) secure the repayment of money borrowed by it and interest on that money, by negotiable instrument, a mortgage of any property owned by it, or by any combination of those means;
- (d) charge interest on any Owners Contribution owing to a rate of 1 ½% per month;
- (e) make an agreement with any Owner or Occupant of a Unit for the provision of amenities or services by it to the Unit or to the Owner or Occupant of the Unit;

- (f) do all things reasonably necessary for the enforcement's of the By-laws and the control, management and administration of the Common Property and any part of the Parcel with which it may be concerned;
- (g) make management agreements and recreational agreements as required;
- (h) levy penalties, by way of fines, for the contravention of any By-law;
- (i) commence an action, pursuant to the Act, in the Provincial Court of Alberta, or as may be otherwise provided, for the recovery of a penalty for the contravention of any By-law;
- (j) commence such other proceedings as may be available for the enforcement of any By-law;
- (k) impose and collect deposits, give notice to deliver up possession of a Unit, and generally to deal with Occupants as provided in the Act, and including the commencement of applications to the Court for relief, and for damages arising from an Owner's or an Occupant's damage of Common Property;
- (l) pay for utilities or services supplied to one or more Units, allocate the amount so paid to the various Units so supplied, and, as necessary, equalize the amounts payable by any Unit so supplied without regard to actual use of the utility or service supplied or on such other basis as the Board may determine, and recover the amount allocated as Owner's Contributions;
- (m) restrict access to the Common Property or any part of it by any owner who has failed to pay, when due, an Owners Contribution or who (or whose guest) has breached a By-law;
- (n) discontinue the supply of utilities and service supplied to any Unit if the Unit Owner shall have failed to pay Utility Expenses when due;
- (o) set from time to time, the fiscal year of the Corporation;
- (p) exempt any Unit from payment of Common Expenses or Utility Expenses.

4. BOARD OF DIRECTORS

- 4.1 The Board shall consist of not less than three (3) and not more than seven (7) individuals, but the Board elected by Resort Development Funding Corporation, as Developer and Owner of the majority of all the Units, may consist of one or more persons, each as nominee of Resort Development Funding Corporation.

5. ELIGIBILITY TO SIT ON THE BOARD

- 5.1 A person does not need to be an Owner in order to be elected to the Board.
- 5.2 Notwithstanding subsection 5.1:
- (a) where a Unit has more than one Owner, only one Owner in respect of that Unit may sit on the Board at one time; and
 - (b) an Owner who has not paid to the Corporation any Owner's Contributions due and owing in respect of his Unit is not eligible to be elected to or remain on the Board.
- 5.3 An individual shall not be a member of the Board unless that individual is eighteen (18) years of age or older.

6. ELECTION OF THE BOARD

- 6.1 At an election of members of the Board each person entitled to vote may vote for the same number of nominees as there are vacancies to be filled on the Board.

7. TERM OF OFFICE

- 7.1 Subject to subsection 7.2, a member of the Board shall be elected for a term expiring at the conclusion of the Annual General Meeting convened in the year following the year in which they were elected; and
- 7.2 At the first general meeting of the Corporation,
- (a) not more than fifty (50%) per cent of the members of the Board shall be elected for a term expiring at the conclusion of the Annual General Meeting convened in the year following the year in which they were elected; and
 - (b) the balance of the members shall be elected for a term expiring at the conclusion of the annual general meeting convened in the second year following the year in which they were elected.
- 7.3 Each member of the Board shall remain in office until:
- (a) the office becomes vacant under sub-section 9.1 of these By-laws;
 - (b) the member resigns;
 - (c) the member is removed under sub-section 8.1 of these By-laws;
 - (d) his term in office expires;

whichever shall first occur.

8. REMOVAL OF A BOARD MEMBER

8.1 Except where the Board consists of less than three (3) individuals, the Corporation may, by resolution at a general meeting, remove any member of the Board before the expiration of his term of office and appoint another individual in his place to hold that office for the remainder of the term.

9. VACANCIES ON THE BOARD

9.1 The Board may, by resolution, upon prior written notice to the Board members affected, declare that the office of the member is vacated if the member:

- (a) becomes bankrupt under the Bankruptcy and Insolvency Act (Canada);
- (b) is more than thirty (30) days in arrears in payment of any contribution required to be made by him as an Owner;
- (c) is the subject of a certificate of incapacity issued under the Dependent Adults Act;
- (d) is convicted of an indictable offence for which the maximum penalty is imprisonment for a term of not less than two (2) years;
- (e) resigns his office by serving notice in writing upon the Corporation; or
- (f) is absent from three (3) consecutive meetings of the Board without permission of the Board and it is resolved at a subsequent meeting of the Board that his office be vacated.

9.2 Where a vacancy occurs on the Board under this section, the Board may appoint a person to fill that office for the remainder of the former member's term.

10. OFFICERS OF THE CORPORATION

10.1 At the first meeting of the members of the Board held after the general meeting of the Corporation at which members are elected, the Board shall designate from its members a President, Vice-President, Secretary, and Treasurer of the Corporation. This provision does not apply to the first Board of Directors elected by Resort Development Funding Corporation as its nominees.

10.2 The Board may designate one person to fill the offices of Secretary and Treasurer.

10.3 In addition to those duties assigned to the officers of the Board:

- (a) the President is responsible for the daily execution of the business of the Corporation and shall act pursuant to the resolutions of the Board, or by its ratification of his execution of the Corporation's business, and shall act as chairman of the meetings of the Board.

- (b) the Secretary shall record and maintain all the minutes of the Board meetings and shall be responsible for all the correspondence of the Corporation.
 - (c) 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) present to the Board when directed to do so by the Board, a full detailed account of receipts and disbursements of the Corporation; and
 - (iv) prepare for submission at the Annual General Meeting a budget for the forthcoming fiscal year of the Corporation and a financial statement for the most recently completed fiscal year of the Corporation.
- 10.4 If the President is absent or disabled the Vice-President shall act in his stead. If any other officer is absent or disabled, the Board may designate another member of the Board to act in his stead.
- 10.5 A person ceases to be an officer of the Corporation if he ceases to be a member of the Board.
- 10.6 Where a person ceases to be an officer for the Corporation, the Board shall designate from its members a person to fill that office for the remainder of the term.
- 10.7 If the Board consists of not more than three (3) persons, those persons may perform the duties of the officers of the Corporation in such a manner as the Board may direct.

11. MAJORITY VOTE AND QUORUM OF THE BOARD

- 11.1 At meetings of the Board, all matters shall be determined by a majority vote and, in the event of a tied vote, the chairman is entitled to a casting vote in addition to his original vote.
- 11.2 A quorum at a meeting of the Board shall be a majority of the members of its Board.
- 11.3 All meetings of the Board and all general meetings of the Corporation shall be conducted according to the rules of procedure adopted by the Board and in the absence of any adopted rules of procedure, the procedure set forth in Robert's Rules of Order shall be followed.

11.4 The Board shall meet at the call of the President to conduct its business and adjourn and otherwise regulate its meetings as it see fit.

11.5 The Board shall meet when any member of the Board gives to the other members not less than seven (7) days notice of a meeting proposal by him or her, specifying the reason for calling the meeting.

12. RESOLUTIONS IN WRITING

12.1 A resolution in writing signed by all of the members of the Board shall have the same effect as a resolution at a meeting of the Board duly convened and held.

13. SEAL OF THE CORPORATION

13.1 The Corporation shall have a corporate seal which shall not be used except under the authority of the Board given prior to its use and in the presence of not less than two (2) members of the Board who shall sign the instrument to which the seal is affixed. The Corporation may resolve to have a facsimile corporate seal.

14. SIGNING AUTHORITY

14.1 The Board shall prescribe , by resolution,

- (a) those officers or other persons who are authorized to sign cheques, drafts, instruments, or other documents, whether or not they are required to be signed under the corporate seal; and
- (b) the manner, if any, in which those cheques, drafts, instruments or other documents are to be signed.

14.2 The Board may authorize a property manager, or other agent, to issue and execute replies to information requests (“estoppel certificates”) and may so empower the property manager, or agent, to affix the corporate seal or the facsimile corporate seal.

15. POWERS OF THE BOARD

15.1 The Board, for the benefit of the Corporation and all Owners and Mortgagees, shall have vested in it the powers of the Corporation, except such powers as are required under the Act or these By-laws to be exercised by the Corporation in general meeting.

15.2 The Board may employ for and on behalf of the Corporation such agents and employees as it thinks fit in connection with the control, management and administration of the real and personal property of the Corporation and the Common Property, and in that respect may authorize those persons to exercise the powers of and carry out the duties of the Corporation.

15.3 The Board may, subject to any restrictions imposed upon or direction given to it at a general meeting of the Corporation, delegate to any of its members or to

another person such of its powers and duties as it thinks fit, and may at any time revoke that delegation.

- 15.4 The Board may set and change for and on behalf of the Corporation reasonable fees to compensate the Corporation for the expenses it incurs in producing and providing any documents or copies thereof required under the Act or these By-laws.
- 15.5 The Board may establish a fiscal year for the Corporation and in the absence of such a resolution the fiscal year shall be the calendar year.

16. DUTIES OF THE BOARD

16.1 In addition to the duties imposed by the Act, the Board shall:

- (a) cause proper books of account to be kept in respect of all money received and expended by it and the matters in respect of which the receipt and expenditures take place;
- (b) prepare financial statements relating to all money of the Corporation, and the income and expenditures of the Corporation, for each Annual General Meeting;
- (c) maintain financial records of all the assets, liabilities and equity of the Corporation;
- (d) submit to the Annual General Meeting an annual report consisting of the financial statements and such information as the Board may determine as may be directed by a resolution passed at a general meeting;
- (e) provide to a Mortgagee entitled to voting rights, as may be prescribed by the Act, the same notices required to be given to the owner of the mortgaged Unit upon the Corporation's having received such notice of the mortgage as required.

17. PENALTIES FOR BY-LAW CONTRAVENTION

17.1 If the Board determines that a breach of the By-law is occurring, 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, specifying a reasonable time in which the breach is to be rectified, and the fine to be levied if the breach is not rectified. The time specified shall be no earlier than seven (7) days from the date that the notice is delivered to the Owner alleged to be in breach. Upon resolution, the Board may impose a penalty by fine, not to exceed \$100.00 per day, and in the aggregate not to exceed \$5,000.00, to be leviable upon the expiry of the time specified to rectify the breach, if the breach has not been 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, tenant, or both are liable for payment of penalty. Each day of a continuing breach shall be deemed a contravention of the By-laws.

- 17.2 The Board may by resolution deny access to some or all of the Common Property and related recreational facilities for a period not exceeding one hundred eighty (180) days to any person who has contravened the By-laws.
- 17.3 With specific reference to By-law 32.1 (dd), should the Manager have to respond to a second infraction of this By-law, a fine of not less than \$500.00 will automatically be levied against the offending party or parties. If, at any time, there is obnoxious response on the part of the Owner(s) or their guests, when approached to quiet down and/or cease a violation of this By-law, the RCMP will be called.
- 17.4 Should an Owner, by virtue of any construction, alteration, improvement, or modification to or on any Unit, be found to be in breach of By-law 32.4, then in addition to imposing the penalties stated in By-law 17.1, the Board may also remove any offending structure, addition or improvement from the Unit forthwith.
- 17.5 In addition to any rights which the Corporation may have under this By-law 17, the Corporation may also exercise any further or other rights accorded to it by the provisions of the Condominium Property Act, R.S.A. 2000,c.C-22., and impose any further or other penalties contained therein.

18. CAPITAL REPLACEMENT RESERVE FUND

- 18.1 The Board shall establish and maintain a fund called a "Capital Replacement Reserve Fund" to be used for the repair or replacement of any real and personal property owned by the Corporation, and the Common Property, where the repair or replacement is of a nature that does not normally occur annually.
- 18.2 The Board may by resolution determine the minimum and maximum amounts that may be paid from the Capital Replacement Reserve Fund in respect of a single expenditure.

PART III-GENERAL MEETINGS

19. CONVENING OF MEETING AND NOTICE

- 19.1. The Board may, whenever it considers it proper to do so, and shall upon the written request of the Owners entitled to vote and who represent 25% of the total Unit Factors for the Units, convene a general meeting. The Board shall convene Annual General Meetings as required by the provisions of the Act.
- 19.2 Where an Annual General Meeting or a general meeting is to be convened, the Board shall, not less than seven (7) days prior to the day upon which the meeting is to be convened, give to each Owner, and every Mortgagee entitled to vote, written notice of the meeting stating:
- (a) the place, date and time at which the meeting is to be convened; and
 - (b) the nature of specific business, if any, to be brought forth at the meeting

- 19.3 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 or did not receive a notice of meeting.

20. QUORUM

- 20.1 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 the proxy at the time when the meeting commences.
- 20.2 A quorum for an Annual General Meeting or a general meeting is 25% of all persons entitled to receive notice of the meeting or whose total vote represents at least 2500 Unit Factors, whichever is the less, being present in person or represented by proxy at that meeting.
- 20.3 If within one-half hour from the time appointed for the commencement of an Annual General Meeting or 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 one-half hour from the time appointed for the commencement of the meeting, the persons entitled to vote who are present or represented by proxy constitute a quorum for the purpose of that meeting.

21. PROCEDURE

- 21.1 The President, or in his absence the Vice-President, of the Corporation shall act as chairman of any general meeting. In the absence of both the President and Vice-President at the commencement of the meeting, a chairman of the meeting shall be elected.
- 21.2 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) calling of the roll and certifying of proxies of nominations;
 - (c) proof of notice of meeting or waiver of proxies;
 - (d) reading and disposal of any unapproved minutes;
 - (e) report of officers;
 - (f) reports of committees;
 - (g) election of members of the Board;
 - (h) unfinished business;

- (i) new business;
- (j) adjournment.

22. MANNER OF VOTING

- 22.1 At any meeting a resolution moved or proposed shall be decided on by a show of hands and, unless a poll is demanded, a declaration by the chairman that a resolution has been carried is conclusive proof of the fact without proof of the number or proportion of votes recorded in favor of or against such resolution.
- 22.2 The chairman of the meeting shall not vote upon a show of hands.
- 22.3 On a show of hands, each person entitled to vote shall have one vote.
- 22.4 Except for those matters requiring a special resolution, all matters shall be determined by a simple majority vote.

23. POLLING THE VOTE

- 23.1 A poll may be demanded by any person entitled to vote, present in person or by proxy, and by any co-owner of a Unit.
- 23.2 If a person demands a poll, that person may withdraw that demand and upon the demand being withdrawn, the vote shall be taken by a show of hands.
- 23.3 A poll, if demanded, shall be taken in such a manner as 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.
- 23.4 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 and the result of the vote shall be determined by the totals of the Unit Factors.

24. VOTE BY THE CHAIRMAN

- 24.1 If a tie results in the case of any vote upon which a poll has been taken, the chairman may cast a final and deciding vote.

25. PROXIES

- 25.1 On a show of hands or on a poll, votes may be given either personally or by proxy and, on a show of hands, the person entitled to vote and voting may indicate that he is showing hands with respect to a certain number of votes and provided that his proxy is in order the votes shall be so counted.
- 25.2 An instrument appointing a proxy shall be in writing under the hand of the person making the appointment of his proxy, and may be either general or for a particular meeting. A proxy need not be an Owner.

25.3 If a corporation is the Owner of a Unit, it shall make a nomination, in writing, under seal, specifying the person who is entitled to vote on behalf the interest of the corporation as Owner.

25.4 A maximum of two (2) proxies only may be assigned to any one voting person.

26. RESTRICTIONS ON VOTING

26.1 Except as provided in subsection 26.2 hereof, and except as to a Mortgagee's right to exercise an Owner's vote, there are no restrictions or limitations on an Owner's right to vote at an Annual General Meeting or a general meeting.

26.2 Where, at the time of an Annual General Meeting or a general meeting, an Owner has not paid to the Corporation all contributions that are due and owing in respect of his or her Unit, that Owner is ineligible to cast a vote at that meeting in respect of any resolution other than a Special Resolution.

27. VOTE BY CO-OWNERS

27.1 If a Unit is owned by more than one person, those co-owners may vote personally or by proxy, and:

- (a) in the case of a vote taken by a show of hands, those co-owners are entitled to one vote between them; and
- (b) in the case of a vote taken by a poll, a co-owner is entitled to that portion of the vote applicable to the Unit as is proportionate to his interest in the Unit.

28. VOTE BY TRUSTEE

28.1 Where an Owner is a trustee, the trustee shall exercise the voting rights in respect of the Unit to the exclusion of persons beneficially interest in the trust, and the latter may not vote.

29. RESOLUTIONS IN WRITING

29.1 A resolution signed in person or by proxy by all the persons who, at a properly convened Annual General Meeting or general meeting of the Corporation would be entitled to vote, shall have the same effect as resolution duly passed at a meeting.

30. AMENDMENT OF BY-LAWS

30.1 At any meeting where a By-law is to be amended, repealed or replaced, the persons entitled to vote shall be given written copies of the text of the proposed amendment, repeal or replacements together with the notice of the meeting. The amendment, repeal or replacement shall be by Special Resolution.

PART IV – USE AND OCCUPATION OF UNITS AND PROPERTY

31. DEFINITIONS

31.1 In this Part:

- (a) “Common Facilities” means improvements upon the Common Property, real or personal, designated to be property to be used in common by all of the Occupants and Owners;
- (b) “Occupant” means an Owner and anyone present on a Unit or in or upon the Common Property with the consent or authority of an Owner.
- (c) “Project” means all the land including all Units and Common Property comprising the development commonly known as GLENIFFER LAKE RESORT & COUNTRY CLUB.
- (d) “Recreational Vehicle” means a portable structure designed and built to be carried on a vehicle or to be transported on its own wheels and which is intended to provide temporary living accommodation for travel and recreation purposes and which does not need any special license or permit to travel on the public road systems other than a usual trailer or vehicle license, and without limiting the generality of the foregoing, includes such vehicles as a motor home, travel trailer or 5th wheel trailer but does not include a mobile home, any vehicle or trailer over eight (8) feet in width, tents, tent trailers or truck and camper units.
- (e) “Recreational Vehicle – Park Model” means a recreation vehicle conforming to CAN – CSA series Z241.
- (f) “Recreational Vehicle – Cottage Model” means a recreation unit that conforms to the CAN – CSA A277 standard or the Alberta Safety (Building) Code and must comply with Section 29 of the Red Deer County Land Use By-law (Bareland Condominium District “BLC”).

32. REGULATIONS

32.1 An Occupant shall abide by the following regulations:

- (a) The Occupant shall keep the Unit neat and clean at all times. No accumulations of junk or debris of any kind shall be permitted around, on or under the recreational vehicle on the Unit;
- (b) All Units have been designed for parking two cars. In addition to one Recreational Vehicle, only two motor vehicles (plus one watercraft) may be parked on any Unit at any one time. No overnight sleeping in second vehicles is allowed. Vehicles are not to be parked on neighbouring Units without permission from the appropriate Owner. No vehicles shall obstruct any Common Property. As well, one golf cart shall be allowed per Unit without being considered a third vehicle;

- (c) No persons under the age of eighteen (18) years shall be on any portion of the Project, except the Unit of which they are one of the Occupants, after midnight each night. As well, all young children must be accompanied by an adult when using designated Project facilities;
- (d) The Unit is to be used only for the purpose of a temporary holiday residence, and for no other purpose. No Unit shall be used for any business purpose whatsoever without prior approval by the Board, nor for any illegal purpose. No inventory for the purpose of a business shall be visibly stored upon any Unit;
- (e) The Occupant shall not cause, permit or suffer any unusual or objectionable noises or odours to emanate from the Unit;
- (f) The Occupant shall discontinue immediately, upon the request of the Manager, any conduct or practice carried on by the Occupant which in the opinion of the Manager may harm the reputation of the Corporation or reflect or tend to reflect unfavourably on the Project, the Corporation, or other Owners or Occupants;
- (g) The Occupant shall not use his Unit in a manner or for a purpose that would cause a nuisance or hazard to any other Owner, Occupant or the Corporation;
- (h) The Occupant may keep no more than two family pets, (such as dogs, cats, or birds), on the Unit. Pets must be well behaved. All pets (including cats) shall be kept on leashes or in-doors at all times (including night) and shall not be permitted on any Common Property or Unit other than that occupied by the owner of the pet, without the consent of the Owner of that Unit. All pet waste shall be picked up immediately by the pet owner and deposited in a garbage receptacle. This applies to all areas of the Project, whether developed or not. The Manager reserves the right to remove unruly, loud and/or misbehaving animals from the Project and to restrict roaming pets without notice. Pets are not allowed on the golf course or in any recreational facility or building within the Project or on any designated beach, swimming or playground areas;
- (i) The Occupant shall not permit a television antenna or similar structure to be erected on or fastened to a Unit, except those that are supplied with a Recreational Vehicle, or, if a separate structure, that would be of a height not greater than that supplied with a Recreational Vehicle. Satellite dishes larger than 24 inches in diameter shall not be permitted;
- (j) The Occupant shall not obstruct a sidewalk, walkway, passage, driveway or parking area other than for ingress or egress to and from his Unit;
- (k) The Occupant shall not permit the Unit to be occupied by more than eight (8) persons (whether adult or minor) overnight without the consent in writing of the Manager.

- (l) The Occupant shall not permit, erect or cause to be erected or to remain on the land portion of his Unit, any structure, barrier or any other matter or thing of a permanent or semi-permanent nature except with the prior approval of the Corporation;
- (m) The Occupant shall not effect repairs or adjustments to automobiles on the Unit, nor shall any vehicles other than private passenger automobiles, station wagons, vans or pickup trucks be brought onto the Project without the written permission of the Corporation or the Manager, save in the course of delivery to or removal from the respective Unit;
- (n) The Occupant shall not do or permit anything to be done on the Common Property that may cause damage to trees, plants, bushes, flowers or lawns and shall not place their chairs, tables, children's play things, devices, toys or other objects on the Common Property so as to damage same or to prevent growth or to interfere with the cutting of the lawns or the maintenance of the grounds generally;
- (o) The Occupant shall dispose of all household garbage or trash in the containers provided by the Corporation. All garbage must be wrapped or bagged and placed in these containers. Large appliances and construction and landscaping refuse must be hauled to the appropriate landfill site away from the Project at the sole cost of the Owner. Garbage and grass clippings must be kept separate and disposed of by the Owner at a designated disposal site.
- (p) The Occupant shall not deposit household refuse and garbage outside his Unit other than in the manner prescribed by the Corporation;
- (q) The Occupant shall not use any part of the Project to park a boat or boats other than the Unit or other area which may be designated for and assigned to the Occupant by the Corporation for the parking of boats;
- (r) The Occupant shall not erect, place, allow, keep or display signs, billboards, advertising matter or other notices or displays of any kinds on the lands or on or about a Unit without the prior approval of the Corporation. In particular, the Occupant shall not erect or display any "For Sale" or "For Lease" sign on or about the Unit;
- (s) The Occupant shall not trespass on another Occupant's Unit and he shall not permit his family or guests to trespass on another Occupant's Unit;
- (t) The Occupant shall not allow the areas around his Unit to become untidy. The Corporation shall be at liberty to remove any rubbish or clean up the lands in close proximity to the Occupant's property to its satisfaction and charge the expense to the Occupant.
- (u) The Occupant shall not do any act or thing or neglect or fail to do any act or thing which would render invalid any insurance in force and

maintained by the Corporation or which would increase the premium therefor;

- (v) The Occupant shall not operate an automobile or any other vehicle on the Project at a speed in excess of fifteen (15) km/h or as posted;
- (w) Pleasure riding of snowmobiles, motorcycles, or all-terrain vehicles of any type is not allowed on the Unit or within the Project. The use of licensed street motorcycles or scooters as transportation from the entrance of the Project to the Owner's Unit is permitted with prior approval from the Board. The use of golf carts as transportation within the Project shall be restricted to existing roadways and designated cart paths;
- (x) The Occupant shall not have open fires, except in properly constructed fire pits, the location and design of which shall require the prior approval of the Corporation;
- (y) The Occupant shall not make, or permit to be made, any unseemly or disturbing noises, and shall not disturb or permit the disturbance of other persons residing or situated on the Project;
- (z) The Occupant shall not bring, keep, or store or permit to be brought, kept, or stored in or upon the Project any dangerous substances or materials including radioactive, explosive, poisonous, or inflammable substances or materials without the prior written consent of the Corporation. Storage at the docks of gasoline and oil, or other flammable liquids is strictly prohibited. Safe storage of no more than twenty (20) gallons of gasoline shall be allowed on the Occupant's Unit;
- (aa) The Corporation shall at all times have the right to control and prevent access to the Project of all persons deemed undesirable and to eject without notice any person or persons who become objectionable, or create or cause a nuisance of disturbance.
- (bb) The Occupant shall pay for any damage, replacement or repair occasioned by his careless or negligent use of the Project or the facilities thereon, and shall further pay for any damage, replacement or repair caused by the Occupant's guests or other Occupants upon the Unit or the Project with the authority or consent of the Occupant;
- (cc) The Occupant shall ensure that all sewer hook-ups have rigid connections, are airtight to meet health codes and are sealed when not connected to a Recreational Vehicle;
- (dd) The Occupant shall ensure that limitations on noise or disturbance on his Unit are strictly enforced between 11:00 p.m. and 8:00 a.m. It is an essential requirement of this Project that everyone be particularly considerate of the comfort and convenience of his neighbors. Radio, television and similar equipment shall be kept at levels which will not at any time annoy or disturb other Occupants. No loud or boisterous parties

or noises will be permitted and no parties will be permitted at any time which may violate this regulation;

- (ee) All fish are to be cleaned at the facilities provided by the Corporation or on the Owners Unit. Cleaning fish shall not be allowed at any other location within the Project;
- (ff) The Corporation may provide boat docks and a raft for the use of Occupants. All children must be accompanied by an adult while on the docks or raft. No fishing will be permitted from the docks or raft. No water skiing from the boat docks will be permitted. No private docks or rafts will be permitted on or near the Project;
- (gg) All boats must maintain a speed of not more than five (5) miles per hour (no wake) when around docks and when entering or leaving dock areas;
- (hh) The Corporation shall not be responsible in any way for any loss or damage to boats or articles left in boats, vehicles or trailers;
- (ii) The Occupant shall be responsible for mowing any grass on the Unit and keeping the Unit tidy at all times. Although the Corporation will maintain the common area landscaping, each Occupant is responsible for keeping his Unit neat, orderly and the grass trimmed as outlined by the Corporation. Any Occupant who fails to properly maintain his Unit will be assessed for maintenance which will be done by the Corporation at an hourly rate. All toys, bicycles, etc. shall be stored out of sight each night. All items not so stored may be taken to the office and may only be retrieved upon payment of a penalty. Grass may not be mowed between 9:00 p.m. and 10:00 a.m.
- (jj) No laundry (with the exception of beachwear and towels) shall be hung out to dry on the Unit, a Recreational Vehicle or other parts of the Project. Clotheslines of any type are prohibited;
- (kk) No alterations to the Unit by the Occupant shall be permitted except by the planting of flowers, bushes and trees and the building of accessory structures in accordance with the standards stipulated in Clause 32.4 hereof. Specifically, no alterations shall be done to any service pedestals on the Unit without the prior approval of the Board and unless these alterations are performed by qualified workmen and to proper building codes;
- (ll) Casual overnight camping within the Project will be restricted to guests of Owners within the Project. Overnight use will be limited to the unsold and vacant Units within the Project and shall be at the discretion of Manager. Overnight use may also be made available for potential Unit purchasers, subject to approval by Project sales staff;
- (mm) The use of firearms and all other weapons is prohibited within the Project. Management reserves the right to use firearms for predator and rodent control;

- (nn) No sidewall of any Recreational Vehicle shall be located closer than twelve (12) inches to the property line of the adjacent Unit. Eaves or overhangs on any Recreational Vehicle shall not encroach upon the property line of the adjacent Unit;
- (oo) In order to preserve the asphalt roads within the Project, no construction involving the use of heavy equipment, tandem trucks, etc. shall be permitted prior to June 15 of any given year without approval by the Board. Development of subsequent phases of the Project shall be excluded from this regulation, provided that the Developer assumes responsibility for the maintenance and repair of any roads for which the Developer is directly responsible;
- (pp) Covered storage for motor vehicles, watercraft and golf carts, unless storage can be accommodated within a shed governed by by-law 32.4 (b), shall be limited to a custom fitted, commercial, fabric covering. No ordinary tarpaulins shall be allowed.
- (qq) Driveways may be excavated for the purpose of paving or concrete work, but must ultimately remain at the elevation of the original lot grade. Paved or concrete driveways which are raised in elevation create drainage problems for the surrounding Owners;
- (rr) Waiver by the Corporation of any breach of any condition, rule or regulation committed by the Occupant herein shall not be construed as a waiver of the Corporation's right to exercise its option to give notice in respect of any subsequent breach of the same or other conditions, rule or regulation by the Occupant;
- (ss) The Occupant shall ensure that any manner of construction, landscaping or repair pertaining to the Unit or the Recreational Vehicle on the Unit be restricted to the boundaries of the Unit. This is to be inclusive of all construction vehicles, equipment and material used during the duration of the construction, landscaping or repair project. Once the project is complete all aforementioned vehicles, equipment and material is to be removed from the Unit. Prior to commencing any construction the Contractor must contact the Building Committee for approval.

32.2 Friends, relatives, guests and visitors of the Occupant are the Occupant's personal responsibility when they are upon the Unit or the Project. The Occupant shall inform them of the regulations contained herein and the Occupant shall be personally liable for the breach thereof by his friends, relatives, guests and visitors.

32.3 Use of the Common Facilities shall be subject to the control of the Board, which shall be entitled to:

- (a) establish a user fee to offset some or all of the operating costs thereof in its discretion; and

- (b) establish rules and regulations particular to the use of the Common Facilities from time to time as the Board shall deem fit.

32.4 In order to avoid misunderstandings and to preserve the Project appearance and quality, no construction, alteration or improvement to any Unit, including but not limited to landscaping, decks, railings, storage sheds or modifications to existing structures may be carried out, by or on behalf of any Owner, without the prior written approval of two (2) members of the Construction Committee / Board. Written application to said Board must be accompanied by design plans for the intended work or construction. Notification of approval or rejection will be given within 14 days of submission. A copy of the approved application should be retained by the Owner as proof of compliance.

Prior to delivery within the Resort, all "Recreation Vehicle - Park Model" and all "Recreation Vehicle - Cottage Model" units as well as delivery or construction of all Arizona / Sun rooms must comply with section 32.5(e). Written approval from the Construction Committee / Board shall not be forthcoming until necessary Development permits from Red Deer County and necessary Building and / or Inspection permits from an accredited inspection agency have been provided.

Accessory Structures constructed or placed upon a Unit must be of maintenance free construction, and in accordance with the construction standards established within the rest of the Project, must be of a colour approved by the Board, must be approved by the Board and must comply with the following standards:

- (a) Fences shall be of vinyl construction, with a maximum height of 42" and must be white in color. Fencing infill shall be of a design as per Construction Committee approval. Latticework infill fencing shall not be allowed as of July 1, 2000. No chain-link fences will be allowed.
- (b) Sheds may be constructed of wood, vinyl or metal. If of wood construction, sheds must be vinyl sided or of a maintenance free material such as included in the Material List below, and of a color approved by the Board. The external measurements at the base of a shed shall not exceed eighty (80) square feet in area with no one side being more than ten (10) feet in length, with a height of no more than eight feet six inches (8'6"), measured from the lowest ground elevation on which the shed sits. Eaves or overhangs on sheds shall be limited to a maximum of twenty-four (24) inches on a maximum of two (2) sides and a maximum of twelve (12) inches on the other two sides. Boxing or framing in of eaves or overhangs on sheds shall be limited to a maximum of two (2) sides of the shed and the bottom elevation of the eave or overhang must be a minimum of thirty-six (36) inches measured from the lowest ground elevation on which the shed sits.

MATERIAL LIST

Exterior finishes may be a choice of the following:

- (i) Vinyl siding
 - (ii) Stucco
 - (iii) Brick
 - (iv) Aluminum
 - (v) And / or any other maintenance free product as may be approved by the Board.
- (c) Decks shall be wooden or vinyl and of a color approved by the Construction Committee/Board and the total elevated area shall not exceed seven hundred twenty (720) square feet in area. Decks shall not exceed fourteen (14) feet in width and shall not exceed the length of the RV / Park Model to which they are adjacent, plus an additional ten (10) feet in length to accommodate decks off the rear of the unit. Decks off the rear of a unit shall not exceed ten (10) feet in width. Normal stairs or steps, up to twenty-four (24) inches in width, shall not be included in the total deck area. Deck railings shall not exceed forty two (42) inches in height (measured from floor of deck), and no deck shall be permanently screened or closed in unless they meet with the conditions set forth in 32.4 (f) Arizona Rooms. All decks must be skirted within one (1) year of installation.
- (d) All permanent awnings must be manufactured metal awnings of a color and type approved by the Board. Eaves or overhangs on all awnings shall be a maximum of two (2) feet beyond the dimensions of the actual deck.
- (e) Windscreens or privacy screens are not to be interpreted as fencing. Windscreens or privacy screens, located on a deck, shall not exceed the height of the eave or roof line (whichever is the lower) of any recreational vehicle located upon a Unit. Total measurement of windscreens or privacy screens shall not exceed 18 feet in length. Windscreens or privacy screens must be constructed of glass, plexiglass (or similar material which can be viewed through), or of standard latticework. Permanent, ground level (stand alone) windscreens or privacy screens shall not exceed eighteen (18) feet in length and five (5) feet in height.
- (f) Skirting around Recreational Vehicles, Arizona rooms and decks must be of either vinyl or vinyl clad product approved by the Construction Committee. Skirting cannot be of latticework. Any permanently blocked Recreational Vehicle shall be skirted within one (1) year of placement.
- (g) Structurally Attached Additions are permitted on the Project subject to the following categories and conditions:

- a. Recreational Vehicle as per 31(d) - total area of structurally attached additions shall not exceed three hundred sixty (360) square feet;
- b. Recreational Vehicle - Park Model as per 31(e) - total area of structurally attached additions shall not exceed the square footage of the "Recreation Vehicle - Park Model" to which it is attached. The combined square footage of the structurally attached addition and the "Recreation Vehicle - Park Model" shall not exceed nine hundred ninety (990) square feet.
- c. "Recreation Vehicle - Cottage Model" as per 32(f) - total area of structurally attached additions shall not exceed the square footage of the "Recreation Vehicle - Cottage Model" to which it is attached. The combined square footage of the structurally attached addition and the "Recreation Vehicle - Cottage Model" shall not exceed nine hundred ninety (990) square feet;
 - (i) height shall not exceed the height of either the eave or the roof line of the "Recreational Vehicle", "Recreational Vehicle - Park Model" or "Recreation Vehicle - Cottage Model" on the Unit, to which the room is attached or adjacent to;
 - (ii) may be constructed of either:
 1. manufactured metal and, or vinyl construction with windows of glass, plexiglass or similar material and of a design and color approved by the Board/Construction Committee,
 2. wood frame construction with windows of glass, plexiglass or similar material and of a design and color approved by the Board/Construction Committee,
 - (iii) all rooms, when completed must be maintenance free. Wood frame rooms shall be sided with either vinyl, aluminum or such other maintenance free material as approved by the Board/Construction Committee. Both the siding material and color must match the material and color of the "Recreational Vehicle", "Recreational Vehicle - Park Model" or "Recreation Vehicle - Cottage Model" to which they are attached or adjacent to.
 - (iv) Spacing between windows shall be subject to the "Alberta Safety (Building) Code. The spacing of all windows as well as the spacing between the outside corner of any wall and the adjacent rough window opening on the "non - facing walls" of any room shall be a maximum of twelve (12) inches between the rough opening for each window. Windows located on the "facing wall" of any room shall comply with section 9.10.14.2. of the "Alberta Safety (Building) Code, which relates to the area of "exposed building face". The maximum, allowable percentage of windows determined by the "Building Code" for the "facing wall", less 10% of the maximum allowable percentage, shall be the minimum percentage of window required by the By-laws of Condominium Corporation #002-3846. All window frames or casings shall be vinyl or aluminum. Wooden frames or casings are not permitted.
 - (v) windows shall be a minimum of thirty-six (36) inches in height.
 - (vi) gable roofs on Arizona rooms, which are attached to any "Recreational Vehicle", "Recreational Vehicle - Park Model" or "Recreation Vehicle -

Cottage Model”, shall be shingled with the same color and style of shingle which is on the “Recreational Vehicle”, “Recreational Vehicle – Park Model” or “Recreation Vehicle – Cottage Model”.

- (vii) all construction must meet with the appropriate government building codes. Construction must be inspected by an accredited inspection agency and copies of the electrical, plumbing, gas and structural inspections shall be provided to the Board / Building Committee.
 - (viii) interior partition walls are allowed within structurally attached additions;
 - (ix) the maximum height of any “Recreation Vehicle”, “Recreational Vehicle – Park Model” or “Recreation Vehicle – Cottage Model” and / or any Arizona Room shall be 5.35 meters (17.5 feet) measured from the median ground elevation upon which the unit is located.

 - (h) One firewood containment unit (stand alone) per Unit may be constructed to a maximum size of four (4) feet in depth x six (6) feet in height x eight (8) feet in width with a roof overhang up to six (6) inches on the front side. They may be constructed of wood, metal or vinyl. If of wood construction, they may be constructed of vinyl latticework sides and/or covered with vinyl siding. Wood framing may be of treated wood; if other, must be painted a colour approved by the Construction Committee.
- 32.5 Recreational Vehicles, as defined in 31.1(d), 31.1(e) and 31.1(f) placed upon a Unit must be approved by the Board and must comply with the following standards:
- (a) “Recreational Vehicles” which are conversions of buses, vans, etc., must be approved by the Board.
 - (b) “Recreation Vehicles”, “Recreational Vehicle – Park Models” and “Recreation Vehicle – Cottage Models” in excess of ten (10) years of age and which are first time Units within Condominium Corp. #002-3846 must be approved by the Board.
 - (c) “Recreation Vehicles”, “Recreational Vehicle – Park Models” and “Recreation Vehicle – Cottage Models” must comply with the applicable definitions as defined in Section 31.1(d), 31.1(e) and 31.1(f)
 - (d) Occupants who purchase a Unit and at the time of purchase own only a tent trailer, a truck and camper unit or a unit in excess of (10) ten years of age shall be permitted to place these units on their Unit for a period of one year from the purchase date. These units must be removed from the property after the one year term and be upgraded to a “Recreation Vehicle”, “Recreational Vehicle – Park Model” or “Recreation Vehicle – Cottage Model” which meets with the approval of the Board.
 - (e) Prior to delivery within the Resort, all “Recreational Vehicle – Park Models” or “Recreation Vehicle – Cottage Models must receive pre-approval from the Construction Committee / Board. Approval shall be considered upon receipt of the following information:

- (i) detailed floor plan of “Recreational Vehicle – Park Models” or “Recreation Vehicle – Cottage Models” with dimensions, including Arizona / Sun rooms and decks,
- (ii) front, side and rear views of unit with elevations,
- (iii) front, side and rear views of Arizona / Sun room and deck with elevations,
- (iv) site plan of lot showing location of unit and clearly showing setbacks from front, side and rear of unit to adjacent property lines,
- (v) a minimum of a twenty (20) foot setback must be allowed from either property pin adjacent to the common roadway. This is required to allow for the parking of two (2) vehicles without encroaching on the common property and would allow for parking on either the left or right of the unit. Parking must be identified within the site plan of the lot.

32.6 In order to preserve the quality and integrity of the Project, the Board reserves the sole right to enforce the above standards by the removal from the Project of any “Recreation Vehicle”, “Recreational Vehicle – Park Model” or “Recreation Vehicle – Cottage Model” which does not meet with the approval of the Board or which does not comply with the above standards.

PART V –COMMON EXPENSES

33. ASSESSMENTS AND BUDGETS

33.1 The Common Expenses of the Corporation shall, without limiting the generality hereof, include the following:

- (a) all levies or charges on account of electricity, water, gas, fuel service and other services supplied to the Corporation or the Common Property;
- (b) management fees, if any, wages, salaries, taxes and other expenses payable to or on account of employees of the Corporation;
- (c) all the charges on account of landscaping, maintenance of, and snow removal from, the Common Property;
- (d) all charges on account of lighting fixtures situated on the Common Property;
- (e) all charges on account of maintenance for those portions of a Unit for which the Corporation is responsible under these By-laws;
- (f) all charges on account of maintenance, repairs and replacement of Common Property for which the Corporation is responsible under these By-laws;
- (g) all insurance costs in respect of the insurance for which the Corporation is responsible under the By-laws;

- (h) all levies or charges on account of utilities or services supplied to all Units;
- (i) all costs 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 and accounting fees and disbursements;
- (j) reserves for the Capital Replacement Reserve Fund;
- (k) the amount of all costs and expenses whatsoever, including without limitation, all maintenance and repair costs, taxes, financing charges, common expense Unit charges, and all utility charges for or in respect of any Unit owned by the Corporation itself.

33.2 Utility Expenses shall, without limiting the generality hereof, include the following:

- (a) all levies or charges on account of electricity supplied to more than one but not all Units through the common meter;
- (b) other services provided to more than one but not to all Units;

33.3 Utility expenses may be allocated by the Corporation among the Units supplied with electricity, or other services, in the following manner;

- (a) The Corporation may allocate charges for electricity supplied to more than one Unit through a common meter, together with a reasonable surcharge for the Corporation's administration costs, equally among the Units supplied through such common meter without regard to the actual consumption upon each such Unit;

- (b) Alternatively, the Corporation may allocate charges for electricity supplied to more than one Unit through a common meter, together with a reasonable surcharge for the Corporation's administration costs, according to the Corporation's reasonable estimate of actual consumption, calculated in the manner determined by the Board.

- (g) The Board may allocate charges for other services made available to more than one, but not all of the Units, together with a reasonable surcharge for the Corporation's administration costs, among the Units to which such services have been made available in such manner as may be deemed fair and reasonable by the Board.

33.4 Fifteen (15) days prior to the end of each fiscal year the Corporation shall deliver or mail to each owner:

- (a) a copy of the budget for the ensuing fiscal year which shall set out by categories an estimate of the Common Expenses of the Corporation for the next fiscal year, including a reasonable provision for the contingencies and replacement; and

- (b) a notice of the assessment for this contribution towards the Common Expenses for said ensuing fiscal year. Said assessment shall, subject to the discretion of the Board, be made to the Owners in proportion to their Unit Factors as shown in the Condominium Plan.
- 33.5 At such intervals as shall be deemed appropriate by the Board, the Corporation shall deliver or mail to each affected Owner a Notice of Assessment for his contribution toward Utility Expenses.
 - (a) The Utility Expenses set out in each assessment 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 advance on the first day of May each year, or on an alternative basis, at the discretion of the Board.
 - (b) Assessments for Utility Expenses shall be paid within twenty (20) days after the mailing of such assessments.
- 33.6 All payments of whatsoever nature required to be made by each Owner which are not paid within such period as may from time to time be established by the Board, shall in the discretion of the Board, bear interest at the rate of eighteen (18%) percent per annum from the date when due until paid. All payments of account shall be applied first to interest and then to the assessment payment due.
- 33.7 Notwithstanding anything to the contrary hereinbefore contained, during the initial stages of development and before ninety (90%) percent of the Units have been occupied or sold by the Developer of the Project and prior to the first Annual General Meeting being convened and the fiscal year of the Corporation established, the following provisions will apply:
 - (a) The Developer, at the expense of the Corporation, will cause to be prepared, in accordance with acceptable accounting principles by the accountants nominated by the Developer, an interim statement of anticipated Common Expenses.
 - (b) From the date upon which a Unit is occupied, the Owner or Occupant of a Unit shall pay to the Corporation, either annually or semi-annually, as decided by the Corporation, the amount of the estimated assessment towards Common Expenses for which his Unit is responsible, based on the Unit Factor for his Unit. The other provisions of these By-laws relating to collection of assessments, enforcement of payment and remedies available after default should apply. Alternatively, the Developer may apply a rent agreed upon with the Owner as payment of the Owner's share of Common Expenses.
- 33.8 The omission by the Board or the Developer to fix the assessments hereunder for the next ensuing fiscal year or other period provided for herein, shall not be considered a waiver or modification in any respect of the provisions of these By-laws, or release of the Owner or Owners from their obligation to pay the assessments or special contributions or any installment thereof for any year or

period, but the assessments fixed from time to time shall continue until new assessments are fixed. No Owner can exempt himself from liability for his Owner's Contributions by waiver of the use or enjoyment of any of the Common Property, by vacating or abandoning his Unit, or by declining to use utilities or services supplied to his Unit.

PART VI – MISCELLANEOUS

34. DEVELOPER'S RIGHTS

- 34.1 During such time as the Developer is the Owner of one or more Units, it shall have the right to lease out said Units on such terms and conditions as it may determine. All Occupants of said Units shall be required to abide by the regulations on use established by this By-law. Further, the Developer shall have the right to maintain a reasonable number of Units, whether owned or leased, as display Units and to carry on all sales functions it considers necessary from such Units. The rights of the Developer in this paragraph may not be altered in any way without written consent of the Developer. The Developer shall have free and unhampered right to use the Common Property for its purposes.
- 34.2 Notwithstanding any other term hereof, while the Developer is an Owner of any Unit, the Developer shall not be required to pay Owner's Contributions for any Units it owns.

35. INSURANCE

- 35.1 The Board, on behalf of the Corporation, shall obtain and maintain at all times, insurance on their insurable Common Property and all insurable property, both real and personal, of any nature whatsoever of the Corporation to the full replacement value thereof without deduction for depreciation, and without restricting the generality of the foregoing, such insurance shall provide and include the following:
- (a) coverage for fire, extended perils, or such other perils as from time to time the Board shall deem advisable;
 - (b) coverage to the full replacement value of all buildings and other fixed improvements upon the Common Property and all chattels and other property belonging to the Corporation or forming part of the Common Property;
 - (c) adequate boiler insurance if any boiler or pressure vessel exists;
 - (d) general liability coverage, Director's and Officer's liability coverage and coverage for such other risks or causes as the Board may determine or as may be determined by Special Resolution of the Corporation;
 - (e) that no breach of any statutory condition or other condition of any policy by a Unit Owner or the Corporation shall invalidate the insurance or forfeit the insurance and in the event of such breach by any Unit Owner or the Corporation, the insurance may only be subject to forfeiture or

defense or breach of condition insofar as the separate interest of the Person or party in breach are concerned;

- (f) that no breach of any statutory or other condition of any policy by the Corporation or any Owner shall invalidate the policy as against any Mortgagee in any way or to any extent;
 - (g) standard Mortgagee endorsements in favour of all Mortgagees who have given notice of their interest to the Corporation.
- 35.2 Nothing in Section 35.1 shall restrict the right of Unit Owners to obtain and maintain insurance of any kind in respect of the ownership or use or occupation of their Unit or their personal liability as permitted by the Act or as otherwise permitted by law.
- 35.3 Notwithstanding the foregoing, an Owner may, and upon the written consent of his Mortgagee, an Owner shall, carry insurance on his own Unit as permitted by the Act provided that the liability of the insurers issuing insurance obtained by the Board shall not be affected or diminished by reason of insurance carried by a Unit Owner.
- 35.4 In no event shall the insurance coverage obtained and maintained by the Board be brought into contribution with insurance purchased by Owners or their Mortgagees.
- 35.5 The Board shall also obtain and maintain public liability insurance insuring the Developer, the Manager, the Corporation, the Board, and the Owners and their invitees, licensees, or tenants, incident to the ownership use of the Units therein, and all Common Property owned by the Corporation. Limits of liability under such insurance shall not be less than One Million (\$1,000,000) Dollars for any one person injured or for any one accident and shall not be less than Five Hundred Thousand (\$500,000) Dollars for property damage per occurrence. The limits and coverage shall be reviewed at least annually by the Board and increased in its discretion. The policy or policies shall provide cross-liability endorsements whereby the rights of a named insured under the policy or policies shall not be prejudiced as respects its, his, her, or their action against another named insured.

36. ESTOPPEL CERTIFICATES

- 36.1 Any certificate as to an Owner's position with regard to expense assessments or otherwise, issued by the Manager or officer of the Corporation, shall be deemed as 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 Owner, but this shall not relieve the Owner (or ex-Owner if he has then disposed of his Unit) from liability for all proper obligations to the said Corporation, whether improperly stated in such Estoppel Certificate or not, and the same may be enforced in accordance with these By-laws or the Act or as ordinary debts due by the Owner or ex-Owner to the Corporation.

37. NOTICE OF DEFAULT TO MORTGAGEES

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

38. NON-PROFIT CORPORATION

38.1 The Corporation is not organized for profit. No member, member of the Board or person from whom the Corporation may receive any property or funds shall receive or shall be lawfully entitled to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Corporation be paid as salary or compensation to, distributed to, or enure to the benefit of any member of the Board. The foregoing, however, shall neither prevent nor restrict the following:

- (a) reasonable compensation may be paid to any member or Manager 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 or Manager may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of affairs of the Corporation.

39. RIGHTS OF THE MORTGAGEES

39.1 Where an Owner's interest is subject to a registered mortgage, a power of voting conferred on an Owner by the Act or these By-laws is exercisable by the Mortgagee first entitled in priority, and may be exercised by the Owner only if the Mortgagee is not present personally or by proxy.

39.2 Section 39.1 does not apply unless the Mortgagee has given written notice of his mortgage to the Corporation.

39.3 A Mortgagee may exercise his right to vote personally or by proxy.

39.4 Upon the written request of a Mortgagee of a Unit the Corporation shall, within twenty (20) days provide to the person making the request one or more of the following:

- (a) a statement setting forth the amount of any contributions due and payable in respect of a Unit,
- (b) the particulars of:
 - (i) any action commenced against the Corporation and served upon the Corporation;
 - (ii) any unsatisfied judgement or order for which the Corporation is liable; and;

- (iii) 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;
- (c) the particulars of or a copy of any subsisting management agreement;
- (d) the particulars of or a copy of any subsisting recreational agreement;
- (e) a copy of the budget, if any, of the Corporation;
- (f) a copy of the current financial statement, if any, of the Corporation;
- (g) a copy of the By-laws of the Corporation;
- (h) a copy of any minutes of proceedings of a general meeting of the Corporation, or of the Board;
- (i) copies of the policies of insurance placed by the Corporation.

40. NOTICES

- 40.1 Any notices may be served by the Corporation on any Owner either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such Owner, at his address as the same appears in the books of the Corporation. Any notice sent by mail shall be deemed to have been served on the fifth day after the envelope or wrapper containing the same is posted. With respect to every notice sent by mail, it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into a post office or into any other authorized mail receptacle.
- 40.2 All notices with respect to any Unit to which two or more persons are jointly entitled shall be addressed to all such persons and served upon any one of such persons, and notice so given shall be sufficient notice to all Owners of such Unit.
- 40.3 Any notice of document delivered or sent by mail or left at the address of any Owner as the same appears on the books of the Corporation shall, notwithstanding such Owner be then deceased and whether or not the Corporation have notice of his decease, be deemed to have been duly served in respect of the Unit whether held solely or jointly with other persons by such Owner until some other person is entered into his stead in the books of the Corporation as the Owner or joint Owner thereof, and such service shall for all purposes be deemed as sufficient service of such notice or document on his heirs, executors or administrator and on all persons, if any, jointly interested with him in such Unit.
- 40.4 The signature on any notice to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.
- 40.5 Where a given number of days notice or a notice extending over any period is required to be given, the day of service of the notice and the day for which

notice is given shall, unless it is otherwise provided, be counted in such number of days or other period.

- 40.6 A certificate of the Secretary or Manager, or other authorized officers of the Corporation in office at the time of the making of the certificate as to the facts in relation to the mailing or delivery or posting up of any notice to any Owner shall be prima facie evidence thereof.
- 40.7 A special general meeting and the Annual General Meeting may be convened by one and the same notice, and it shall be no objection to the said notice that it only convenes the second meeting contingently on any resolution being passed by the requisite majority at the first meeting.

41. TENANTS

- 41.1 The Corporation is authorized to exercise all rights and powers conferred on it by the Act or these Bylaws with respect to rented Units and the Owners and tenants thereof, in the same manner as would be applicable if the rented Unit was a residential Unit as defined in the Act.

42. DUTIES OF THE OWNER

42.1 An Owner shall:

- (a) permit the Corporation and its agents, at all reasonable times on notice (except in case of emergency when no notice is required), to enter his Unit for the purpose of:
- (i) inspecting the Unit,
 - (ii) maintaining, repairing or replacing pipes, wires and cables existing in the Unit and used or capable of being used in connection with the enjoyment of any other Unit or Common Property,
 - (iii) maintaining, repairing or replacing Common Property,
 - (iv) ensuring that the By-laws are being observed.
- (b) forthwith carry out all work that may be required pursuant to these By-laws or as required by a local authority or other public authority in respect of his Unit;
- (c) shall pay promptly when due, and in accordance with the prescribed terms of payment

- (i) to the Corporation, all and every assessment for Common Expenses of the Corporation, as levied or assessed by the Corporation against his Unit from time to time;
 - (ii) to the Corporation, all and every assessment for Utility Expenses as are levied or assessed by the Corporation against his Unit from time to time;
 - (iii) to the Corporation, all and every assessment, demand and levy for contribution to, reimbursement of, and payment for, expenses and costs incurred by the Corporation, which are wholly or partly directly attributable to his Unit, which are levied, assessed or demanded against his Unit, from time to time or which are the subject of indemnification as prescribed by this By-law or at law;
 - (iv) to the Corporation, all interest on such accounts, assessments, levies and sums demanded in arrears as prescribed in such accounts, assessments, levies, and demands and in this By-law permitted, and;
 - (v) to the appropriate authority, all and every account, statement, bill, rate, charge, tax, outgoing, and assessment that may be payable in respect to his Unit from time to time;
- (d) abide by all regulations established by these or other By-laws;
- (e) Notify the Corporation forthwith of:
- (i) Any change in the ownership of the Unit. The Owner must provide to the Corporation a copy of the Transfer of Title from Alberta Land Titles detailing the new Owners names, address and phone numbers,
 - (ii) Any persons leasing the Unit. The Owner must provide to the Corporation a completed Leaseholder Information and Liability form,
 - (iii) Any mortgage registered against the Unit.
- (f) not make structural, mechanical or electrical alterations to his Unit or to the Common Property without the prior written consent of the Board, which shall not be unreasonably withheld.

43. REDIVISION OF UNIT

- 43.1 In the event that an Owner of a Unit redivides his Unit by registering a condominium plan relating to the Unit, the roads thereby created in the redivided Unit shall be deemed to be Common Property of the Condominium Corporation and for all purposes shall be dealt with as Common Property.

44. AMENDMENT OF BY-LAWS

These By-laws, or any of them, may be added to, amended or repealed by Special Resolution of the Corporation and not otherwise.

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