

provisions of the Act and the Declaration, but notwithstanding any provisions to the contrary contained herein or in any other by-laws of the Corporation, the board may at any time (and from time to time) by resolution direct the manner in which, and the person or persons by whom, any particular deed, transfer, assignment, contract, cheque or obligation, or any class of deeds, transfers, assignments, contracts, cheques or obligations of the Corporation may or shall be signed.

8.3 No Seal

Despite anything contained in this by-law to the contrary, any document or instrument that would otherwise require a seal need not be executed under the seal of the Corporation, provided that same has been duly executed by the person or persons expressly authorized and empowered to execute same on behalf of the Corporation, nor shall any such document or instrument be duly witnessed, in order to be valid, effective and binding upon the Corporation, provided that the name of the signatory, his or her office in the Corporation, and the phrase "I/We have the authority to bind the Corporation" are clearly set out below the signature(s) of the person(s) expressly authorized and empowered to execute same on behalf of the Corporation, and any such duly executed document or instrument shall have the same validly and binding effect on the Corporation (for all purposes) as if same had been duly executed under the seal of the Corporation.

8.4 Execution of Status Certificates:

Status certificates may be signed by any officer or any director of the Corporation provided that the board may by resolution direct the manner in which, and the person by whom, such certificates may or shall be signed from time to time.

**ARTICLE IX  
FINANCIAL YEAR END**

9.1 Financial Year End:

The financial year end of the Corporation shall end on the last day of the month in which the declaration and description creating the Corporation were registered, in each year, or on such other day as the board by resolution may determine.

**ARTICLE X  
NOTICE**

10.1 Method of Giving Notices

Except as otherwise specifically provided in the Act, the Declaration, this by-law, or any other by-law(s) of the Corporation hereafter enacted, any notice(s), communication(s) or other document(s), including budgets and notices of assessment required to be given, served or delivered shall be sufficiently given or served if given in accordance with the following provisions:

- (a) to an owner: [who has notified the Corporation in writing of his or her ownership interest in any common interest (parcel of tied land), and of his or her name and address for service], by giving same to such owner (or to any director or officer of such owner, if the owner is a corporation) either:
  - (i) personally, by courier, or by ordinary mail, postage prepaid, addressed to such owner at the address for service given by such owner to the Corporation; or
  - (ii) by facsimile transmission, electronic mail, or by any other method of electronic communication (if the owner agrees in writing that the party giving the notice may do so in this manner); or
  - (iii) delivered at the owner's parcel of tied land or at the mail box for the owner's parcel of tied land, unless:
    - (A) the party giving the notice has received a written request from the owner that the notice not be given in this manner; or
    - (B) the address for service that appears in the Records is not the address of the parcel of tied land of the owner.
- (b) to a mortgagee [who has notified the Corporation in writing of his or her interest as mortgagee in any common interest (parcel of tied land), and of his or her name and address for service, and of his or her right under the terms of the mortgage to vote at a meeting of owners (or to consent in writing) in the place and stead of the mortgagor/owner), by giving same to such mortgagee (or to any director or officer of such mortgagee, if the mortgagee is a corporation) either:
  - (i) personally, by courier, or by ordinary mail, postage prepaid, addressed to such mortgagee at the address for service given by such mortgagee to the Corporation; or

- (ii) by facsimile transmission, electronic mail, or by any other method of electronic communication (if the mortgagee agrees in writing that the party giving the notice may do so in this manner).
- (c) to the Corporation by giving same personally to any director or officer of the Corporation, or by courier or by registered mail, postage prepaid, addressed to the Corporation at its address for service as set out in the Declaration, or as changed in accordance with the requirements of the Act;

10.2 Receipt of Notice

If any notice is mailed as aforesaid, then such notice shall be deemed to have been received (and to be effective) on the second (2nd) day following the day on which same was mailed. If any notice is delivered personally, by courier, or by facsimile transmission or by any other method of electronic communication, then such notice shall be deemed to have been received (and to be effective) on the next day following the day on which same was personally delivered, couriered, telefaxed, or sent by any other method of electronic communication, as the case may be.

10.3 Omissions and Errors

Except as may otherwise be provided in accordance with the Act, the accidental omission to give any notice to anyone entitled thereto, or the non-receipt of such notice, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting of owners or directors held pursuant to such notice or otherwise founded thereon.

**ARTICLE XI**  
**ASSESSMENT AND-COLLECTION OF. COMMON EXPENSES**

11.1 Duties of the Board:

All expenses, charges and costs of maintenance of the common elements and any other expenses, charges or costs which the board may incur or expend pursuant hereto shall be assessed by the board and levied against the owners in the proportions in which they, are required to contribute to the common expenses as set forth in the Declaration. The board shall from time to time, and at least annually, prepare a budget for the property and determine by estimate; the amount of common expenses for the next ensuing fiscal year, or remainder of the current fiscal year, as the case may be, which shall include provision for a reserve fund as required by the Act. The board shall advise all owners promptly in writing of the amount of common expenses payable by each of them respectively determined as aforesaid, and shall deliver copies of each budget on which common expenses are based to all owners and mortgagees entered in the Record.

11.2 Owner's Obligations:

Each owner shall pay to the Corporation the amount of such assessment in equal monthly payments on the first day of each and every month next following notice of such assessment by way of twelve (12) postdated cheques or execution of pre-authorized payment plan, until such time as a new assessment has been provided to such owner.

11.3 Extraordinary Expenditures:

In addition to the annual assessment, extraordinary expenditures not contemplated in the foregoing budget and for which the board shall not have sufficient funds, may be assessed at any time during the year by the board serving notice of such assessment on all owners, as an additional common expense. The notice shall include a written statement setting out the reasons for the assessment. The assessment shall be payable by each owner within ten (10) days after the delivery thereof to him, or within such further period of time or in such instalments as the board may determine.

11.4 Default in Payment of Assessment:

- (a) Arrears of payments required to be made under the provisions of this article shall bear interest at a rate determined by the board from time to time and in default of such determination shall bear interest at the rate of eighteen (18%) per cent per annum and shall be compounded monthly until paid.
- (b) In addition to any remedies or liens provided by the Act, if any owner is in default in payment of an assessment levied against him/her for a period of fifteen (15) days, the board may retain a solicitor on behalf of the Corporation to enforce collection and there shall be added to any amount due all costs of such solicitor as between a solicitor and his/her own client and such costs may be collectible against the defaulting owner in the same manner as common expenses.
- (c) The board when giving notice of default in payment of common expenses or any other default to the owner of the common interest (parcel of tied land), shall concurrently send a copy of such notice to each mortgagee of such common interest (parcel of tied land) who has requested that such notices be sent to him/her.

The provisions of paragraphs 11.1 and 11.2 hereof shall be deemed to be modified during the first year following the registration of the Condominium to comply with the provisions of paragraphs 1.6 (b)(ii) and (iii) of the Declaration.

## **ARTICLE XII LIABILITY FOR COSTS**

### **12.1 Abatement and Restraint of Violations by Owners and Liability for Costs:**

The owner of a common interest (parcel of tied land) is responsible for any cost incurred to repair:

- (a) damage to the common elements or other common interest (parcel of tied land) that may have been caused by either the Owner's use or his/her residents or their visitors use of same; and
- (b) damage to the common elements that has been caused by the deliberate or negligent conduct of any owner, resident or their invited guests.

In those cases where it has been determined that the responsibility for payment of the cost to repair is that of an owner, or where an owner requests to repair a common element him/herself, the board of directors shall approve the selection of the contractor and/or the method of repair. This decision, at the discretion of the board, shall be based on a minimum of two (2) bids, the method of repair, the meeting of standards of uniformity and consideration of the convenience of the owner(s) involved.

### **12.2 Additional Rights of Corporation:**

The violation of any provisions of the Act, the Declaration, the By-laws, and/or the rules adopted by the board of directors, shall give the board the right, in addition to any other rights set forth in these by-laws:

- (a) to enter the parcel of tied land in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the board shall not thereby be deemed guilty in any manner of trespass; or
- (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, including without limiting the generality of the foregoing, an application for an order for compliance by implementing such proceedings as provided for in Part IX of the Act.

### **12.3 Insurance Deductible:**

Pursuant to subsections 105(2) and (3) of the Act, where any insurance policy obtained or maintained by the Corporation contains a deductible clause that limits the amount payable by the insurer, then the portion of any loss that is excluded from coverage shall be deemed a common expense, provided however that if an owner, tenant or any other person residing in the owner's parcel of tied land with the permission or knowledge of the owner, by or through any act or omission causes damage to such owner's parcel of tied land, or to any other parcel(s) of tied land, or to any portion of the common elements, in those circumstances where such damage was not caused or contributed by any act or omission of the Corporation (or any of its directors, officers, agents or employees), then the amount which is equivalent to the lesser of the cost of repairing the damage and the deductible limit of the Corporation's insurance policy shall be added to the common expenses payable in respect of such owner's common interest (parcel of tied land), together with all costs and expenses incurred by the Corporation (either directly or indirectly) in resolving such claim and/or having such damage fully rectified (including the increase in insurance premiums, if any, charged or levied against the Corporation by its insurer as a result of such claim or damage, together with all legal costs incurred by the Corporation on a solicitor and client basis), and shall be recoverable from such owner in the same manner (and upon the same terms) as unpaid common expenses.

## **ARTICLE XIII PROCEDURES FOR MEDIATING DISPUTES**

### **13.1 Mediation Procedures**

For the purposes of complying with sections 125 and 132 of the Act (if and where applicable), the procedure with respect to the mediation of disputes or disagreements between the Corporation and any owner(s) shall be conducted in accordance with the rules of procedure for the conduct of mediation attached hereto as Appendix "A".

## **ARTICLE XIV MISCELLANEOUS**

### **14.1 Invalidity:**

The invalidity of any part of this by-law shall not impair or affect in any manner the validity, enforceability or effect of the balance thereof.

14.2 Gender:

The use of the masculine gender in this by-law shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include plural wherever the context so requires, and vice versa.

14.3 Waiver:

No restriction, condition, obligation or provision contained in this by-law shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches thereof which may occur.

14.4 Headlines:

The headings in the body of this by-law form no part thereof but shall be deemed to be inserted for convenience of reference only.

14.5 Alterations:

This by-law or any part thereof may be varied, altered or repealed by a by-law passed in accordance with the provisions of the Act, and the Declaration.

14.6 Conflicts:

In the case of a conflict between the provisions of the Act and any provision in the Declaration, By-laws or Rules, the Act shall prevail. In the case of a conflict between the provisions in the Declaration and any provision in the By-laws or Rules, the Declaration shall prevail. In the event the provisions of the Act or in the Declaration are silent the provisions of the By-laws shall prevail.

DATED at MISSISSAUGA this                      day of                      , 2009.

**PEEL COMMON ELEMENTS CONDOMINIUM  
CORPORATION NO. \_\_\_\_\_**

Per: \_\_\_\_\_  
Name: Naheel Suleman  
Title: President

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

We have the authority to bind the Corporation.

## **APPENDIX "A" TO BY-LAW #1**

### **ARTICLE 1 PRE-MEDIATION PROCEEDINGS**

Prior to submitting a dispute on any question or matter to a mediator appointed by the parties in accordance with Section 132 of the Condominium Act, 1998 as set forth below, and within fourteen (14) days of the dispute first arising, the owner (or owners) and the board of directors shall meet on at least one occasion, and shall use their best efforts to resolve the question or matter in dispute through good faith negotiations conducted at such meeting and, if the parties are able to agree upon the selection of a neutral person who may be and include the Corporation's property manager and/or a highly regarded member of the community, the meeting shall include such neutral person(s), all acting with a view to securing a resolution of the question or matter in dispute without further proceedings, including the conduct of mediation with the assistance of an outside mediator.

If one of the parties to the question or matter in dispute is unable or unwilling to participate in the initial meeting described in the preceding paragraph, then either party to the dispute may within 5 business days give written notice to the other that it is submitting the question or matter in dispute to the mediation and arbitration procedures set forth below.

If the parties, having met and used their best efforts to resolve the question or matter in dispute through good faith negotiation, have been unable to resolve the question or matter in dispute, then either party may, thereafter, give notice to the other that it is submitting the question or matter in dispute to mediation.

### **ARTICLE 2 MEDIATION**

Within 30 days following the giving of notice by one party to the other party or parties as set forth above, the question or matter in dispute shall be settled, initially, by mediation proceedings in accordance with Section 132 of the *Condominium Act, 1998*.

#### **Selection and Role of the Mediator:**

The party serving notice of mediation shall set forth in the notice to the other party the names, qualification and experience of two or more mediators from whom the other party may select one, or alternatively, may furnish to the first party its own list of two or more persons qualified to act as a mediator, and within 7 days thereafter, the parties shall communicate directly with one another to select a mediator. If the parties are unable to agree upon the selection of a mediator within 7 days, or within such longer period of time as may be agreeable to the parties, then the appointment of a mediator shall be conducted by any one of the founding members or by the executive director of the Condominium Dispute Resolution Centre (the "CDRC") whose decision in the appointment of a qualified mediator for this purpose shall be final and binding upon the parties.

The mediator selected by the parties or, failing their agreement, appointed by the CDRC, shall not have had any current or past relationship of any kind with any of the parties that might otherwise give rise to justifiable doubts as to his or her impartiality or independence in assuming a neutral role as a mediator to assist the parties in the resolution of their dispute.

The mediator's role is to assist the parties to negotiate a resolution of their dispute. The mediator will not make decisions for the parties about how the matter should or must be resolved.

#### **Party Confidentiality:**

The parties to the question or matter in dispute acknowledge that mediation is a confidential settlement process, and that they are participating in the process with the understanding that anything discussed in the mediation cannot be used in any other proceeding.

#### **Pre-mediation information:**

Each of the parties shall provide to the mediator a brief description of the dispute in writing in order to facilitate a more complete understanding of the controversy and the issues to be mediated not less than two (2) days prior to the first mediation session, which date the mediator shall have authority to establish at the earliest possible and convenient date to the parties.

#### **Authority to Settle:**

The parties or those representing them at the mediation shall have full, unqualified authority to settle the controversy.

#### **Mediator Confidentiality:**

The mediator shall not disclose to anyone who is not a party to the mediation anything said or any materials

submitted to the mediator except when ordered to do so by judicial authority or where required to do so by law.

**Legal Representation:**

The parties may seek legal representation or advice prior to or during the mediation. They may have lawyers present at the mediation, if they so desire. If the mediator selected by the parties is a qualified lawyer, he or she will not provide legal representation or legal advice to any party at any time, and the mediator has no duty to assert or protect the legal rights and responsibilities of any party, or to raise any issue not raised by the parties themselves, or to determine who should participate in the meditation.

**Right to Withdraw:**

In accordance with Section 132 of the Condominium Act, 1998, it is mandatory that each party to the dispute attend the initial mediation session. Prior to such attendance, each party shall provide the mediator with a brief description of the dispute in writing. Subject to the foregoing requirements, each party shall be entitled to withdraw at and from the initial mediation session.

**Costs of the Mediation:**

In accordance with Section 132 of the Condominium Act, 1998, each party shall pay the share of the mediator's fees and expenses that the settlement specifies, if a settlement is obtained, or the mediator specifies in the notice stating that the mediation has failed, if the mediation fails.

**Notice and Report:**

In the event that the parties are unable, with the assistance of the mediator, to settle their dispute, the mediator shall deliver a notice to the parties stating that the mediation has failed, and the parties shall thereafter resolve their dispute by arbitration under the Arbitration Act, 1991 and in the manner set forth below.

**Settlement:**

In accordance with Section 132 of the Condominium Act, 1998, upon obtaining a settlement between the parties with respect to the disagreement submitted to mediation, the mediator shall make a written report of the settlement which shall form part of the agreement or matter that was the subject of the mediation.

## RULES

1. GENERAL
2. QUIET ENJOYMENT
3. SECURITY
4. SAFETY
5. COMMON ELEMENTS
6. GARBAGE DISPOSAL
7. PARKING

## **RULES**

The following Rules made pursuant to the Condominium Act, 1998, SO. 1998, C.19 shall be observed by all owners (collectively, the "Owners") of a parcel of tied land ("Potl") and any other person(s) occupying the Potl with the Owner's approval, including, without limitation, members of the Owner's family, his tenants, guests and invitees.

Any losses, costs or damages incurred by the Corporation by reason of a breach of any Rules in force from time to time by any Owner, or his family, guests, servants, agents or occupants of his Potl, shall be borne and/or paid for by such Owner and may be recovered by the Condominium Corporation (the "Corporation") against such Owner in the same manner as common expenses.

### **1. GENERAL**

- (a) Use of the Common Elements shall be subject to the Rules which the Board may make to promote the safety, security or welfare of the owners and of the property or for the purpose of preventing unreasonable interference with the use and enjoyment of the Common Elements and of other units;
- (b) Rules as deemed necessary and altered from time to time by the Corporation shall be binding on all Potl owners and occupants, their families, guests, visitors, servants or agents.

### **2. QUIET ENJOYMENT**

- (a) Owners and their families, guests, visitors, servants and agents shall not create nor permit the creation or continuation of any noise or nuisance which, in the opinion of the Board or the Manager, may or does disturb the comfort or quiet enjoyment of the Common Elements by other Owners or their respective families, guests, visitors, servants and persons having business with them.

### **3. SECURITY**

Residents are to immediately report any suspicious person(s) seen on the property to the manager or its staff.

### **4. SAFETY**

- (a) No storage of any combustible or offensive goods, provisions or materials shall be kept on the Common Elements;
- (b) No owner or occupant of a Potl shall do, or permit anything to be done in respect to the Common Elements which will in any way increase the risk of fire or the rate of fire insurance or obstruct or interfere with the rights of other owners, or in any way injure or annoy them, or conflict with the laws relating to fire or with the regulations of the Fire Department or with any insurance policy carried by the Corporation or conflict with any of the rules and ordinances of the Board of Health or with any statute or municipal by-law.

### **5. COMMON ELEMENTS**

- (a) No one shall harm, mutilate, destroy, alter or litter the Common Elements or any of the landscaping work on the property;
- (b) No sign, advertisement or notice shall be inscribed, painted, affixed or placed on any part of Common Elements, whatsoever, unless approved by the Board;
- (c) No equipment shall be removed from the Common Elements by, or on behalf of, any owner or occupant of a Potl, vehicle parking shall be permitted but not overnight;
- (d) The roadways which are part of the Common Elements shall not be obstructed by any of the owners or occupants of a Potl. Vehicular parking on the access roadways will be permitted as long as it is not overnight.;
- (e) Any physical damage to the Common Elements caused by an owner or occupant, his family, guests, visitors, servants, or agents shall be repaired by arrangement and under the direction of the Board at the cost and expense of such owner or occupant;
- (f) No building or structure or tent shall be erected, placed, located, kept or maintained on the Common Elements and no trailer, either with or without living, sleeping or eating accommodations shall be placed, located, kept or maintained on the Common Elements;
- (g) Each pet owner must ensure that any defecation by such pet must be cleaned up immediately by the pet owner, so that the Common Elements are neat and clean at all times.

### **6. GARBAGE DISPOSAL**

No Owner shall place, leave or permit to be placed or left in or upon the Common Elements any debris, refuse or garbage. Each Owner shall place garbage recycling and organic waste within the appropriate receptacle and on the date specified by the Municipality, each Owner shall be required to wheel the relevant cart for garbage, recycling or organic waste to the curbside of the



roadway abutting their respective Potts on the day earmarked for collection of the contents by the Municipality. Once collection of the garbage and recycling materials have been completed by the Municipality, each Owner shall be required to promptly return the garbage and recyclable receptacles to their storage place within the garage located on their respective Pott.

7. **PARKING**

- (a) No motor vehicles, equipment or machinery of any nature or kind shall be parked or left on any part of the Common Elements overnight as overnight parking is strictly prohibited on the Common Elements.
- (b) No servicing or repairs shall be made to any motor vehicle; trailer, boat, snowmobile, or equipment of any kind on the Common Elements. No motor vehicle shall be driven on any part of the Common Elements other than on the road portion.
- (c) No motor vehicle shall be driven on any part of the Common Elements at a speed in excess of the posted speed.
- (d) Mopeds and bicycles shall be operated only on the road and in such manner as not to obstruct traffic.
- (e) No unlicensed motor vehicle including mopeds and go-carts shall be driven within the Property and no person shall operate a motorized vehicle within the Property without a proper operating licence.
- (f) No person shall park or use a motor vehicle in contravention of these Rules, otherwise such person shall be liable to be fined or to have his/her motor vehicle towed from the Property in which event neither the Corporation nor its agents shall be liable whatsoever for any damage, costs or expenses whatsoever caused to such motor vehicle or to the Owner thereof.

## MANAGEMENT AGREEMENT

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 2009.

### **BETWEEN:**

PEEL COMMON ELEMENTS CONDOMINIUM CORPORATION NO. \_\_\_\_\_  
(hereinafter referred to as the "**Corporation**")

OF THE FIRST PART

- and -

\_\_\_\_\_  
(hereinafter referred to as the "**Manager**")

OF THE SECOND PART

**WHEREAS** the Corporation has been created pursuant to the provisions and requirements of *The Condominium Act* S.O. 1998 as amended (hereinafter referred to as the "**Act**").

**AND WHEREAS** the Corporation is desirous of having the Manager manage the Corporation, including the common elements and assets of the Corporation (hereinafter collectively referred to as the "**Property**"), municipally located at \_\_\_\_\_, Mississauga, Ontario, and the Manager is desirous of doing so, in accordance with the terms and provisions of this Agreement;

**AND WHEREAS** the Corporation warrants that it is authorized to engage the Manager;

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that in consideration of the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration (the receipt and sufficiency of which is hereby expressly acknowledged), the parties hereto hereby covenant and agree, to and with each other, as follows:

1. In addition to those words, terms or phrases specifically defined elsewhere in this Agreement, the words, terms or phrases used in this Agreement shall have the meanings respectively ascribed to them in *The Condominium Act* 1998, S.O. 1998, as amended, and the regulations made thereunder (hereinafter collectively referred to as the "**Act**") and/or in the declaration of the Corporation (hereinafter referred to as the "**Declaration**"), unless this Agreement specifies otherwise, or unless the context requires otherwise.
2. The Corporation hereby appoints the Manager to be its sole and exclusive representative and managing agent (subject to the overall control of the Corporation, and to the specific provisions hereof) to manage the Property for a period of three (3) years, commencing on the date of registration of the Declaration (with the first year of the term of this Agreement being deemed and construed, for all purposes, to have expired on the anniversary of the last day of the month in which the Declaration of the Corporation was registered under the Act), and continuing thereafter from year to year unless and until this Agreement has been terminated by either party hereto in accordance with the provisions hereinafter set forth. The Manager is accordingly hereby authorized to act on the Corporation's behalf (and in the name of the Corporation, where customary or necessary), in the carrying out of the duties of the Manager as hereinafter set out, and to enter into such contracts and agreements in the name of the Corporation as may be necessary or ancillary to the performance of such duties.

3. The Manager hereby accepts such appointment and agrees to manage the Property on behalf of the Corporation in a faithful, diligent and honest manner, and subject to the direction of the board of directors of the Corporation (hereinafter referred to as the "**Board**").
4. The Manager undertakes to become familiar with the terms and provisions of the Declaration, as well as the by-laws of the Corporation in force from time to time (hereinafter collectively referred to as the "By-laws"), and the rules of the Corporation in force from time to time (hereinafter collectively referred to as the "Rules"). The Corporation shall deliver to the Manager a copy of the Declaration, the By-laws and the Rules forthwith following the execution of this Agreement by both parties hereto, and shall provide any further By-laws and Rules to the Manager forthwith following their respective enactment.
5. The Manager, in the performance of its duties hereunder, shall use its reasonable efforts, subject to the direction of the Board, to:
  - (a) Cause there to be compliance with the terms of the Declaration, By-laws and Rules and any amendments thereto which presently exist or which may hereafter be made and notified to the Manager in writing;
  - (b) Cause to be delivered to all owners the text and import of any further By-laws and Rules;
  - (c) Advise and consult with the Board with respect to any further By-laws and Rules which in the opinion of the Manager ought to be established to further the harmonious and satisfactory operation of the Property, for the common benefit of the owners;
  - (d) Prepare and keep current the voting register referred to in By-law No. 1 of the Corporation, from information supplied by the Board, owners and/or mortgagees of the units, and maintain in safekeeping the Records of the Corporation (as such term is defined in By-law No. 1);
  - (e) Collect and receive all monies payable by the owners under the Declaration and By-laws, in trust for the Corporation, and deposit the same in a separate trust account in the name of the Corporation to be maintained by the Manager. All such monies so collected shall thereafter be administered by the Manager and shall be used to:
    - (i) make payments of all accounts properly incurred by or on behalf of the Corporation;
    - (ii) arrange for insurance in accordance with the provisions of the Act, the Declaration and the By-laws, in the amounts directed by the Board;
    - (iii) maintain and repair (or cause to be maintained and repaired) those parts of the Property which require maintenance or repair by the Corporation in accordance with the provisions of the Declaration and the By-laws, including without limitation, the maintenance of all common element areas of the Corporation, as well as the removal of snow, debris and litter from the common element areas of the Corporation and generally keeping the common elements in a neat and tidy condition including arranging for the removal and disposal of garbage, as and when required; and
    - (iv) employ or retain such staff, personnel, contractors or subcontractors on behalf of the Corporation (in the latter's capacity as the employer or contracting party), as may be required to promptly and efficiently maintain and repair the common elements and discharge the Manager's duties hereunder in connection therewith, and without limiting the generality of the foregoing, such

staff shall include superintendents and cleaners and all other individuals employed to maintain and repair the common elements on the express understanding that the burden of remunerating such staff shall be borne solely by the Corporation, and that the Corporation shall have the sole responsibility (and the final authority, as the exclusive employer) to hire, dismiss, discipline, accept the termination of, direct the replacement or advancement of, set or authorize any pay increases and vacations for, and direct or define the overall duties and working conditions of, such staff, and may delegate to the Manager, from time to time, the implementation of the Board's decisions relating to any or all of the foregoing responsibilities.

- (f) Keep accurate accounts of the financial transactions involved in the management of the Property, and render to the Board monthly statements of income and expenditures with respect thereto, and keep such accounts open for inspection by the Board at all reasonable times.
- 6. The duties of the Manager shall not include the duties of the officers of the Corporation as set forth in the Bylaws, except as otherwise specifically provided in this Agreement.
- 7. The Manager may not enter into any contract on behalf of the Corporation which will extend for a period in excess of one (1) year, without specific authority from the Board. The Manager shall make no expenditure in excess of Two Thousand Dollars (\$2,000.00) without first obtaining specific authority from the Board, except for monthly or recurring operating costs, and subject further to the following exceptions:
  - If, in the Manager's opinion, there exists a hazardous situation which could cause personal injury, or damage to the property of the Corporation or to its equipment or contents, or which could impair the value of the Potl owners' investment, or if the failure to rectify such situation might expose any of the Board, the Corporation or the Manager to penalties, fines, imprisonment or other substantial liabilities, then the Manager is hereby authorized to proceed with such rectification of the hazard or problem if the Board or its representatives cannot be reasonably located, at whatever cost is considered necessary to effect such rectification.
- 8. The Manager may engage any person(s), firm(s) or corporation(s) associated, affiliated or otherwise connected with the Manager, as well as any parent or subsidiary thereof (hereinafter collectively referred to as the "**Affiliates**"), to perform any work or services for the Corporation within the scope of (or under the auspices of) the Manager's duties set out in this Agreement, without being in breach of any fiduciary duty to the Corporation, subject however to the following provisions:
  - (a) Where the cost of performing any such work or service does not exceed the sum of Two Thousand (\$2,000) Dollars, the Manager shall be entitled to have such work or services performed by any of the Affiliates;
  - (b) Any work or service to be performed, where the cost exceeds Two Thousand (\$2,000) Dollars, shall not be performed by any of the Affiliates unless the Manager has first obtained the approval of the Board, or has obtained two written tenders from other parties and has the work performed by any of the Affiliates at a cost not exceeding the lower of such tenders; and
  - (c) Emergency repairs involving danger (or potential damage) to persons or property, or immediately necessary for the preservation and safety of same maybe made by the Manager or any of the Affiliates, irrespective of the cost limitation set out in subparagraph (a) above, without the approval of the Board, and without the necessity of obtaining two written tenders as

provided in subparagraph (b) above, and to this end, the Corporation hereby authorizes the Manager, and its agents, employees and designated representatives to effect any such required emergency repairs which, in the Manager's sole and unchallenged discretion, are immediately necessary for the preservation and safety of persons and/or property. The Corporation agrees to indemnify and save the Manager harmless from and against any and all claims, actions, suits, damages and/or liabilities of any nature or kind which may be incurred (either directly or indirectly) as a consequence of such actions in said emergency situations.

9. (a) Prior to the beginning of each fiscal year during the term of this Agreement, the Manager shall furnish to the Board for its approval, in writing, an estimated budget for the following year, setting forth by categories the Manager's best estimates of all expenses of the operation of the Property for the ensuing year, including without limitation, taxes payable by the Corporation, insurance premiums, water, gas and hydro-electric rates ( if applicable) , and the anticipated cost of all repairs, renewals, maintenance and supervision of the Property. Upon the request of the Board (or whenever in the opinion of the Manager any change from the expenditures forecast in the annual budget makes it desirable to do so) the Manager will submit to the Board a supplementary budget covering the expenses of the operation of the Property for the then remaining portion of the current fiscal year. The Manager will at times hold itself available for consultation with the Board, for the purpose of establishing or revising the common expenses to be paid by the owners under the provisions of the Declaration and By-laws.
- (b) The Manager shall receive an investment plan from the Corporation, as approved by the Board, pursuant to subsection 115(8) of the Act (hereinafter referred to as the "Investment Plan"), and the Manager shall insert all "surplus" monies in the Corporation's general account(s) and reserve account(s), in accordance with the Investment Plan and the provisions of subsections 115(6) and 115(7) of the Act.
10. The Manager will at all times keep the Board and all owners advised of the telephone number at which an agent of the Manager may be reached at any time during normal business hours, in respect of any infraction of the Declaration, By-laws or Rules, or at any time during the day or night, in respect of any emergency situation occurring, and the Manager will make arrangements to deal promptly with such infractions and immediately with any such emergency situation. The Manager shall deal, in the first instance, with minor emergencies and infractions, and shall forthwith report to the Board on any major emergency, or with respect to any persistent, flagrant or serious violation of the Declaration, By-laws or Rules. It is understood and agreed by the parties hereto that the Manager shall determine, in its sole and unchallenged discretion, whether or not an emergency exists, and whether or not such an emergency is minor or major, provided however that in the event of a major emergency the Manager is hereby authorized to take immediate steps for the protection and preservation of the Property.
11. (a) (i) The Corporation hereby covenants and agrees to pay to the Manager, in advance on a monthly basis, for its managerial services performed hereunder during the term of this Agreement, , a management fee during the first year equal to the sum of \$\_\_\_\_\_ per month, plus G.S.T.
- (ii) During the second year of the term of this Agreement, the aforesaid management fees shall be increased by an amount equivalent to the percentage increase (if any) between the consumer price index published or established by Statistics Canada or its successors (hereinafter referred to as the "Consumer Price; Index") published on (or as close as possible to) the 30th day prior to the commencement of the term of this Agreement, and the Consumer

Price Index published on (or as close as possible to) the 30th day prior to the expiration of the first year of the term of this Agreement. During the third year of the term of this Agreement, the aforesaid management fees that were charged and payable during the second year shall be increased by an amount equivalent to the percentage increase (if any) between the Consumer Price Index published on (or as close as possible to) the 30th day prior to the commencement of the second year of the term of this Agreement, and the Consumer Price Index published on (or as close as possible to) the 30th day prior to the expiration of the second year of the term of this Agreement.

- (b) It is further understood and agreed that the foregoing remuneration of the Manager excludes:
    - (i) any federal goods and services tax or harmonized sales taxes exigible with respect to the aforementioned management services and related fees, as well as any provincial or other federal taxes that are now (or may become) applicable (and the Manager hereby confirms that its G.S.T. registration number is \_\_\_\_\_; and
    - (ii) the cost of performing any of the services set forth in paragraph 5 hereof (or any additional services requested by the Corporation which the Manager agrees in writing to so provide), in respect of which the Corporation shall be obliged to pay the Manager the additional fees charged by the Manager for undertaking same.
  - (c) The Corporation shall also be obliged to forthwith reimburse the Manager for all disbursements incurred by the Manager on behalf of the Corporation in performing its duties hereunder, and shall promptly reimburse the Manager for any monies which the Manager may advance for the account of the Corporation, provided that nothing contained herein shall be construed to obligate the Manager to make any such advance(s),
  - (d) In subsequent years while this Agreement is in effect, the aforementioned management fees shall be established in accordance with the mutual agreement of both parties hereto.
  - (e) The Manager is hereby authorized to retain, out of any monies collected by it, its management fees, as well as all disbursements and expenses so incurred on behalf of the Corporation in fulfilling the Manager's duties provided for or contemplated in this Agreement.
12. (a) The Manager shall receive the sum of \$100.00, inclusive of all applicable taxes (or such other amounts as may be prescribed or permitted by the regulations to the Act from time to time) for each status certificate prepared by the Manager on behalf of the Corporation pursuant to the provisions of the Act. In no case, however, shall any fee or sum be payable to (or be charged by) the Manager for any status certificate(s) and/or any certificate(s) of compliance requested by the declarant of the Corporation (hereinafter referred to as the "Declarant") in connection with any sale, transfer or mortgage of any unit(s) by the Declarant from time to time.
- (b) The Manager shall not be obliged or responsible for inspecting any of the Potls which are the subject of a request for a status certificate, in order to determine whether or not the Corporation has any claim for damages against the owner of such units, or whether any violation of the provisions of the Act, or Corporation's declaration, by-laws and/or rules exists, prior to issuing any status certificate in connection therewith. It is expressly understood and agreed that the purchaser, mortgagee or other party or

parties requesting a status certificate shall be solely responsible for undertaking any such inspections.

- (c) The Manager shall prepare and issue Form 14 -, Notice of Lien to Owner, to all Potl owners in default of their respective common expense obligations who require such notice pursuant to subsection 85(4) of the Act, at a cost of \$100.00 plus G.S.T. perform (or such other amount as may be determined by the Manager from time to time), and which cost shall be borne by the delinquent unit owner(s) to whom any such form is delivered.
- 13. The Corporation shall not be required to provide the Manager with office accommodation or any other facilities for the purposes of carrying out its obligations hereunder.
- 14. The Corporation shall arrange for (or alternatively hereby authorizes the Manager to arrange for) comprehensive liability insurance on the condominium property in such other amounts as the Board shall determine from time to time with the concurrence of the Manager. The Corporation shall have the Manager named as an insured party, along with the Corporation, as its interests may appear, in each policy of insurance obtained by the Corporation, and such insurance coverage shall provide protection against any claims for personal injury, death, property damage and losses for which the Corporation and/or the Manager might be held liable as a result of their respective actions, omissions, and/or obligations. The Corporation agrees to provide the Manager, upon request, with a certificate of insurance from its insurers evidencing the foregoing insurance coverage, and confirming the obligation of the insurers to provide the Manager with at least ten (10) days prior written notice of the cancellation of (or any material change to the provisions of) any such policy or policies of insurance.
- 15. If any plans, drawings, specifications and/or architectural or engineering assistance becomes necessary or desirable to enable the Manager to discharge its duties pursuant to this Agreement, and if the Board or any of its designated representatives from time to time authorize the Manager to procure same, then the cost and expense of doing so shall be borne solely by the Corporation. However, with respect to undertaking any major repair, replacement or renovation of the common elements or any portion thereof, the Manager shall not be responsible for undertaking or fulfilling any of the obligations or functions ordinarily expected from a "project manager" or "construction supervisor", and in such case the Corporation shall be obliged to engage the services of one or more qualified professionals.
- 16. The Manager shall have no responsibility for the completion or filing of tax returns for or on behalf of the Corporation.
- 17. The Manager shall be obligated to attend monthly meetings of the Board, if requested to do so, upon notice of the agenda of any such meeting being received by the Manager three (3) business days in advance thereof, unless any such meetings are called to deal with an item of emergency, for which no such advance notice shall be required.
- 18. (a) The Board agrees to co-operate with the Manager to the extent reasonably required, in order to enable the latter to perform expeditiously, efficiently and economically the Manager's services required or contemplated under this Agreement, and to provide such evidence of authority (ie. by way of certified resolution or otherwise) and such specific directions as the Manager may reasonably require from time to time.  
  
(b) The Board shall advise the Manager in writing, from time to time as required, of the names of those officers, directors or other representatives of the Corporation, not to exceed two individuals, who are authorized to act as a "liaison officer" for and on behalf of the Corporation, in order to enable the Manager to consult with the Board via the liaison officer, or to

obtain the Board's approval (via the liaison officer) to any action or decision of the Manager arising or occurring between Board meetings, before proceeding with certain work or actions desired or required by the Manager. Moreover, the Board may designate from time to time one of its directors, in addition to the president of the Corporation, who shall be authorized to deal with the Manager on any matter(s) relating to the management of the Property and/or the day-to-day affairs of the Corporation, and if such designation is made, then the Manager is hereby directed not to accept or follow any directions or instructions involving or respecting the management of the Property (or any portion thereof) from anyone else. In the absence of any such designation by the Board, or if any such designation is subsequently revoked by the Board, then until another designation is made by the Board, the president of the Corporation shall have sole and exclusive authority to deal with the Manager on matters relating to the management of the Property and/or the day-to-day affairs of the Corporation.

- (c) The Corporation shall not permit, allow or cause any owner to interfere with the Manager in the performance of its duties or the exercise of any of its powers hereunder.
19. Except in the case of fraud, willful misconduct or gross negligence on the part of the Manager, the Corporation shall indemnify and save the Manager harmless from and against any and all costs, claims, demands, suits, actions, damages and/or liabilities, which may be made or pursued against (or incurred by) the Manager and/or any of its agents, employees and representatives, arising from or in connection with any damage or injury occasioned to any person(s) or property in or about (or in any way connected with) the Property, or arising out of the payment or non-payment of any debts or accounts incurred or owing by or on behalf of the Corporation, and the Corporation shall correspondingly defend (at its sole cost and expense) all suits, actions and proceedings which may be initiated or pursued against the Manager and/or any of its agents, employees and representatives on account thereof, provided however that nothing contained in this paragraph shall release the Manager from any liability it may have to the Corporation in respect of a breach of any of the Manager's covenants or obligations set forth in this Agreement.
20. The Manager may, at its option, terminate this Agreement by giving sixty (60) days prior written notice of same to the Corporation, and upon such termination, all obligations of the Manager shall cease and the Corporation shall correspondingly be obliged to forthwith pay to the Manager all outstanding accounts owed by the Corporation to the Manager, including all unpaid fees, costs and reasonable disbursements incurred for and on behalf of the Corporation, up to the date of such termination. The Corporation may, at its option, terminate this Agreement upon giving sixty (60) days prior written notice of same to the Manager, and on or before such termination, all outstanding accounts owed by the Corporation to the Manager (as hereinbefore described) shall be settled and paid. All requisite notices of termination shall be given to the intended party on the first (1<sup>st</sup>) day of the second full month preceding the effective termination of this Agreement, notwithstanding the foregoing provisions to the contrary which require the giving of sixty (60) days prior written notice.
21. The parties agree that this Agreement shall not be allowed to lapse without written notice of termination given by either party to the other, not less than sixty (60) days prior to the expiration of the term hereof. Should written notice of termination not be given sixty (60) days prior to the expiration of the term of this agreement as hereinbefore provided, then this Agreement shall continue on a month-to-month basis until formally renewed or properly terminated (ie. following the giving of sixty (60) days prior written notice to the Manager in accordance with the provisions of paragraph 20 hereof), and the Manager's monthly fee in such circumstances shall, unless re-negotiated and confirmed in writing between the parties hereto, be equivalent to one-twelfth (1/12<sup>th</sup>) of the Manager's fee payable during the immediately preceding year of the term, increased by a



proportionate amount equivalent to the increase (if any) between the Consumer Price Index published on (or as close as possible to) the 30<sup>th</sup> day prior to the expiration of the term of this Agreement, and the Consumer Price Index published on (or as close as possible to) the same date in the preceding year.

22. Upon the termination of this Agreement, the Manager shall render a final accounting to the Corporation and pay over any monies due to the Corporation, after deducting therefrom any amounts due or owing to the Manager for fees and/or disbursements.
23. All notices required or desired to be given to either of the parties hereto shall be in writing, and shall be deemed to have been sufficiently given:
  - (a) **to the Corporation**, if signed by or on behalf of the Manager and delivered personally to an officer or director of the Corporation, or mailed by prepaid registered post to the Corporation at its address for service set out in the Declaration, or at such other address as the Corporation may from time to time designate by written notice pursuant hereto; and
  - (b) **to the Manager**, if signed by an authorized signing officer of the Corporation and delivered personally to \_\_\_\_\_, or mailed by prepaid registered post to the Manager at \_\_\_\_\_ (to the attention of \_\_\_\_\_), or at such other address as the Manager may from time to time designate by written notice pursuant hereto.

All such notices shall be deemed to have been received on the date of such personal delivery, or if mailed, on the third business day (excluding Saturdays, Sundays and statutory holidays) following the date of such mailing..

24. The Corporation may, from time to time, receive from the Manager personal information [as such term is defined in the *Personal Information Protection And Electronic Documents Act* (Canada)] pertaining to unit owners, tenants or occupants of units. The Corporation agrees that neither it, nor any of its representatives, nor members of the board of directors, will use or disclose any of such personal information other than for the purposes of (or in connection with) managing the affairs of the Corporation.
25. This Agreement shall be read and construed with all changes in gender and/or number as may be required by the context.
26. If any term or provision of this Agreement is adjudged by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, then such illegal or invalid provision shall not be deemed or construed to affect the validity of the remainder of this Agreement, and this Agreement shall then accordingly be construed as if such illegal or invalid provision had been omitted herefrom.
27. Neither this Agreement nor any rights or obligations hereunder shall be assignable or assigned by either party hereto without the prior written consent of the other party hereto. This Agreement shall enure to the benefit of, and be correspondingly binding upon, each of the parties hereto and their respective successors and permitted assigns.
28. This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Ontario, and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario for all purposes hereunder.

**IN WITNESS WHEREOF**, the parties hereto have hereunto executed this Agreement as of the date first above mentioned.

**PEEL COMMON ELEMENTS  
CONDOMINIUM CORPORATION NO. \_\_\_\_\_**

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

Name:

Title:

I have authority to bind the Corporation.

( Management Company)

\_\_\_\_\_

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

Name:

Title:

I have authority to bind the Corporation.