

FORM 15 - CONDOMINIUM ACT

CORPORATION BY-LAWS

To the Registrar of Condominiums:

ANNAPOLIS COUNTY.....Condominium Corporation No. 2 hereby certifies that the attached by-law(s) was ( were ) made by the members of this Corporation at a meeting held on the 6<sup>th</sup> day of SEPTEMBER 1997 for that purpose. Members owning 66 2/3 percent (or ..... %, being the percentage mentioned in the declaration ) of the common elements voted in favour thereof.

The Corporation further certifies that the by-law(s) was ( were ) in all respects made in accordance with this Act, the declaration and the by-laws of the Corporation.

WITNESS the seal of the Corporation duly affixed by the authorized officers of the Corporation this 10<sup>th</sup> day of SEPTEMBER 1997.

ANNAPOLIS COUNTY.....Condominium

Corporation No. 2

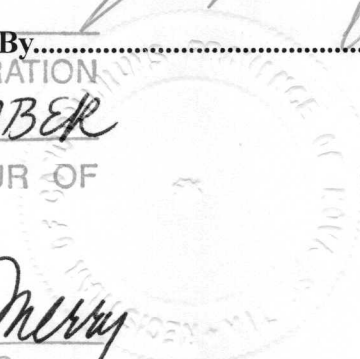
By.....[Signature]

By.....[Signature]

A C.C.C. NO. 2

ACCEPTED FOR REGISTRATION  
THIS 29 DAY OF OCTOBER  
A.D. 1997 AT THE HOUR OF  
12:00 NOON

Deputy Anne M. Merry  
REGISTRAR OF CONDOMINIUMS



## BY-LAW NUMBER 1

A BY-LAW MADE BY ANNAPOLIS COUNTY CONDOMINIUM CORPORATION NO.2 on the 6<sup>th</sup> day of SEPTEMBER, 1997.

BE IT ENACTED as By-Law Number 1 of Annapolis County Condominium Corporation No.2 (the "Corporation") as follows:

### ARTICLE I DEFINITIONS

The terms used herein have the means set out below, unless the context otherwise requires:

- 1.01 "**Act**" means the *Condominium Act*, Revised Statutes of Nova Scotia, 1989, Chapter 85, and amendments thereto and Regulations made pursuant thereto.
- 1.02 "**Board**" means the Board of Directors of the Corporation.
- 1.03 "**Corporation**" means Annapolis County Condominium Corporation No. 2, a corporation created under the *Condominium Act*, by the acceptance for registration of the Declaration and the Description.
- 1.04 "**Declarant**" means the Declarant in the Declaration, Cornwallis Park Development Association.
- 1.05 "**Declaration**" means the Declaration respecting the land dated March 5, 1991 submitted for acceptance for registration by the Registrar of Condominiums registered in the Office of the Registrar of Deeds at Lawrencetown, Annapolis County and filed at the Office of the Registrar of Joint Stock Companies, and all amendments thereto.
- 1.06 "**Description**" means the Description respecting the land filed with the Declaration.
- 1.07 "**Land**" means the freehold land described in the Description.
- 1.08 "**Members**" means the owners from time to time.
- 1.09 "**Termination**" means the government of the property by the Act is terminated and includes termination as a result of damage.
- 1.10 Any other words and phrases which are defined in the Act shall have the meaning given to them by the Act.



**ARTICLE II**  
**THE CORPORATION**

2.01 Seal of Corporation. The Corporation shall have a seal in the form impressed in the margin hereof. It shall at no time be used except by authority of the Board previously given, and in the presence of at least two members of the Board who shall sign every instrument to which the seal is affixed. Where there is only one member of the Corporation its signature is sufficient for the purpose of this paragraph. The Secretary shall be responsible for the custody of the corporate seal.

2.02 Office. The office of the Corporation shall be at *515 HARBOURVIEW DR. CORNWALLIS* Nova Scotia, B0S 1E0, or such other place as the Board by Resolution may determine.

2.03 Fiscal Year. The fiscal year of the Corporation shall end on the 31st day of August in each year or on such other date as the Board by resolution may determine.

**ARTICLE III**  
**MEETING OF MEMBERS OF THE CORPORATION**

3.01 First General Meeting. A general meeting of the Members shall be held within ninety (90) days after the acceptance for registration of the Declaration and Description and the invoking of the Act.

3.02 Annual Meetings. The first annual meeting shall be held not later than fifteen (15) months after the first meeting of the Members of the Corporation and thereafter an annual meeting of the Members shall be held once in each calendar year and not more than fifteen (15) months shall elapse between the date of one annual meeting and that of the next.

3.03 General Meetings. All meetings, other than annual meetings and the first meeting, shall be called general meetings.

3.04 Place of Meetings. All meetings of the Members of the Corporation shall be held at such place within the County of Annapolis, in the Province of Nova Scotia, as the Board may from time to time determine.

3.05 Calling General Meetings. The Board may, whenever it thinks fit, and shall, upon receiving a petition in writing signed by owners or mortgagees, or any combination thereof entitled to vote with respect to twenty-five percent (25%) of the Units and delivered to the Secretary of the Corporation, convene a general meeting within ten (10) days of Notice of such petition.

3.06 Notice of Meetings. No public notice or advertisement of meetings of Members, either annual or general, shall be required, but a printed, written, typewritten or otherwise mechanically reproduced notice in which is stated the day, hour and place of the meeting, together with an agenda of the business to be transacted thereat, shall be either delivered or mailed by ordinary mail with

postage prepaid to each Member and to all mortgagees who have notified the Corporation of the registration of their mortgages, at least ten (10) days (exclusive of the day of the deliver or mailing, but inclusive of the day for which notice is given) before the date of every meeting, addressed to such address as is given by the Member or mortgagee to the Corporation for the purpose of notice, or if no address be given then to the last address of such Member or mortgagee known to the Secretary, or if no address be known notice shall be deemed to have been given to Members or mortgagees if delivered or sent addressed to them at their respective units, provided always that a meeting of Members, either annual or general, may be held for any purpose at any time and at any place with The County of Annapolis, in the Province of Nova Scotia without notice, if all the Members or mortgagees entitled to notice of such meeting are present thereat in person or represented thereat by proxy duly appointed, or if the absent Members or mortgagees shall have signified their consent in writing to such meeting being held. Notices may be signed by the President, a Vice-President or the Secretary or such other persons as the Board may from time to time appoint for that purpose. Proof of notice calling the meeting shall be made by affidavit of the person giving such notice. Notice of any meeting or any irregularity in any notice thereof may be waived by any Member or mortgagee. No accidental error or omission in giving notice of any meeting of Members of the Corporation (whether annual or general) shall invalidate such meeting or make void any proceedings taken or had thereat and any Member or mortgagee may at any time waive notice of such meeting and ratify, approve and confirm any and all proceedings taken or had thereat.

3.07 Quorum. Except as otherwise provided in this By-Law no business shall be transacted at any annual or general meetings of Members unless a quorum of Members entitled to vote thereat is present within sixty (60) minutes after the time for which the meeting was called. A quorum for the transaction of business at any meeting of Members of the Corporation shall be constituted when Members entitled to vote and owning not less than thirty-three and one-third percent (33 1/3%) of the common elements are present in person or represented by proxy at such meeting and not fewer than three (3) persons entitled to vote are present in person. Three (3) days notice in the manner provided for in paragraph 3.06 shall be provided to each member with respect to the day, hour and place of the adjourned meeting.

3.08 Adjournment for Lack of Quorum. If within thirty (30) minutes after the time appointed for the holding of any annual or general meeting of Members a quorum be 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 thirty (30) minutes from the time appointed for the meeting the Members or persons entitled to vote who are present in person or represented by proxy at such meeting shall be deemed to constitute a quorum. No business shall be transacted at any meeting of Members where there is no quorum.

3.09 Voting. Votes may be given either personally or by proxy. At annual or general meetings every question shall be decided by a show of hands unless a poll is required by the Chairman or demanded by a Member entitled to vote who is present in person, or by his proxy if so represented. Upon a show of hands every Member entitled to vote who is present in person, shall have one vote. After a show of hands has been taken upon any question the Chairman may still require, or any Member entitled to vote who is present in person or by his proxy may still demand, a poll thereon.

Whenever a vote by show of hands shall have been taken upon a question, unless a poll thereon be so required or demanded, a declaration by the Chairman of the meeting that the vote upon the question has been carried, or carried by a particular majority, or not carried, and an entry to that effect in the minutes of the proceedings at the meeting shall be prima facie evidence of the fact, without proof of number or proportion of the votes recorded in favour of or against any resolution or other proceedings in respect of the said question. The result of the vote so taken shall be the decision of the Corporation in an annual or a general meeting, as the case may be, upon the question.

3.10 Polls. If at any meeting of Members a poll is demanded and be not withdrawn it shall be taken in such manner as the Chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be withdrawn at any time prior to the taking of the poll.

3.11 Equality of Votes. In case of an equality in the votes, whether on a show of hands or on a poll, the Chairman of the meeting is entitled to a casting vote in addition to his original vote.

3.12 Number of Votes. On a show of hands, each Member present in person or by his proxy shall have one vote; and on a poll, each Member shall have the vote which appears in Schedule B to the Declaration opposite his unit number.

3.13 Appointment of Proxy. An instrument appointing a proxy shall be in writing under the hand of the appointor, or his attorney authorized in writing, or if the appointor is a corporation, either under its corporate seal or under the hand of an officer or attorney so authorized, and may be either general or for a particular meeting. A proxy need not be a Member, but may be any person; a proxy must be filed with the Secretary of the Corporation before the time of any meeting at which it is to be used and may be revoked by notice filed with the Secretary before the time of any meeting or by the appointor's attendance at the meeting.

3.14 Vote by Co-Owners. If a unit or a mortgage on a unit is owned by two or more persons, any one of them present or represented by proxy may, in the absence of the other or others, vote, but if more than one of them is present or represented by proxy, those present or represented by proxy shall vote in the same way, failing which the vote for such unit shall not be counted unless such co-owners have filed with the Secretary a Statutory Declaration specifying their respective proportionate interests.

3.15 Representatives. An executor, administrator, committee of a mentally incompetent person, guardian, trustee, or other person acting pursuant to Section 24 (3) or (4) of the Act (and where a corporation acts in such capacity any person duly appointed a proxy for such corporation) upon filing with the Secretary of the meeting sufficient proof of his appointment, shall represent the Owner or mortgagee at all meetings of the Members of the Corporation and may vote in the same manner and to the same extent as such Member. If there be more than one executor, administrator, committee, guardian, trustee or person acting, the provisions of paragraph 3.14 apply.

3.16 Vote of Mortgagee. Where a mortgage of a unit and common interest contains a provision that assigns to the mortgagee, or otherwise authorizes the mortgagee to exercise, the rights of the Owner as a Member to vote or to consent at any annual or general meeting of Members, and where the mortgagee desires to exercise such rights, the following provisions shall apply:

- (a) written notice thereof shall be delivered, or sent by prepaid registered post, by or on behalf of the mortgagee to the office of the corporation including the address for notice of the mortgagee; and
- (b) the notice may state according to its terms the extent to which the mortgagee desires to exercise the right of such Owner to vote or consent as aforesaid; and
- (c) the Corporation shall be bound from the time of receipt of such notice to treat the mortgagee as a Member for the purpose of exercise of the rights of such Owner to receive or waive notices, to appoint a proxy, to call a general meeting pursuant to paragraph 3.05 and to vote or consent in accordance with the notice so given by or on behalf of the mortgagee subject always to the rights of such Owner to continue to receive notice of and to attend meetings of Members; and
- (d) in the event that units whose common interest represent fifteen (15%) percent of the common elements are subject to first mortgages held by the same first mortgagee, then the Corporation shall deliver to such first mortgagee; if it so requests in writing, a copy of the minutes of all meetings of the Board and of all meetings of Members of the Corporation.

3.17 Entitlement of Vote. Unless the requirements in connection with the specific matter upon which the vote is being taken stipulate that the resolution must be unanimous, no Member is entitled to vote at any meeting unless all the contributions to the Corporation, payable in respect of his unit, have been paid to the date of such meeting; provided, however, that the terms of this paragraph shall not derogate from the rights of the mortgagee as set out in paragraph 3.16.

#### **ARTICLE IV** **BOARD OF DIRECTORS**

4.01 Number. The affairs of the Corporation shall be managed by the Board of Directors and until changed by by-law the number of Members of the Board of Directors of the Corporation shall be five (5).

4.02 Quorum. A quorum for the transaction of business at a meeting of the Board of Directors is a majority of the Members of the Board. Notwithstanding vacancies the remaining directors may exercise all the powers of the Board so long as a quorum of the Board remains in office.

4.03 Qualification of Members of the Board. Any person who is a Member of the Corporation or any representative of a mortgagee of one or more units or the representative of the management company that has contracted with the Corporation to manage the property as provided for in Article

IX hereof, is qualified to be elected as a director of the Corporation provided that each director shall be nineteen (19) or more years of age. If a unit has more than one owner, only one may be a member of the Board at any one time.

4.04 Election and Term. Within seven (7) days after acceptance for registration of the Declaration and Description the Declarant shall elect five (5) persons who shall constitute the Board until the first general meeting of the Members of the Corporation is held pursuant to paragraph 3.01, at which time five (5) persons shall be elected as directors and the initial directors shall be eligible for re-election at such meeting. Directors of the Corporation shall be elected in rotation and shall be eligible for re-election. At the first general meeting of the Members of the Corporation two directors shall be elected to hold office for a term of one (1) year from the date of their election or until their successors are elected, two directors shall be elected to hold office for a term of two (2) years from the date of their election, or until their successors are elected and one (1) director shall be elected to hold office for a term of three (3) years from the date of his election or until his successor is elected. At each annual meeting thereafter the number of directors equal to the number of directors retiring in such year shall be elected for a term of three (3) years.

4.05 Removal of Directors. The Members of the Corporation may by resolution passed by a majority vote at a meeting of the Members called for such purpose remove any director before the expiration of his term of office, and may elect a person in place of any director who has been removed to hold office for the remainder of his term.

4.06 Filling of Vacancies. Any vacancy occurring in the Board of Directors shall be filled for the remainder of the term of office by the Members at a general meeting called for the purpose.

4.07 Calling of Meetings. Meetings of the Board shall be held from time to time at such place in the County of Annapolis, Province of Nova Scotia, and at such time and on such day as the President or a Vice-President who is a director or any two (2) directors may determine, and the Secretary shall call meetings when directly authorized by the President or a Vice-President who is a director or by two directors. Notice of any meeting so called shall be given personally, by ordinary mail or telegraph to each director not less than forty-eight (48) hours, exclusive of Saturdays and holidays (as defined by the Interpretation Act) before the time when the meeting is to be held, provided that no notice shall be required to be given of any meeting of directors held for the sole purpose of organization and the election and appointment of officers immediately following any annual meeting and no notice of any meeting shall be necessary if all the directors are present or if a quorum is present and those absent have waived notice of or otherwise signified in writing their consent to the holding of such meeting.

4.08 Regular Meetings. Regular meetings of the Board may be held at such time and place in the County of Annapolis, as shall be determined from time to time by a resolution passed by a majority of the Directors.

4.09 Adjourned Meeting. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.10 Vote. At meetings of the Board of Directors all matters shall be decided by majority vote, provided that the Chairman of the meeting shall have a casting as well as an original vote in case of an equality of votes.

4.11 Interest of Directors in Contracts. No director shall be disqualified by his office from contracting with the Corporation nor shall any contract or arrangement entered into by or on behalf of the Corporation with any director or any firm or company in which any director is in any way interested be avoided, nor shall any director so contracting or being so interested be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such director holding such office or of the fiduciary relationship thereby established provided that the provisions of paragraph 4.12 are complied with.

4.12 Declaration of Interest. It shall be the duty of every director of the Corporation who is in any way, whether directly or indirectly, interested in a contract, or arrangement or proposed contract or arrangement with the Corporation to declare such interest and to refrain from voting in respect thereto, provided, however, that such prohibition against voting shall not apply during such time as the Declarant who registered the Declaration is represented on the Board by three or more directors.

4.13 Protection of Directors and Officers. No director or officer of the Corporation shall be liable for the acts, neglect or default of any other director or officer or for joining in any act for conformity or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited or for any loss occasioned by an error of judgment or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same shall happen through his own dishonest or fraudulent act or acts.

4.14 Indemnity of Directors and Officers. Every director or officer of the Corporation and his heirs, executors and administrators and estate and effects respectively shall from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation from and against

- (a) all costs, charges and expenses whatsoever which such director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him in or about the execution of the duties of his office, except any dishonest or fraudulent act or acts;
- (b) all other costs, charges and expenses which he properly sustains or incurs in or about or in relation to the affairs thereof.



4.15 Fidelity Bonds. The Board shall require that all directors, officers and employees of the Corporation handling or responsible for Corporation's monies or securities shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

## **ARTICLE V OFFICERS**

5.01 Elected Officers. At the first meeting of the Board after each election of directors the Board shall elect from among its Members a President and may elect from among its Members one or more Vice-Presidents. A vacancy occurring from time to time in such offices may be filled by the Board from among its Members.

5.02 Appointed Officers. From time to time the Board shall appoint a Secretary and may appoint a General Manager, a Treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. The officers so appointed may but need not be a member of the Board. With the exception of the President one person may hold more than one office and if the same person holds both the office of the Secretary of office of Treasurer, he may be known as Secretary-Treasurer.

5.03 Term of Office. In the absence of written agreement to the contrary the Board may remove at its pleasure any officer of the Corporation.

5.04 President. The President, when present, shall preside at all meetings of the Members and of the Board and shall be charged with the general supervision of the business and affairs of the Corporation, subject only to the direction of the Board and he shall have such other powers and duties as the Board may from time to time determine.

5.05 Vice-President or Vice-Presidents. During the absence or the inability to act of the President his powers and duties shall fall upon the Vice-President, or if more than one, upon such one as may be designated by the Board of Directors, save that no Vice-President shall preside at a meeting of the Board or at a meeting of Members who is not qualified to attend as a director or member as the case may be. If a Vice-President exercises any such duty or power the absence of the President shall be presumed with reference thereto. The Vice-President, or if more than one, the Vice-Presidents, shall also have such powers and duties as may from time to time be assigned to him or them respectively by the Board.

5.06 General Manager. The General Manager, if one be appointed shall have the general management and direction, subject to the authority of the Board and the supervision of the President, of the Corporation's business and affairs and the power to appoint and remove any and all employees and agents of the Corporation not elected or appointed directly by the Board and to settle the terms of their employment and remuneration.

5.07 Secretary. The Secretary shall give or cause to be given all notices required to be given to the Members, directors, auditors, mortgagees and all others entitled thereto; he shall attend all

meetings of the directors and of the Members and shall enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings; he shall be the custodian of all books, papers, records, documents and other instructions belonging to the Corporation except those to be kept by the Treasurer and he shall perform such other duties as may from time to time be prescribed by the Board.

5.08 Treasurer. The Treasurer shall keep or cause to be kept full and accurate books of account and accounting records in which shall be recorded record of all receipts and disbursements of the Corporation. He shall have the care and custody of all the funds and securities of the Corporation in such bank or banks or trust company or trust companies or with such depository or depositories as the Board of Directors shall direct. He shall disburse the funds of the Corporation when necessary and proper, taking proper vouchers for such disbursements, and shall render to the President and directors at the meetings of the Board of Directors or whenever they may require it, an account of all his transactions as Treasurer, and of the financial position of the Corporation; and he shall perform such other duties as may from time to time be prescribed by the Board of Directors.

5.09 Other Officers. The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the Board requires of them. Any of the powers and duties of any officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the Board otherwise directs.

5.10 Compensation. Compensation of all officers and employees of the Corporation shall be fixed by the directors. This provision shall not preclude the Board of Directors from employing a director as an employee of the Corporation nor preclude any director entering into a contract with the Corporation for the management of the Corporation.

## **ARTICLE VI**

### **BANK ARRANGEMENTS AND CONTRACTS**

6.01 Banking Arrangements. The banking business of the Corporation or any part thereof shall be transacted with such Bank or Trust Company as the Board may designate, appoint or authorize from time to time by resolution and all such banking business or any part thereof shall be transacted on the Corporation's behalf by such one or more officers or other persons as the Board may designate, direct or authorize from time to time by resolution and, to the extent therein provided, including without restricting the generality of the foregoing, the operation of the Corporation's accounts, the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing, or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders relating to any property of the Corporation; the execution of any agreement relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such banker to do any act or thing on the Corporation's behalf to facilitate such banking business.

6.02 Execution of Instruments. Deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by the President or a Vice-President together with the Secretary or any other director. Any contract or obligations within the scope of any management agreement entered into by the Corporation may be executed on behalf of the Corporation in accordance with the provisions of such management agreement. Notwithstanding any provisions to the contrary contained in the By-Laws of the Corporation the Board may at any time and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, contract or obligation or any class of deeds, transfers, contracts or obligations of the Corporation may or shall be signed.

## **ARTICLE VII THE CORPORATION**

7.01 Duties of the Corporation. The duties of the Corporation are to manage the property and any assets acquired by the Corporation in connection with the use and enjoyment of the property, to prepare budgets and collect common expenses with a view to maintaining financial stability and to provide such services to the owners as are specified in the Act, the Declaration or the By-Laws. Without limiting the generality of the foregoing, the duties of the Corporation include the following:

- (a) to collect and receive all contributions towards the common expenses from the owners, or from any mortgagee if the same are collected by a mortgagee, and deposit the same in a separate account with a chartered bank, loan or trust company;
- (b) to keep accurate accounts of the financial transactions involved in the performance of its duties and the exercise of its rights and send to each owner annual statements of income and expenditures with respect thereto.
- (c) within ninety (90) days after the end of each fiscal year to deliver or mail to each owner, and the Registrar of Condominiums, and to each mortgagee who has notified his interest to the Corporation, a copy of the Corporation's audited financial statements for the preceding fiscal year prepared and certified by the auditors of the Corporation and signed by two directors;
- (d) for the purpose of complying with the provisions of the Act and the Declaration with respect to insurance to do all acts and things and to take out and maintain such insurance as the Board may from time to time deem advisable;
- (e) to control, manage and administer the common elements for the benefit of all the owners and for the benefit of the entire condominium project, and to maintain such staff as may be required to carry out at all times promptly and efficiently its duties in such management of the property;

- (f) to repair and maintain the common elements in accordance with the provisions of the Act and the Declaration;
- (g) to keep the common elements clean, suitably decorated and landscaped (other than those parts of the common elements to which an owner has exclusive use and possession) and to keep all sidewalks, driveways and entrances free and clear of ice and snow;
- (h) to purchase electricity, water and other public utilities for use in the common elements;
- (i) to effect compliance by the owners of units with the Act, the Declaration and the By-Laws.

2. Powers of the Corporation. The powers of the Corporation include, but are not limited to the following:

- (a) purchasing, hiring or otherwise acquiring, property for use by the unit owners in connection with their enjoyment of the common elements, and for use in the management and maintenance of the common elements and the property, except the units;
- (b) borrowing money required by it for the performance of its duties or the exercise of its powers but each borrowing shall require the recommendation of the Board and approval by by-law, passed at a meeting called for that purpose;
- (c) to secure the repayment of monies borrowed by it and the payment interest thereon by negotiable instrument;
- (d) to make an agreement with any unit owner or occupier of a unit for the provision of amenities or services, or payment of same;
- (e) granting to any unit owner the right to exclusive use and enjoyment of any part of the common elements or special privileges in respect thereof;
- (f) revoking any grant provided under paragraph (e) above on reasonable notice;
- (g) entering into contracts for the repair and maintenance on a continuing or periodic basis of any part or parts of the common elements or of installations contained in units and subject to easements for services to the common elements or other units but no such contract shall extend for more than two (2) years unless approved by by-law;
- (h) to do all things reasonably necessary for the performance of its duties under the Act, the Declaration, the By-Laws including the common element rules;

- (i) adoption and amendment of rules and regulations concerning the operation and use of the property;
- (j) employing a manager at a compensation to be determined by the Board, to perform such duties and services as the Board shall authorize, including but not limited to the duties of the Corporation set forth in paragraph 7.01;
- (k) obtaining and maintaining fidelity bonds for any Manager where deemed necessary by the Board and in such manner as the Board may deem reasonable;
- (l) investing reserves and other money from time to time held by the Corporation, provided that such investment shall be those permitted by the Trustee Act, Revised Statutes of Nova Scotia, 1967, Chapter 317 and amendments thereto, and convertible into cash in not more than ninety (90) days.

#### **ARTICLE VIII** **DUTIES OF THE DECLARANT**

The Declarant shall perform all the duties of the Corporation set forth in this By-Law up to the date of appointment of directors by the Declarant provided for in paragraph 4.04 of this By-Law or until the first general meeting, whichever first occurs, and thereafter the Corporation shall assume all of its duties as herein set forth; and the Declarant shall prepare and adopt a budget for the Corporation for the period from the date of registration of the Declaration and Description until the first fiscal year end, subject to revision pursuant to paragraph 2.03.

#### **ARTICLE IX** **MANAGEMENT OF THE PROPERTY**

Notwithstanding paragraph 7.01 hereof, the Corporation may from time to time enter into an agreement for the management of the property with a person or persons, corporation or firm selected by the Corporation in its discretion for such period and upon such terms and conditions as the Corporation deems expedient provided that any agreement for more than one (1) year must be approved by By-Law. In such agreement or agreements, the Corporation may delegate to such person or persons, corporation or firm, all of its powers and duties, including the collection of common expenses, but not including the assessment of common expenses, and those powers and duties that are specifically required by the *Condominium Act* to be exercised by the Corporation, or by its Board of Directors.

**ARTICLE X**  
**ASSESSMENT AND COLLECTION OF CONTRIBUTIONS TOWARDS**  
**THE COMMON EXPENSES**

10.01 Annual Budget. The Board shall, at least thirty (30) days prior to the commencement of each fiscal year, prepare and adopt a budget for the Corporation for the next ensuing fiscal year, setting forth in categories estimates of the amount of the common expenses of the Corporation for such year and allocating and assessing such common expenses for such fiscal year among the owners according to the proportion in which they are required to contribute to the common expenses as set forth in the Declaration. In preparing the budget the Board shall estimate the amount of income to be received by the Corporation from the use, operation or rental of any of the common elements. In addition to all expenses, charges or costs, which the Board may incur or expend, there shall be included in the annual budget provision for the following:

- (a) A Contingency Fund, which fund shall be used and applied from time to time towards meeting the deficits and such other common purposes as the Corporation may deem necessary;
- (b) A Reserve Fund, which shall include monies received to be accumulated in the Reserve Fund as provided for in paragraph 10.03 and to be used or expended for major maintenance items, which occur less frequently than annually and for major items of repair or replacement made necessary by damage, deterioration, or obsolescence.

10.02 Contingency Fund. Upon the purchase of each unit from the Declarant, or at any time thereafter at the request of the Corporation, each owner shall deposit with the Corporation, or as the Corporation may otherwise direct, an amount equal to three times the monthly assessment relating to such owner's unit for the year in which such deposit is requested. Such amount shall be held, together with the amount similarly deposited by other unit owners, as a Contingency Fund for common expenses and shall be used and applied from time to time towards meeting the deficits and such other common purposes as the Corporation may deem necessary, but not amounts to be expended from the Reserve Fund.

10.03 Reserve Fund. The monies in the Reserve Fund shall be accumulated and when the amount in the Reserve Fund reaches Nine Thousand Dollars (\$9,000.00) the Board shall no longer be required to include any minimum amount to be credited to the Reserve Fund in the budget, but shall administer the Reserve Fund with a view to maintaining it at that level. When the Reserve Fund reaches Nine Thousand Dollars (\$9,000.00) the interest on it may be transferred by the Board of Directors to the account maintained by the Corporation to satisfy common expenses, but otherwise the interest shall be accumulated in the Reserve Fund.

10.04 Contingency and Reserve Funds Part of Common Elements. The Contingency Fund and the Reserve Fund shall be deemed part of the common elements and in the event of sale by the owner, such owner shall not be entitled to any refund of the whole or any part of the contributions or deposits made from time to time by him to the Contingency Fund or Reserve Fund, but all his

interest in the unexpended portion of each of the said Funds, if any, shall be transferred and enure to the purchaser of the unit with whom the owner will make any necessary adjustments.

10.05 Copies of Budget and Notices of Assessment. A copy of the budget for the ensuing fiscal year, together with a notice showing the amount assessed to each owner for such year for common expenses, shall be delivered or mailed by first class mail, postage prepaid, to each owner, and to each mortgagee who has notified his interest to the Corporation, not more than twenty-one (21) days after the beginning of each fiscal year. Each owner shall be obliged to pay to the Corporation, or as the Corporation may in writing direct, the amount of such annual assessment as follows: one-twelfth (1/12) of such assessment on the first day of each and every month next following the delivery of such notice of assessment. Each owner shall on or before the first day of the second month in each fiscal year, unless otherwise directed by the mortgagee for such unit, deliver to the Corporation, or as the Corporation may direct in the notice of assessment, twelve (12) post-dated cheques covering the payments due by each owner during the ensuing twelve (12) months and such cheques shall be deposited as they become payable. Until the annual budget for any fiscal year has been sent to each owner, each owner shall continue to pay each month an amount equal to the monthly instalment payable by such owner under the annual budget for the preceding fiscal year.

10.06 Special Assessments. If at any time during the course of any fiscal year the Board shall determine that the annual assessment of contributions are inadequate by reason of revision in the Board's estimates of either expenses or income the Board shall prepare and cause to be delivered to each owner and to each mortgagee who has notified his interest to the Corporation a revised annual budget for the balance of such fiscal year and thereafter monthly contributions shall be determined and paid on the basis of such revised budget.

10.07 Monies on Deposit. All monies of the Corporation, except petty cash on hand or monies invested, shall be kept on deposit in a chartered bank or trust company carrying on business in the Province of Nova Scotia.

10.08 Conveyance of Unit. No owner shall be liable for the payment of any part of the common expenses assessed against his unit prior to the transfer by him of such unit but payable by him subsequent thereto, provided that he first gives notice of such assessment to the transferee of the unit.

10.09 Statement of Account. Within ten (10) days following written application therefore, the Board shall furnish an owner or mortgagee or any person authorized in writing by either of them, with a statement as of the first day of the month in which such request is made setting forth the following:

- (a) any assessments unpaid or payable as of such date, together with accrued interest thereon;
- (b) the amount outstanding in a reserve fund and contingency fund contributed or deposited or required to be contributed or deposited by the unit owner.

10.10 Inspection of Books. Upon written application therefore, the Board shall make the books of account and accounting records available at all reasonable times for inspection by an owner, or a mortgagee (if authorized hereunder) or any person authorized in writing by either of them.

10.11 Collection. The Corporation shall take all necessary steps to enforce the payment by each owner of all unpaid assessments, monthly contributions and all other amounts owed by him to the Corporation.

10.12 Estoppel Certificates. Any certificate issued by the Corporation to a mortgagee, purchaser, or other person dealing with an owner, to certify an owner's position with regard to assessments, contributions or otherwise, which has been signed by two officers of the Corporation under its corporate seal, shall be binding upon the Corporation and all other owners and they shall be estopped from denying the accuracy of such certificate against any such mortgagee, purchaser or other person dealing with the owner; but this shall not prevent the enforcement against the owner of all obligations of the owner whether improperly stated in such estoppel certificate or not.

10.13 Default in Payment of Assessment.

- (a) Arrears of payments required to be made under the provision of this Article X shall bear interest at a rate equal to two percent (2%) above the interest rate charged from time to time by the Bank of Canada to Chartered Banks 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, for a period of fifteen (15) days, the Board may bring legal action for and on behalf of the Corporation to enforce collection thereof and there shall be added to any amount found due all costs of such action including costs as between a solicitor and his own client.

## **ARTICLE XI**

### **DEFAULT**

11.01 Notice of Unpaid Common Expenses. The Board whenever so requested in writing by an owner or mortgagee who has given notice of his mortgage to the Corporation shall promptly report any then unpaid common expenses due from or any other default by, any owner, and any common expenses assessed or other money claims by the Corporation against any owner, which are thirty (30) days past due.

11.02 Notice of Default. The Board when giving notice of default in payment of common expenses or any other default to the owner of the unit, shall concurrently send a copy of such notice to each mortgagee of such unit, who is entered on the Register and who has requested that such notices be sent to him.



**ARTICLE XII**  
**RECORDS**

12.01 The Board shall cause to be kept the following records:

- (a) a set of architectural plans and specifications of the buildings and of all alterations in the building made by the Corporation or by an owner; and
- (b) a log of all communications or complaints from owners relating to the duties of the Corporation and of the action taken; and
- (c) minutes of meetings of the Board;
- (d) minutes of meetings of members of the Corporation;
- (e) financial records and books of account, including a chronological list of receipts and expenditures as well as a separate account for each unit which shall contain the amount of each assessment of common expenses against each unit, the date when due, the amount paid thereon and any amounts remaining unpaid;
- (f) a unit ownership register showing the names of the owners, as notified to the Corporation, the addresses for service of the owners, the proxies from time to time in force, and the names and addresses for service of all mortgagees who from time to time give notice of registration of their mortgages to the Corporation.

All records shall be available for inspection at reasonable hours by all owners and mortgagees.

**ARTICLE XIII**  
**PROVISIONS RESPECTING THE USE AND OCCUPATION OF UNITS**

The following rules and regulations shall be observed by the owners and the term "owner" shall include the owner or any other person occupying the unit with the owner's approval:

13.01 The water closets and other water apparatus shall not be used for purposes other than those for which they are constructed and no sweepings, garbage, rubbish, rages, ashes or other substances shall be thrown therein. Any damage resulting to them from misuse or from unusual or unreasonable use shall be borne by the owner who, or whose family, guests, visitors, servants, clerks or agents shall cause it.

13.02 No sign, advertisement or notice shall be inscribed, printed, affixed or placed on any part of the inside or outside of the buildings or common elements whatsoever without the prior written consent of the Board. Any signs, advertisements, or notices shall be in form and size as prescribed

and permitted by the Board from time to time and shall be only inscribed, painted, affixed or placed on such common sign directory as may be provided by the Board from time to time.

13.03 No sign, advertisement or notice offering a unit for sale or rent shall be inscribed, painted, affixed or placed on any part of the inside or outside of the buildings or common elements whatsoever without the prior written consent of the Board and any such signs, advertisements or notices shall be in size and form as prescribed by the Board from time to time and shall only be inscribed, painted, affixed or placed on such common sign directory as may be provided by the Board from time to time.

13.04 No awnings or shades shall be erected over and outside of the windows or balconies (if any) without the prior written consent of the Board, which consent, if given, shall prescribe the shape, colour and materials of such awnings or shades to be so erected.

13.05 No owner shall do, or permit anything to be done in his unit or bring or keep anything therein which will in any way increase the risk of fire or the rate of fire insurance on any building, or on property kept therein, 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 any owner or conflict with any of the rules and ordinances of the Board of Health or with any Statute or municipal by-law.

13.06 Nothing shall be placed on the outside of window sills or projections.

13.07 Water shall not be left running unless in actual use.

13.08 The owner shall not place, leave or permit to be placed or left in or upon the common elements including those of which he has the exclusive use, any debris, refuse or garbage except in containers approved by the Board or Manager. Each unit owner shall be responsible for the disposal of his own garbage provided that in the event garbage is not disposed of in a manner satisfactory to the Board or Manager, after three days written notice, the Corporation shall have the garbage removed, at the expense of the unit owner, which expense shall be collected in the same manner as common expenses.

13.09 Owners, their employees, agent, customers, visitors and tenants shall not create or permit the creation of 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 property by other owners, their employees, agents, customers and tenants and persons having business with them.

13.10 Nothing shall be thrown out of the windows or doors of the buildings.

13.11 Owners shall not overload existing electrical circuits.

13.12 No auction sale shall be held on the property.

13.13 No stores of coal or any combustible or offensive goods, provisions or materials shall be kept on the property.

13.14 No noise, caused by any instrument or other device, or otherwise, which in the opinion of the Board may be calculated to disturb the comfort of the other owners shall be permitted.

13.15 The sidewalks, entry, passageways, walkways and driveways used in common by the owners shall not be obstructed by any of the owners or used by them for any purpose other than for ingress and egress to and from their respective units.

13.16 No motor vehicle exceeding six feet in height and/or twenty feet in length shall be parked on any part of the common elements and no motor vehicle shall be driven on any part of the common elements other than on a driveway or parking space.

13.17 No television antenna, aerial, tower or similar structure and appurtenances thereto shall be erected on or fastened to any unit, without the prior approval of the Corporation.

13.18 No one shall harm, mutilate, destroy, alter or litter any of the landscaping work on the property, including grass, trees, shrubs, hedges, flowers or flower beds.

13.19 No owner shall change the master locking system to any door providing ingress or egress to any unit.

13.20 Each owner shall permit reasonable access to his unit by the Corporation or its authorized representative for the purposes of preventing or limiting infestation or re-infestation of insects or rodents and shall fully co-operate with the Corporation or its authorized representative in order to fully implement any spraying programme deemed to be necessary by the Corporation.

13.21 Any loss, costs, or damages incurred by the Corporation by reason of a breach of any rules and regulations in force from time to time by any owner, his employees, agents, customers, visitors and tenants of his unit shall be borne by such owner and may be recovered by the Corporation against such owner in the same manner as common expenses.

13.22 No exterior surface shall be painted or decorated in a colour other than has been designated for all exterior surfaces by the Board of Directors, or as exists at the time of decorating or painting, for the whole building.

13.23 No owner shall install any heating, air-conditioning or ventilating unit on any portion of the common elements except in the place and manner prescribed by the Declarant or in such other area as may be approved by the Board, and any such installation shall be carried out by the Corporation at the cost of the owner.

13.24 Notwithstanding anything herein contained, no vehicle of any nature whatsoever shall be parked in any of the common areas, which in the opinion of the Board may be visually objectionable or unsightly.

13.25 Save as otherwise herein provided no signs, banners, slates, billboard, notices or other advertising matter of any kind, temporary or permanent shall be placed on any part of the units or the common elements or on any fence or tree on the lands without the consent and approval by the Board first had and obtained. And provided further that no roof signs or flashing signs will be permitted.

13.26 No waste matter, or other materials shall be kept or stored or left on the common elements outside any building or structure erected on the rear property or any part thereof unless the location of the area in which such waste or other materials to be stored or left shall have first been approved by the Board of Directors in writing.

#### **ARTICLE XIV** **PROVISIONS GOVERNING THE USE OF THE COMMON ELEMENTS**

The rules and regulations with respect to the use of the common elements of the Corporation shall be initially those rules and regulations set forth in Schedule "A" of this By-Law Number 1, and thereafter any amendments, additions, deletions or changes therein from time to time shall be authorized by resolution passed by a majority vote at an annual or general meeting of the Corporation (to include parking privileges in common area).

#### **ARTICLE XV** **MISCELLANEOUS**

15.01 Severability. The invalidity in whole or in part of any article or articles, paragraph or paragraphs, or clause or clauses contained in this By-Law contained shall not affect the validity of the remaining portions of such article or articles, paragraph or paragraphs, or clause or clauses of this By-Law.

15.02 Interpretation. In this By-Law and all other By-Laws of the Corporation, unless the context otherwise requires, words importing the singular number only shall include the plural and vice-versa; words importing the masculine gender shall include the feminine and neuter gender; and words importing person shall include companies, corporations, partnerships and any number or aggregate of persons.

Whenever reference is made in the By-Law to any statute or section thereof such reference shall be deemed to extend and apply to any amendments to the said statute or section or re-enactment thereof as the case may be.

15.03 Headings. The headings in the body of this By-Law Number 1 form no part of this By-Law, but shall be deemed to be inserted for convenience of reference only.

15.04 Waiver. No restrictions, conditions, obligations or provisions contained in this By-Law or any amendments thereto 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.

15.05 Amendments. 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 and accepted for registration by the Registrar of Condominiums.

**SCHEDULE "A" TO BY-LAW NUMBER 1 OF  
ANNAPOLIS COUNTY CONDOMINIUM CORPORATION NO. 2  
ENACTED THE 6<sup>th</sup> DAY OF SEPTEMBER, 1997**

Rules and Regulations Governing the Use of the Common Elements

1. The sidewalks, walkways, passages and driveways shall not be obstructed or used for any other purpose than ingress to and egress from the units and parking areas within the common elements.
2. No trailer of any kind, including without limiting the generality of the foregoing any house, tent, boat or snowmobile trailer and no boat, snowmobile or mechanical toboggan of any kind shall be parked, placed, located, kept or maintained on any part of the common elements.
3. No motor vehicle shall be sold or displayed for sale from the common elements.
4. No repairs or adjustments to motor vehicles or automobiles, snowmobiles, trailers or boats may be carried out on the common elements.
5. No animal, livestock, fowl or pet of any kind shall be kept on any part of the common elements.
6. No stores of coal or any combustible, inflammable or offensive goods, provisions or materials shall be kept on any part of the common elements.
7. No building or structure or tent shall be erected, placed, located, kept or maintained on the common elements without the prior written consent of the Board.
8. No part of the common elements shall be used for the erection, placing or maintenance of incinerators, garbage disposal equipment, recreation or athletic equipment, fences or other barriers, hedges, gardens or other vegetation or for the disposal of rubbish, garbage or waste, without the prior written consent of the Board.
9. No television antennae, aerial or tower and appurtenances thereto shall be erected on any part of the common elements.
10. No owner, occupant or guest shall do anything that will be noisy or offensive in the common elements, so as to interfere with the enjoyment, by any owner, of the common elements or his unit.

11. The Board of Directors may from time to time determine the basis upon which parking spaces shall be assigned and/or rented.