

Bodily Injury, Death, Loss or Damage

12.3 The Tenant agrees that:

(a) Except where caused by or arising from the wilful acts or negligence of the Landlord or persons for whom the Landlord is in law responsible or as otherwise specifically provided herein, the Landlord shall not be liable for any bodily injury to or death of, or loss or damage to any property belonging to the Tenant or its employees, invitees or licensees or any other person in or about the Leased Premises, the Building or the Lands and in no event shall the Landlord be liable for any consequential injury, economic or financial loss or damage relating thereto, or

(i) for any injury or damage of any nature whatsoever to any persons or property caused by the failure by reason of a breakdown or other cause, either directly or indirectly, to supply adequate drainage, snow or ice removal or by reason of the interruption of any public utility or other service, or in the event of gas, steam, water, rain, snow, ice or other substances leaking into, issuing or flowing from the water, steam, sprinkler or drainage pipes or plumbing of the Building or the Leased Premises or from any other place or quarter, into any part of the Leased Premises or from any loss or damage caused by or attributable to the condition or arrangement of any electric or other wiring or for any damage caused by anything done or omitted to be done by any other tenant of the Building;

(ii) [Intentionally Deleted];

(iii) for loss or damage, however caused, to money, securities, negotiable instruments, papers or other valuables of the Tenant, including any consequential loss or damage resulting therefrom; or

(iv) for loss or damage to any automobiles or their contents or for the unauthorized use by other tenants or strangers of any parking space allotted to the Tenant or for parking in or upon the Common Areas and Facilities;

and the Tenant covenants to indemnify and does hereby indemnify the Landlord against and from all loss, costs, claims and demands in respect of any such injury, death or loss to it or its employees, invitees or licensees or any other person in or on the Building for the purpose of attending at the Leased Premises or the Building in respect of any such damage to property belonging to or entrusted to the care of any of the aforementioned;

(b) The Landlord shall have no responsibility or liability for the failure to supply, if required to do so under the terms of this Lease, interior and climate control and utilities when prevented from doing so by strikes, the necessity of repairs, and order or regulation of anybody having jurisdiction, the failure of the supply of any utility required for the operation thereof or any other cause beyond the Landlord's reasonable control, and the Landlord shall in no event be held responsible or liable for business, economic, indirect or consequential loss, damages or other damages for personal discomfort or illness or injury or death resulting therefrom;

(c) The Landlord shall be under no obligation to repair, maintain or insure any of the Tenant's trade fixtures or improvements installed by the Tenant or on its behalf or any other property of the Tenant in or upon the Leased Premises and the Landlord shall not be liable for any loss or damage against which the Tenant is obligated to insure hereunder or has insured against;

(d) The Landlord shall be under no obligation to remedy any default of the Tenant and shall not incur any liability to the Tenant for any act or omission in the course of its curing or attempting to cure any such default or in the event of its entering upon the Leased Premises to undertake any examination thereof or any work therein or in the case of any emergency except where caused by or arising from the wilful acts or negligence of the Landlord or persons for whom the Landlord is in law responsible; and

(e) All property of the Tenant kept or stored on the Lease Premises shall be so kept or stored at the risk of the Tenant.

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Landlord	
<i>[Signature]</i>	<i>[Signature]</i>

Increase in Insurance Premiums

12.4 The Tenant agrees that it will not keep, use, sell or offer for sale in or upon the Leased Premises any article which may be prohibited by the insurance policies in force from time to time covering the Building. In the event the Tenant's occupancy of, conduct of business in, or sale of any merchandise from, or on the Leased Premises, or in the event any activity carried on or permitted to be carried on by the Tenant whether or not the Landlord has consented to same, causes any increase in premiums for the insurance carried from time to time by the Landlord for the Building, the Tenant shall pay any such increase in premiums within twenty (20) days after bills for such additional premiums shall be rendered by the Landlord. In determining whether increased premiums are a result of the Tenant's use or occupancy of the Leased Premises, or the sale of any article therein or therefrom, a schedule issued by the organization making the insurance rate on the Building showing the various components of such rates shall be conclusive evidence of the several items and charges which make up such rates. The Landlord agrees and acknowledges that the Tenant's Permitted Use as contemplated herein is not prohibited by any of its insurance policies nor will such use cause any increase in premiums for insurance.

Cancellation of Insurance

12.5 If any insurance policy upon the Leased Premises, or any part thereof, shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Leased Premises or any part thereof by the Tenant or by any assignee or sub-tenant of the Tenant, or by anyone permitted by the Tenant to be upon the Leased Premises, and if the Tenant fails to remedy the condition giving rise to cancellation or reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may remedy the condition giving rise to such cancellation, threatened cancellation or reduction, and the Tenant shall forthwith pay the cost thereof to the Landlord which cost may be collected by the Landlord as Basic Rent. The Landlord agrees and acknowledges that the Tenant's Permitted Use as contemplated herein will not result in a cancellation or threatened cancellation or reduction of any of its insurance policies.

Indemnification of Landlord

12.6 Except where caused by or arising from the willful acts or negligence of the Landlord or persons for whom the Landlord is in law responsible or as otherwise specifically provided herein, the Tenant agrees to and does hereby indemnify, defend and save harmless the Landlord in respect of any claims for bodily injury or death, property damage or any other loss or damage, arising howsoever, out of the use or occupation of the Leased Premises or from conduct of any work by or any act or omission of the Tenant or any assignee, subtenant, agent, employee contractor, invitee, or licensee of the Tenant or anyone else for whom the Tenant may be responsible in law, and in respect of all costs, expenses and liabilities incurred by the Landlord in connection with or arising out of all such claims, including the expense of any action or proceeding pertaining thereto and in respect of any loss, cost, expense or damage suffered or incurred by the Landlord arising from any breach or non-performance by the Tenant of any of its covenants or obligations under this Lease. The Tenant's obligations to observe or perform the foregoing covenants shall survive the expiration or other termination of this Lease. The Tenant expressly releases the Landlord from any claims, damages, judgements, losses or awards caused by or arising from perils insured against or required to be insured against by the Tenant under this Lease.

ARTICLE 13

ASSIGNMENT AND SUBLETTING

Consent Required

13.1 (a) The Tenant shall not assign this Lease or sublet or otherwise part with possession of the whole or any part of the Leased Premises unless: (1) it shall have received or procured a bona fide written offer to take an assignment or sublease which is not inconsistent with, and the acceptance of which would not breach any provision of this Lease if this Section is complied with and which the Tenant has determined to accept subject to this Section being complied with, and (2) it shall have first requested and

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obtained the consent in writing of the Landlord thereto, acting reasonably. Any request for such consent shall be in writing and accompanied by a true copy of such offer, and the Tenant shall furnish to the Landlord all information available to the Tenant and requested by the Landlord as to the responsibility, reputation, financial standing and business of the proposed assignee or sub-tenant. Within fifteen (15) days after receipt by the Landlord of such request for consent and of all information which the Landlord shall have requested hereunder (and if no such information has been requested, within fifteen (15) days after receipt of such request for consent) the Landlord shall notify the Tenant whether or not the Landlord consents. The Landlord's consent to the proposed assignment or sublease shall not be unreasonably withheld or delayed so long as the proposed assignment or sublease complies with provisions of this Section;

(b) Notwithstanding any such assignment, sublease, or parting with possession, the Tenant shall remain fully liable on this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease during the Term hereof and any extensions or renewals of this Lease;

(c) No assignment or sublease shall be made or proposed other than to responsible persons, firms, partnerships or bodies corporate who are experienced in and agree to carry on the type of business conducted in the Leased Premises by the Tenant, as set forth in Section 9.1(a) hereof and who undertake to perform and observe the obligations of the Tenant hereunder by entering into the Landlord's form of agreement directly with the Landlord;

(d) The prohibition against assigning or subletting without the consent required by this Section 13.1 shall be construed to include a prohibition against any assignment or sublease by operation of law, any assignment or sublease to a franchisee of the Tenant and the granting of any mortgage or other security interest in this Lease;

(e) The consent by the Landlord to any assignment or sublease shall not constitute a waiver of the necessity for such consent to any subsequent assignment or sublease;

(f) All costs incurred by the Landlord in connection with the assignment or sublease or the request for consent thereto shall be borne by the Tenant, but such costs shall not exceed five hundred (\$500) dollars; and

(g) Any Rent or other charges, in respect of the Leased Premises in excess of that payable hereunder by the Tenant to the Landlord, payable by an assignee or subtenant to the Tenant pursuant to any permitted assignment or sublease, shall be assigned by the Tenant to the Landlord at the time such amounts are actually received by the Tenant.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, the Tenant shall have the right to assign, sublet, transfer in whole or in part the Lease, or otherwise part with possession of all or any part of the Leased Premises, or effect a Change in Control, provided that the transferee of the Lease or shares of the Tenant, as the case may be, is, in each instance, a Permitted Transferee (a "Permitted Transfer"), without the requirement to obtain the prior written consent of the Landlord, but with at least fifteen (15) days prior written notice to the Landlord. Concurrently with Tenant's notice as aforesaid, Tenant shall furnish the Landlord with copies of all relevant financial statements and additional information that Landlord may reasonably require to ascertain the financial standing of such Permitted Transferee. The Permitted Transferee shall carry on in the Premises only the use permitted by the Lease and shall enter into a written agreement with the Landlord to assume, be bound by and observe and perform the terms, conditions and provisions of the Lease. For clarity, Sections 13.1(a) to (f) shall not be applicable in the event the Tenant effects a Permitted Transfer. Following a Permitted Transfer, the Tenant shall automatically be released from its obligations under this Lease.

"Permitted Transferee" means any corporation, partnership or other person; (i) which is an affiliate of Ontario Cannabis Holdings Corp. or other corporate nominee; (ii) which is a successor entity formed as a result of an amalgamation or merger of Ontario Cannabis Holdings Corp. or other corporate nominee; (iii) that is a purchaser of the whole or a majority of the Tenant's business as a going concern or a majority of its assets; (iv) that is publicly traded on a recognized securities exchange; or (v) that possesses an equal or greater financial covenant as

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that of Tenant on the Commencement Date as determined by the Landlord acting reasonably based upon the relevant financial statements and additional information regarding the Permitted Transferee that Landlord may reasonably require.

"Change in Control" means, where the Tenant is a corporation or partnership, the transfer, by sale, issuance from treasury, cancellation or redemption, or otherwise, of any shares, voting rights or interest which will result in a change of the identity of the person exercising, or who might exercise, effective voting control of such corporation or partnership.

Except as otherwise provided above, the Tenant shall not assign the Lease, sublet all or part of the Leased Premises or effect a Change of Control without first obtaining the Landlord's prior consent, such consent not to be unreasonably withheld or unduly delayed. If the prospective assignee or sublessee proposes to use the Leased Premises for a purpose other than as stipulated in Section 9.1, the Landlord agrees to act reasonably in considering the Tenant's request for consent.

Control of Corporation

13.2 If the Tenant is a corporation, other than a corporation of which the shares are listed on any recognized stock exchange, except in connection with a Permitted Transfer as provided in Section 13.1 above, effective control of the corporation shall not be changed directly or indirectly by a sale, encumbrance or other disposition of shares whether by operation of law or otherwise howsoever, without first obtaining the written consent of the Landlord, acting reasonably.

ARTICLE 14

WASTE, GOVERNMENTAL REGULATION

Waste or Nuisance

14.1 The Tenant shall not commit or suffer to be committed any waste upon the Leased Premises or any nuisance or other thing which may disturb the quiet enjoyment of any other tenant or unit owner in the Building. The Tenant shall be responsible for all garbage and waste removal from the Leased Premises.

Governmental Regulations

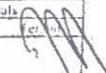
14.2 The Tenant shall, at the Tenant's sole cost and expense, comply with all of the requirements of all municipal, provincial, federal and other applicable governmental authorities, now in force, or which may hereafter be in force, pertaining to the Leased Premises, and shall faithfully observe in the use of the Leased Premises all municipal by-laws and provincial and federal statutes and regulations now in force or which may hereafter be in force.

Observance of Law

14.3 The Tenant covenants to comply with all provisions of law including, without limiting the generality of the foregoing, federal and provincial legislative enactments, building by-laws and other governmental or municipal regulations which relate to the partitioning, equipment operation and use of the Leased Premises, or to the making of any repairs, replacements, alterations, additions, changes, substitutions or improvements of or to the Leased Premises, and to comply with all police, fire and sanitary regulations imposed by any governmental, provincial or municipal authorities or made by fire insurance underwriters and to observe and obey governmental and municipal regulations and other requirements governing the conduct of any business conducted in the Leased Premises.

Compliance with Environmental Laws

14.4 (a) Without limiting any other provision of the Lease, the Tenant agrees to comply in all respects with all laws, ordinances, rules and regulations relating to the storage, transport, use or disposal of any Hazardous Substance and shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Leased Premises without the prior written consent of the Landlord, not to be unreasonably withheld. The

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Landlord	Tenant
	

Tenant agrees to indemnify and hold the Landlord harmless from and against any and all claims, losses, costs, damages, liabilities, civil fines and penalties, criminal fines and penalties, expenses (including legal fees on a solicitor-client basis), cleanup costs or other injury resulting from or arising out of the Tenant's (including employees, contractors and agents) failure to comply with the foregoing sentence. The foregoing indemnity shall survive the termination of the Lease, any subsequent extensions or renewals and shall continue until the applicable statute of limitations runs out.

(b) The Tenant shall not cause or permit any Hazardous Substance, as defined herein or declared to be such pursuant to any Environmental Laws, to be brought upon, kept or used in or about the Leased Premises or any part thereof without the prior written consent of the Landlord, which consent will not be unreasonably withheld if the Tenant demonstrates to the Landlord's reasonable satisfaction that the Hazardous Substance is reasonably necessary for the Tenant's permitted use of the Leased Premises and that it will be used, kept, stored and disposed of in a manner that complies with all Environmental Laws regulating the Hazardous Substances.

(c) The Tenant shall at the Tenant's own expense comply with all Environmental Laws regulating the manufacture, use, storage, transportation and disposal of Hazardous Substances and shall make, obtain and deliver all reports and studies required by any authority thereunder, if any.

(d) The Landlord may at any time and from time to time and upon reasonable prior written notice to the Tenant inspect the Leased Premises and the Tenant's reports, if any, for the purpose of identifying the existence, nature and extent of any Hazardous Substance on the Leased Premises and the Tenant's use, storage and disposal of any Hazardous Substance, and the Tenant agrees to co-operate with the Landlord in its performance of such inspection. If the Landlord, acting reasonably, determines following any such inspection that further testing or investigation is required in order to monitor the Tenant's compliance with any Environmental Laws, the Landlord may at its option require the Tenant, at the Landlord's expense, to arrange for such testing or investigation, or may arrange for such testing or investigation itself. The Landlord's cost of such testing or investigation shall be paid by the Tenant to the Landlord in the event that the testing or investigation reveals a breach of the Tenant's obligations under this Section 14.4.

(e) If the Tenant creates or brings to the Leased Premises any Hazardous Substance or if the conduct of the Tenant's business shall cause there to be any Hazardous Substance at the Leased Premises then, notwithstanding any provision in this Lease or rule of law to the contrary, such Hazardous Substance shall be and remain the sole and exclusive property of the Tenant and shall not become the property of the Landlord notwithstanding the degree of affixation to the Leased Premises of the Hazardous Substance, and notwithstanding the expiry or early termination of the Lease.

Fire Inspection

14.5 The Landlord represents and warrants that: (a) all fire extinguishers and fire alarms located on the Leased Premises are in good working order and in compliance with all applicable laws; (b) the Toronto Standard Condominium Corporation No. 2050 has inspected the Leased Premises with respect to fire protection and prevention codes, regulations, guidelines, and laws and confirmed that the Leased Premises are compliant with same; and (c) the Toronto Standard Condominium Corporation No. 2050 will continue to perform such inspections on an annual basis.

ARTICLE 15

LANDLORD'S COVENANTS

Landlord's Covenants

15.1 Upon payment by the Tenant of the Basic Rent herein provided, and upon observance and performance of all covenants, terms and conditions on the Tenant's part to be observed and performed, the Landlord hereby covenants with the Tenant:

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Landlord	Tenant
	

- (a) for quiet enjoyment of the Leased Premises for the Term hereby demised without hindrance or interruption by the Landlord, or any other person or persons lawfully claiming by, through or under the Landlord;
- (b) subject to the other provisions of this Lease, to maintain, and to insure the Common Areas and Facilities, the Lands and the Building as a landlord, acting reasonably, would do in similar circumstances; and
- (c) otherwise observe and perform its covenants and obligations contained in this Lease.

ARTICLE 16

CHANGES AND ADDITIONS TO BUILDING

Changes and Additions to Building

16.1 The Landlord hereby reserves the right at any time to change the configuration of the Common Areas and Facilities and to make alterations or additions to and to build additional storeys on the Building in which the Leased Premises are contained and to build adjoining the same. The Landlord also reserves the right to construct other buildings or improvements on the Lands from time to time and to make alterations thereof or additions thereto and to build additional storeys on any such building or buildings and to build adjoining same and to construct multi-deck or elevated or underground parking facilities. The Landlord shall use commercially reasonable efforts to minimize its interference with the Tenant's use and occupation of the Leased Premises when exercising any of its rights under this Section 16.1. Notwithstanding the generality of the foregoing, the Landlord shall not have the right to change the configuration of or to make alterations or additions to the Leased Premises.

ARTICLE 17

FIXTURES AND ALTERATIONS

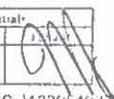
Installation by Tenant

17.1 All fixtures installed by the Tenant shall be new or, if not new, in first class condition and of good appearance. The Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed, any trade fixtures, exterior signs, floor coverings, interior or exterior lighting, or mechanical or electrical systems and fixtures, or plumbing fixtures, shades or awnings, or make any changes to the store front or hang from or affix anything to the ceiling without first obtaining the Landlord's written approval and consent which shall not be unreasonably withheld or delayed. The Tenant shall present to the Landlord plans and specifications for such work at the time approval is sought and the work shall be carried out in a good and workmanlike manner.

Tenant's Fixtures and Restoration

17.2

- (a) So long as the Tenant is not in default hereunder, at the expiration of the Term of this Lease, the Tenant shall then have the right to remove its trade fixtures from the Leased Premises, but shall make good any damage caused to the Leased Premises resulting from the installation or removal thereof, provided that all alterations, additions and improvements constructed and installed in the Leased Premises and attached in any manner whatsoever to the floors, walls or ceilings, including any floor covering and light fixtures (the "Leasehold Improvements"), are hereby deemed not to be trade fixtures and shall remain upon and be surrendered with the Leased Premises, except to the extent the Landlord requires removal thereof pursuant to Section 17.2(d).
- (b) If the Tenant fails to remove its trade fixtures and restore the Leased Premises as aforesaid within a reasonable time following the expiration of the Term or earlier termination of this Lease, all such trade fixtures shall become the property of the

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Landlord except to the extent that the Landlord continues to require removal thereof pursuant to Section 17.2(d).

(c) Should the Tenant abandon the Leased Premises or should this Lease be terminated before the proper expiration of the Term hereof, due to a default on the part of the Tenant, then in such event, as of the moment of default by the Tenant, all trade fixtures and Leasehold Improvements shall, except to the extent the Landlord requires the removal thereof pursuant to Section 17.2(d), become and be deemed to be the property of the Landlord without indemnity to the Tenant and as additional liquidated damages in respect of such default but without prejudice to any other right or remedy of the Landlord.

(d) Notwithstanding that any trade fixtures, furnishings, alterations, additions, improvements, fixtures or Leasehold Improvements are or may become the property of the Landlord, the Tenant shall forthwith remove all or part of the same and shall make good any damage caused to the Leased Premises resulting from the installation or removal thereof, all at the Tenant's expense, should the Landlord so require by notice to the Tenant.

(e) If the Tenant, after receipt of a notice from the Landlord pursuant to Section 17.2(d), fails to remove any trade fixtures, furnishings, alterations, additions, improvements, fixtures and Leasehold Improvements within a reasonable time following and in accordance with such notice, then the Landlord may enter into the Leased Premises and remove therefrom all or part of such trade fixtures, furnishings, alterations, additions, improvements, fixtures and Leasehold Improvements without any liability and at the cost of the Tenant which cost shall forthwith be paid by the Tenant to the Landlord together with an administration fee equal to 15% of such cost.

Not to Overload Floors or Facilities

17.3 The Tenant covenants and agrees that it will not

(a) bring upon the Buildings, Lands or Leased Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size or use might reasonably damage the Building, Lands or Leased Premises or overload the floors of the Leased Premises; or

(b) overload the facilities serving the Leased Premises and Common Areas and Facilities (including, but not being limited to, the heating, ventilating and air conditioning facilities, electrical facilities and plumbing facilities serving the Leased Premises).

and that if any damage is caused to the Leased Premises by any machinery, equipment, article or thing or by overloading the floors or the facilities or by any act, neglect, or misuse on the part of the Tenant and its servants, agents or employees or any person having business with the Tenant, the Tenant will forthwith repair the same or pay to the Landlord the cost of making good the same.

Tenant shall Discharge all Liens

17.4 The Tenant shall promptly pay all its contractors and material men and shall do any and all things necessary so as to minimize the possibility of a lien attaching to the Leased Premises or to any or all of the Lands and should any such lien be made or filed, the Tenant shall immediately discharge the same at the Tenant's expense and shall indemnify and save harmless the Landlord therefrom. If the Tenant does not immediately discharge such lien, the Landlord may pay such lien into the court (but not directly to the lien claimant) and the Tenant will pay to the Landlord the amount so paid and all the Landlord's costs in connection therewith which amounts shall be paid to the Landlord upon demand.

Repair on Termination

17.5 Without limiting the generality of Section 17.2 hereof, the Tenant shall at its own expense at the expiration or earlier termination of the Term:

Printed Name	
Signature	Date
<i>[Handwritten Signature]</i>	<i>[Handwritten Date]</i>

(a) deliver up possession of the Leased Premises to the Landlord in a clean and tidy condition, free of all rubbish, and deliver to the Landlord all keys and security devices in connection with the Leased Premises.

ARTICLE 18

DAMAGE AND DESTRUCTION

Total or Partial Destruction

18.1 (a) In the event the Leased Premises are wholly or partially damaged or destroyed by an Insurable Hazard, the Landlord shall, subject to Section 18.1(d), and subject to the consent of the Mortgagee, repair or replace the Leased Premises with reasonable diligence.

(b) The Landlord shall not be obligated to expend for such repair or replacement an amount in excess of the insurance proceeds recovered or recoverable as a result of such damage or which would have been recoverable but for the Landlord's failure to maintain such insurance in accordance with this Lease. In no event shall the Landlord be required to repair or replace the Tenant's stock in trade, fixtures, furnishings, floor coverings or equipment, nor items which are the responsibility of the Tenant pursuant to Section 11.1 hereof.

(c) If the casualty, repairing or rebuilding shall render the Leased Premises untenable, in whole or in part, as determined by the Tenant, acting reasonably, a proportionate abatement of the Rent shall be allowed from the date when the damage occurred until the date the Landlord completes such work, said proportion to be computed on the basis of the relation which the gross square foot floor area of the space rendered untenable bears to the Floor Area of the Leased Premises.

(d) If any damage or destruction to the Building including the Leased Premises cannot in the Landlord's reasonable opinion, be repaired and restored with reasonable diligence within one hundred and eighty (180) days of the date of happening of such damage or destruction, the Landlord may terminate this Lease and the tenancy hereby created by giving to the Tenant ninety (90) days written notice thereof and in the event of such termination, the Lease shall terminate and the Rent shall be adjusted as of the date of the occurrence of such damage and the Tenant shall deliver up vacant possession of the Leased Premises on the date specified in the notice and the provisions of Section 17.2 shall apply.

Notice by Tenant

18.2 The Tenant shall give immediate notice to the Landlord, in case of fire or accidents in the Leased Premises or in the Building of which the Leased Premises are a part, or of defects therein or in any fixtures or equipment, notwithstanding the fact that the Landlord may have no obligations with respect thereto.

Notice of Repair and Reconstruction

18.3 From and after the date upon which the Tenant is notified in writing by the Landlord that the Landlord's work of reconstruction or repair is completed, the Tenant shall immediately commence all work required to fully restore the Leased Premises and shall attempt to complete such work and reopen for business (subject to Section 9.1(e)) within sixty (60) days of receipt of the Landlord's notice aforesaid with the Leased Premises fully fixtured, stocked and staffed. The certificate of the Landlord's architect shall bind the parties hereto as to the state of tenantability of the Leased Premises and as to the date upon which the Landlord's work of reconstruction or repair is completed.

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Landlord	Tenant
<i>[Signature]</i>	<i>[Signature]</i>

ARTICLE 19

EXPROPRIATION

Expropriation of the Building

19.1 If during the Term the Building, or any part thereof, shall be acquired or condemned by expropriation for any public or quasi-public use or purpose, then the Landlord and the Tenant may separately claim, receive and retain awards of compensation for the loss of their respective interest, if any, but neither the Landlord nor the Tenant shall have any claim against the other in respect of the said loss of the unexpired Term. The parties shall cooperate with each other to maximize the amount of any award available to each.

ARTICLE 20

DEFAULT OF TENANT

Termination

20.1 If and whenever:

(a) any Rent or other amount payable by the Tenant under this Lease, including any instalment thereof, shall be in arrears and shall not then be paid within five (5) days after written notice thereof given by the Landlord to the Tenant; or

(b) the Tenant shall have breached or failed to comply with any of its other covenants and agreements contained in this Lease, and shall have failed to remedy such breach or non-compliance within fifteen (15) days after written notice thereof given by the Landlord to the Tenant (or such longer period if any as the Landlord may in writing allow for the remedying of such breach or non-compliance) or, if such breach or non-compliance cannot be remedied within fifteen (15) days, the Tenant shall have failed to commence to remedy the same within fifteen (15) days and continue to diligently pursue such remedy, provided however that no time for the remedying of such breach or non-compliance shall or need be given or allowed where the breach or non-compliance is one not reasonably capable of being remedied within a reasonable time; or

(c) upon the occurrence of any event or circumstances which, pursuant to Section 20.2 or any other provision of this Lease so providing, entitles the Landlord to cancel or terminate this Lease or re-enter the Leased Premises;

then and in every case it shall be lawful for the Landlord at any time thereafter at its option and without notice to the Tenant to enter into and upon the Leased Premises or any part thereof in the name of the whole and to terminate this Lease and all the rights of the Tenant hereunder, anything in this Lease to the contrary notwithstanding.

Bankruptcy

20.2 If the Tenant shall become bankrupt or insolvent or file any proposal, or if a receiver is appointed of all or a portion of the Tenant's property, or if the Tenant makes a sale in bulk, or if the Tenant shall abandon the Leased Premises, or suffer this Lease or any of its assets to be taken under any writ of execution or like process, or if re-entry is permitted under any other terms of this Lease, then the Landlord, in addition to any other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Leased Premises and such property may be removed and stored for the account of the Tenant or be sold by the Landlord (and at the sole option of the Landlord, by way of private sale to the Landlord or any third party) all without being deemed guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby and to have again, repossess and enjoy the Leased Premises as of its former estate whether the Landlord terminates this Lease or not, and notwithstanding the retaking of possession of the Leased Premises by the Landlord, the Landlord specifically reserves all remedies and rights of action herein or at law or in equity provided. The Landlord or its duly authorized agent shall be entitled to distrain for the Rent hereby reserved including accelerated rent, if any, or for any money hereby made recoverable by distress upon the goods and chattels of the Tenant, wheresoever situate, and upon any premises to which the

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same may have been removed or wherever the same may be found. The Tenant hereby waives and renounces the benefit of any present or future legislation taking away or limiting the Landlord's right of distress.

Damages

20.3 In the event of any breach of this Lease by the Tenant, the Landlord, in addition to exercising any other remedies available to the Landlord and whether the Landlord terminates this Lease or not, may recover from the Tenant all damages it may incur by reason of such breach, including the cost of recovering the Leased Premises, legal fees on a solicitor-client basis and including the worth at the time of termination of the excess, if any, of the amount of Rent and charges equivalent to Rent reserved in this Lease for the remainder of the stated Term over the then reasonable rental value of the Leased Premises for the remainder of the stated Term, all of which amounts shall be immediately due and payable by the Tenant to the Landlord. In any of the events referred to in Section 20.2 hereof, in addition to any and all other rights including the rights referred to in this Section and in Section 20.2 hereof, the full amount of the current month's Rent and the next three (3) months' Rent shall immediately become due and payable, and the Landlord may distrain for the same, together with any arrears and interest thereon unpaid.

Landlord's Right to Perform

20.4 If the Tenant shall fail, beyond any applicable notice or cure period, to observe, perform or keep any of the provisions of this Lease to be observed, performed and kept by the Tenant, the Landlord may, but shall not be obliged to, at its discretion and without prejudice, rectify the default of the Tenant, whether or not performance by the Landlord on behalf of the Tenant is otherwise expressly referred to in the applicable Section of this Lease. For such purpose the Landlord may make any payment and may do or cause to be done such things as may be required including, without limiting the generality of the foregoing, entry upon the Leased Premises (following reasonable notice). Any such performance by or at the request of the Landlord shall be at the expense of the Tenant and the Tenant shall pay to Landlord the cost thereof within twenty (20) days of written demand. The Landlord may perform all or any of the obligations hereunder by or through the Management Company or other agency or agents as it may from time to time determine and the Tenant shall pay to any such agent any monies payable hereunder to the Landlord, as from time to time directed by the Landlord.

Landlord's Expenses Enforcing Lease

20.5 If it shall be necessary for the Landlord to retain the services of a solicitor or any other proper person for the purpose of assisting the Landlord in enforcing any of its rights hereunder in the event of default on the part of the Tenant, the Landlord shall be entitled to collect from the Tenant the reasonable cost of all such services including all necessary court proceedings at trial or on appeal on a solicitor-client basis as if the same were deemed to be Rent reserved and in arrears hereunder.

ARTICLE 21

RIGHT OF ENTRY

Right of Entry

21.1 The Landlord or its agent shall, upon reasonable prior notice to the Tenant, have the right to enter the Leased Premises during normal business hours except where otherwise agreed to examine the same and to show them to prospective purchasers, tenants or mortgagees, and to enter the Leased Premises at times mutually agreed between the Landlord and the Tenant to make such repairs as the Landlord may deem necessary or desirable, and the Landlord shall be allowed to take all material into and upon the Leased Premises that may be required therefor without the same constituting an eviction of the Tenant in whole or in part and the Rent reserved shall in no way abate by reason of loss or interruption of business of the Tenant or otherwise while said repairs are being made provided that the Landlord makes commercially reasonable efforts to minimize its interference with the Tenant's use and enjoyment of the Leased Premises. During the six (6) months prior to the expiration of the Term of this Lease, the Landlord may

Initials	
Landlord	

place upon the Leased Premises reasonable notices "To Let" or "For Lease". The Tenant shall permit such notices to remain thereon without hindrance or molestation. The Landlord may at any time within six (6) months before the end of the Term enter the Leased Premises and bring others at all reasonable hours and upon reasonable notice for the purposes of offering the Leased Premises for rent. If the Tenant or the Tenant's representative shall not be present to open and permit an entry into the Leased Premises, at any time, when for any reason an emergency or reasonably apprehended emergency shall exist or be contemplated, the Landlord or its agent may enter the same by a master key, or may forcibly enter the same, provided reasonable care is exercised without rendering the Landlord or such agent liable therefor, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained however, shall be deemed or construed to impose upon the Landlord any obligation, responsibility or liability whatsoever, for the care, maintenance or repair of the Leased Premises or any part thereof except as otherwise herein specifically provided.

ARTICLE 22

ASSIGNMENT BY LANDLORD

Assignment

22.1 In the event of the sale or lease by the Landlord of the Building or the Lands or the assignment by the Landlord of this Lease or any interest of the Landlord hereunder, but only to the extent that any purchaser or assignee by agreement with the Landlord has assumed the covenants and obligations of the Landlord hereunder, the Landlord shall without further written agreement be freed and relieved of liability upon such covenants and obligations.

ARTICLE 23

RULES AND REGULATIONS

Rules and Regulations

23.1 All rules and regulations adopted and promulgated by the Landlord from time to time including those appended as Schedule "D" are hereby made a part of this Lease and the Tenant agrees to comply with and observe the same. The Tenant's failure to keep and observe such rules and regulations shall constitute a breach of this Lease in the manner as if the same were contained herein as covenants. Written notice amendments or supplements, if any, shall be given to the Tenant and the Tenant agrees thereupon to comply with and observe all such rules and regulations and amendments thereto and supplements thereof, provided that no such rules and regulations which contradict any provisions of this Lease shall be binding upon the Tenant.

ARTICLE 24

ESTOPPEL CERTIFICATE

Estoppel Certificate

24.1 Within ten (10) days after request therefor by the Landlord, or in the event of any sale, assignment, lease or mortgage of the Lands, the Tenant agrees to deliver in a form supplied by the Landlord an estoppel certificate to any proposed mortgagee or purchaser, or to the Landlord certifying (if such be the case) that this Lease is in full force and effect and that there are no deficiencies or set-offs thereto, or stating those claimed by the Tenant. In the case of a mortgage (whether existing as of the date of this Lease or in the future), the Landlord shall use all reasonable commercial efforts to cause the Mortgagee(s) to deliver to the Tenant a commercially reasonable non-disturbance agreement.

Initials	
Landlord	
Tenant	

ARTICLE 25

MISCELLANEOUS

Landlord Participation

[Intentionally Deleted]

No Tacit Renewal

25.1 In the event the Tenant remains in possession of the Leased Premises after the end of the Term hereof without the execution and delivery of a new lease, and the Landlord accepts the Rent, there shall be no tacit renewal of this Lease or the Term hereby granted, and the Tenant shall be deemed to be occupying the Leased Premises as a Tenant from month to month at a monthly rental payable in advance on the first day of each month equal to 150% of the sum of all monthly Rent payable during the last month of the Term and otherwise upon the same terms and conditions as are set forth in this Lease, so far as applicable to a monthly tenancy.

Successors

25.2 All rights and liabilities herein given to or imposed upon the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors and assigns of the said parties. No rights, however, shall enure to the benefit of any assignee of the Tenant unless the assignment to such assignee has been approved by the Landlord in writing or as otherwise provided in Section 13.1 hereof.

Constitution of Tenant

25.3 If at any time during the Term there is more than one Tenant or more than one person constituting the Tenant hereunder, then they shall each be liable jointly and severally for all Tenant's obligations hereunder and a default by one shall be deemed a default by all.

Net Lease

25.4 This Lease shall be deemed and construed to be absolutely net and carefree to the Landlord, and except as otherwise provided in this Lease, the Landlord is not responsible for any costs relating to the Leased Premises, or its use, occupancy or consents, or the business carried on in it, and the Tenant will pay all charges, impositions, costs and expenses relating to the Leased Premises except as otherwise provided in this Lease.

25.5 [Intentionally Deleted].

25.6 [Intentionally Deleted].

Entire Agreement

25.7 This Lease and the Schedules attached hereto and forming a part hereof set forth all of the covenants, promises, conditions, agreements and understandings between the Landlord and the Tenant. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the Landlord or the Tenant unless reduced to writing and signed by them. Both parties intend and acknowledge that this Lease supersedes, replaces and merges all previous or concurrent agreements, arrangements and discussions, whether oral, written, customary or otherwise, regarding the Tenant's interest in the Leased Premises.

Force Majeure

25.8 Save as otherwise herein provided, in the event that either party hereto shall be delayed or hindered in or by reason of strikes, lock-outs, labour troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, vandalism, acts of terrorism, pandemic or epidemic or other reason of like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, and not a delay caused by lack of funds or other financial reason, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Initials	
Landlord	Tenant
	

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Notices

25.9 Any notice, demand, request or other instrument which may be or is required to be given under this Lease, shall be delivered in person or sent by registered mail postage prepaid and shall be addressed:

(a) If to the Landlord:

2159121 Ontario Inc.
27 Captain Francis Drive,
Markham, Ontario L3R 9C8
Attention: Kirti Chavda

(b) If to the Tenant:

201, 620-12 Avenue SW
Calgary, AB T2R 0H5

or at such other address as the Landlord or Tenant may designate by written notice. Any such notice, demand, request or consent shall be conclusively deemed to have been given or made on the day upon which such notice, demand, request or consent is delivered, or if mailed, then on the third business day following the date of the mailing as the case may be, and either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice, the address therein specified shall be deemed to be the address of such party for the giving of notices hereunder, provided that in the case of interruption in the ordinary postal service, any notice, demand, request or consent given hereunder shall be delivered and not mailed.

Section and Article Numbers

25.10 The captions, section numbers, article numbers and Table of Contents do not define, limit, construe or describe the scope or intent of the sections or articles.

Governing Law

25.11 This Lease shall be construed and governed by the laws of Canada and the Province in which the Building is located.

Time

25.12 Time shall be strictly of the essence herein.

No Partnership

25.13 The Landlord and the Tenant are agreed that nothing contained in this Lease nor any acts of the Landlord or the Tenant shall be deemed to create any relationship between the Landlord and the Tenant other than the relationship of landlord and tenant.

No Waiver

25.14 No condoning, excusing or overlooking by the Landlord or the Tenant of any default, breach or non-observance by the Tenant or the Landlord at any time or times in respect of any covenant, proviso or condition herein contained shall operate as a condoning, excusing or overlooking of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the Landlord or Tenant herein in respect of any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Landlord or the Tenant save only expressed waivers in writing. All rights and remedies of the Landlord in this Lease contained shall be cumulative and not alternative.

Initial	
Landlord	Tenant
	

Registration

25.15 Neither the Tenant, nor anyone on the Tenant's behalf, shall be entitled to file or register this Lease but the Tenant may register notice of its leasehold interest in the Lands upon title hereto provided that such notice shall not contain the financial terms of this Lease.

All Amounts Recoverable as Rent

25.16 All amounts payable by the Tenant under this Lease shall be deemed to be Basic Rent and recoverable as Basic Rent and the Landlord shall have all the rights and remedies against the Tenant for default in payment of any such amount as the Landlord has for default in payment of Basic Rent.

Commissions

25.17 The Tenant shall pay any commissions, fees or other amounts payable to any agent or broker in connection with its leasing of the Leased Premises (other than an agent or broker with whom the Landlord has a formal agreement to pay commission) and hereby indemnifies the Landlord harmless from any such commissions, fees or amounts.

General Matters of Intent and Interpretation

25.18 (a) Each obligation under this Lease is a covenant.

(b) The use of the neuter singular pronoun to refer to the Landlord or the Tenant is a proper reference even though the Landlord or the Tenant is an individual, a partnership, a corporation or a group of two or more individuals, partnerships or corporations. The grammatical changes needed to make the provisions of this Lease apply in the plural sense when there is more than one Landlord or Tenant and to corporations, associations, partnerships or individuals, males or females, are implied.

(c) If a part of this Lease or the application of it to a person, corporation, firm or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, that part:

(i) is independent of the remainder of the Lease and is severable from it, and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Lease; and

(ii) continues to be applicable to and enforceable to the fullest extent permitted by law against any person, corporation, firm and circumstance except those as to which it has been held or rendered invalid, unenforceable or illegal.

No part of this Lease will be enforced against a person, corporation, firm, if, or to the extent that by doing so, the person, corporation, firm is made to breach a law, rule, regulation or enactment.

Landlord	
Tenant	

CAN_DMS: (13395493)7

SCHEDULE "A" – LEGAL DESCRIPTION

UNIT 5, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2050 AND ITS APPURTENANT INTEREST SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT2294323 CITY OF TORONTO (PIN 13050 – 0005)

	Initials
107	AM

CAN_DMS: 113394483X7

SCHEDULE "B"

Floor Plan of Leased Premises



	Initials
Landlord	

CAN_DMS_1133954937

SCHEDULE "C" – SPECIAL PROVISIONS

1. Landlord's Work

The Landlord's Work, as set out below, shall be performed by Landlord at its cost in the Leased Premises, on a "once only" basis. Such Landlord's Work shall be completed prior to the commencement of the fixturing period. The Landlord's Work is as follows:

- a. Ensure base building heating and cooling systems in the Leased Premises are balanced and in good working condition according to the Landlord's base building specifications for the Building; and
- b. Provide vacant possession of the Leased Premises to the Tenant in "as-is where-is" condition, broom swept and ready for Tenant improvements and fixturing.

(collectively, the "Landlord's Work")

2. Exclusivity

During the Term of the Lease and any extensions thereof, the Landlord shall not lease or consent to the use or operation of any other business, within a property the Landlord has an interest in or control of that is within a radius of 300 meters from the Leased Premises whose principal business includes the retail sale of cannabis. It is the intention of the parties that this exclusive covenant shall run with the land and bind successors to the Landlord's title. This clause is retroactive to May 1, 2019.

3. Right of First Offer

Subject to the terms and conditions set out in this Lease, the Tenant may purchase or buy any other unit in the Building, provided that the Tenant shall first offer to purchase the Leased Premises from the Landlord (the "Offer"). The purchase price of the Offer shall be based on fair market value. Thereafter, the Tenant shall, in good faith, negotiate exclusively with the Landlord for a period of 60 days for the purpose of reaching an agreement (the "Exclusivity Period"). Following the expiry of the Exclusivity Period, the Tenant may then purchase any other unit in the Building.

4. Signage

During the Term, the Tenant shall have right to install signage at the Leased Premises and upon the pylon sign upon the Lands, if any, subject to the Landlord's approval, not to be unreasonably withheld, and City of Toronto approval.

Landlord	Tenant
	

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SCHEDULE "D" – RULES AND REGULATIONS

Landlord	Initials
	

CAN_DMS 1133940377

Draft: May 28, 2007

REXDALE COMMERCIAL CENTRE

RULES

1. GENERAL
2. QUIET ENJOYMENT
3. SAFETY
4. COMMON ELEMENTS
5. UNITS
6. GARBAGE DISPOSAL
7. TENANCY OCCUPATION
8. PARKING

RULES

The following Rules made pursuant to the *Condominium Act*, 1998, S.O. 1998, C.19 (the "Act") shall be observed by all owners (collectively, the "Owners" and any other person(s) occupying the Unit with the Owner's approval, including, without limitation, members of the Owner's family, his or her tenants, guests, invitees, servants, agents and contractors.

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 or her family, guests, servants, agents or occupants of his or her Unit, 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 and units 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 unit owners and occupants, their families, guests, visitors, servants or agents.

2. QUIET ENJOYMENT

- (a) Owners and their families, tenants, 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 Units or Common Elements by other Owners or their respective employees, guests, visitors and persons having business with them.
- (b) No noise or odours shall be permitted to be transmitted from one Unit to another. If the Board determines that any noise or odours is being transmitted to another Unit and that such noise or odours is an annoyance or a nuisance or disruptive, then the Owner of such Unit shall at his or her expense take such steps as shall be necessary to abate such noise or odours to the satisfaction of the Board. If the Owner of such Unit fails to abate the noise or odours, the Board shall take such steps as it deems necessary to abate the noise or odours and the Owner shall be liable to the Corporation for all expenses hereby incurred in abating the noise or odours (including reasonable solicitor's fees).

3. SAFETY

- (a) No storage of any dangerous or offensive goods, provisions or materials shall be kept in any of the Units or Common Elements;
- (b) Owners and occupants shall not overload existing electrical circuits;
- (c) Water shall not be left running unless in actual use;
- (d) Nothing shall be thrown out of the windows or the doors of the units;
- (e) No owner or occupant shall do, or permit anything to be done in his or her 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 buildings, 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;

- (f) No duplication of keys shall be permitted except with the authorization of the Board, and the names of persons authorized to have keys shall be furnished to the Board at all times.

4. COMMON ELEMENTS

- (a) No one shall harm, mutilate, destroy, alter or litter the common elements or any of the landscaping work on the property, if any;
- (b) No equipment shall be removed from the common elements by, or on behalf of, any owner or occupant of a unit;
- (c) The passageways, walkways and driveways which are part of the common elements shall not be obstructed by any of the owners or occupants or used by them for any purpose other than for ingress and egress to and from a unit or some other part of the common elements;
- (d) Any physical damage to the common elements caused by an owner or occupant, his or her family, guests, visitors, servants, agents or contractors shall be repaired by arrangement and under the direction of the Board at the cost and expense of such owner or occupant.

5. UNITS

- (a) The toilets, sinks and other parts of the plumbing system shall be used only for purposes for which they were constructed and no sweepings, garbage, rubbish, rags, ashes, or other substances shall be thrown therein. The cost of repairing damage resulting from misuse or from unusual or unreasonable use shall be borne by the owner who, or whose, employee, tenant, family, guest, visitor, servant, agent or contractor shall cause it;
- (b) No Owner shall overload existing electrical circuits in his or her Unit and shall not alter in any way the amperage of the existing circuit breakers in his or her Unit;
- (c) Units shall be used only for such purposes as provided for in the Corporation's Declaration and as hereinafter provided. No immoral, improper, offensive or unlawful use shall be made of any unit. All municipal and other zoning ordinances, laws, rules and regulation of all government regulatory agencies shall be strictly observed;
- (d) No Owner shall permit an infestation of pests, insects, vermin or rodents to exist at any time in his or her Unit or adjacent Common Elements. Each Owner shall immediately report to the Manager all incidents of pests, insects, vermin or rodents and all Owners shall fully co-operate with the Manager to provide access to each Unit for the purpose of conducting a spraying program to eliminate any incident of pests, insects, vermin or rodents within the buildings.

6. GARBAGE DISPOSAL

No Owner shall 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 on days designated as garbage pick-up days, nor shall he place or deposit same, except in an area designated by the Corporation or the Manager.

7. TENANCY OCCUPATION

- (a) No unit shall be occupied under a lease unless, prior to the tenant being permitted to occupy the unit, the owner shall have delivered to the Corporation a completed Tenant Information Form in accordance with Schedule 1 attached hereto, a duly executed Tenant's Undertaking and Acknowledgment in accordance with Schedule 2 attached hereto and an executed copy of the Application/Offer to Lease and the Lease itself;
- (b) In the event that the owner fails to provide the foregoing documentation in compliance with paragraph (a) above prior to the commencement date of the tenancy, and fails to comply with Section 83 of the Act, any person or persons intending to reside in the owner's unit shall be deemed a trespasser by the Corporation until and unless such person or persons and the owner comply with the within rules and with the Act.
- (c) Within seven (7) days of ceasing to rent his or her unit (or within seven (7) days of being advised that his or her tenant has vacated or abandoned the unit, as the case may be), the owner shall notify the Corporation in writing that the unit is no longer rented;
- (d) The foregoing documentation shall be supplied promptly and without charge to and upon request for same by the Corporation;
- (e) All owners shall be responsible for any damage or additional maintenance to the common elements caused by their tenants and will be assessed and charged therefor;
- (f) During the period of occupancy by the tenant, the owner shall have no right of use of any part of the common elements;
- (g) The owner shall supply to the Board, his or her current address and telephone number during the period of occupancy by the tenant.

8. PARKING

For the purpose of these Rules, "**motor vehicle**" means a private passenger automobile, station wagon, compact van, or motorcycle as customarily understood.

- (a) No vehicles, equipment or machinery, other than motor vehicles shall be parked or left on any part of the Common Elements and without limiting the generality of the foregoing, no parking areas shall be used for storage purposes.
- (b) Parking is prohibited in the following areas:
 - (i) fire zones;
 - (ii) traffic lanes;

- (iii) delivery and garbage areas; and
 - (iv) roadways.
- (c) No servicing or repairs shall be made to any motor vehicle, trailer, boat, snowmobile, or equipment of any kind on the Common Elements without the express written consent of the Manager or the Board. No motor vehicle shall be driven on any part of the Common Elements other than on a driveway or parking space.
- (d) No motor vehicle, trailer, boat, snowmobile, mechanical toboggan, machinery or equipment of any kind shall be parked on any part of the Common Elements, nor in any Unit other than in a designated parking space but which provision shall not apply for the purposes of loading and unloading materials or goods of the Owners provided that the length of time where such parking is limited shall be no longer than is reasonably necessary to perform the service.
- (e) All motor vehicles operated by Owners must be registered with the Manager. Each Owner shall provide to the Manager the licence numbers of all motor vehicles driven by occupants of that Unit.
- (f) No motor vehicle shall be driven on any part of the Common Elements at a speed in excess of the posted speed.
- (g) No person shall place, leave, park or permit to be placed, left or parked upon the Common Elements any motor vehicle which, in the opinion of the Manager or as directed by the Board, may pose a security or safety risk, either caused by its length of unattended stay, its physical condition or appearance or its potential damage to the property. Upon seventy-two (72) hours' written notice from the Manager, the Owner of the motor vehicle shall be required to either remove or attend to the motor vehicle as required and directed by the Manager, in default of which the motor vehicle shall be removed from the property at the expense of the Owner. If a motor vehicle is left standing in a parking space or upon the Common Elements and is unlicensed or unregistered with the Manager, the vehicle may be towed without notice to the owner and at the Owner's expense.
- (h) Motorcycles shall be licensed and equipped with the most recent noise control devices and operated on the roadways and in a manner so as not to disturb the other Owners. Mopeds and bicycles shall be operated only on the road and in such manner as not to obstruct traffic. No mopeds and bicycles are permitted to be operated on sidewalks.
- (i) No unlicensed motor vehicle including mopeds and go-carts shall be driven within the property complex and no person shall operate a motorized vehicle within the complex without proper operating licence.
- (j) 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 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.

SCHEDULE "E" – CONDOMINIUM CORPORATIONS BYLAWS AND DECLARATIONS

Initialed	Initial
<i>[Signature]</i>	<i>[Signature]</i>

CAN_DMS 11339 49377

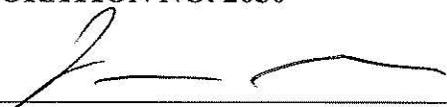
*Condominium Act, 1998***CERTIFICATE IN RESPECT OF A BY-LAW**
(under Subsection 56(9) of the *Condominium Act, 1998*)

Toronto Standard Condominium Corporation No. 2050 (known as the "Corporation") certifies that:

1. The copy of By-law No. 1 attached as Schedule "A" is a true copy of the By-law.
2. The By-law was made in accordance with the *Condominium Act, 1998*.
3. The owners of a majority of the units of the Corporation have voted in favour of confirming the By-law.

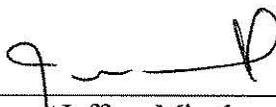
DATED this 1st day of February, 2010.

**TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 2050**

Per: 

Name: Sanford Minuk

Title: President

Per: 

Name: Jeffrey Minuk

Title: Vice-President

We have the authority to bind the Corporation.

SCHEDULE "A"

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2050

BY-LAW NO. ONE

BE IT ENACTED as a by-law of Toronto Standard Condominium Corporation No. 2050 (hereinafter referred to as the "**Corporation**") as follows:

ARTICLE I - DEFINITIONS

- 1.1 In addition to those words, terms and/or phrases specifically defined in this by-law, the words, terms and/or phrases used herein which are defined in the *Condominium Act, 1998, S.O. 1998, C.19* as amended and the regulations made thereunder (hereinafter referred to as the "**Act**") and in the declaration of the Corporation (hereinafter referred to as the "**Declaration**") shall have ascribed to them the meanings set out in the Act or the Declaration, unless the context requires otherwise.

ARTICLE II - SEAL

- 2.1 The corporate seal of the Corporation shall be in the form impressed hereon. Notwithstanding that the Corporation has a seal, any document that would otherwise require a seal need not be executed under seal, provided the statement "I/We have the authority to bind the Corporation" is noted below the signature(s) of the person(s) duly authorized to sign the document and such a document has the same effect for all purposes as if executed under seal.

ARTICLE III - RECORDS

- 3.1 The Corporation shall keep and maintain all records required by section 55 of the Act, including the following records (hereinafter called the "**Records**"):
- (a) the financial records of the Corporation for at least six (6) years from the end of the last fiscal period to which they relate;
 - (b) a minute book containing the minutes of owners' meetings and the minutes of board meetings;
 - (c) a copy of the registered Declaration, registered by-laws and current rules;
 - (d) a copy of all applications made under section 109 of the Act to amend the Declaration, if applicable;
 - (e) the seal of the Corporation;
 - (f) copies of all agreements entered into by the Corporation or by the Declarant or the Declarant's representatives on behalf of the Corporation, including all management contracts, deeds, leases, licences, easements and any agreements entered into pursuant to Section 98 of the Act;
 - (g) copies of all policies of insurance and the related certificates or memoranda of insurance and all insurance trust agreements;
 - (h) bills of sale or transfers for all items that are assets of the Corporation but not part of the property;
 - (i) the names and addresses for service of each owner and mortgagee that the Corporation receives, in writing, from owners and mortgagees in accordance with subsection 47(1) of the Act;

- 2 -

- (j) all written notices received by the Corporation from owners that their respective units have been leased together with the lessee's name, the owner's address, a copy of the lease or renewal or a summary of same, pursuant to subsection 83(1) of the Act;
- (k) all written notices received by the Corporation from owners that a lease of the owner's unit has terminated and has not been renewed pursuant to subsection 83(2) of the Act;
- (l) all records that the Corporation has related to the units or to employees of the Corporation;
- (m) all existing warranties and guarantees for all equipment, fixtures and chattels included in the sale of either the units or common elements that are not protected by warranties and guarantees given directly to a unit purchaser;
- (n) the as-built architectural, structural, engineering, mechanical, electrical and plumbing plans;
- (o) the as-built specifications indicating all substantive changes, if any, from the original specifications;
- (p) all existing plans for underground site services, site grading, drainage and landscaping, and television, radio or other communication services;
- (q) all other existing plans and information that are relevant to the repair or maintenance of the property;
- (r) if the property of the Corporation is subject to the *Ontario New Home Warranties Plan Act* an executed copy of Form 3 prescribed by section 37 of Ontario Regulation 49/01 and a copy of all final reports on inspections that the Ontario New Home Warranty Program requires to be carried out on the common elements;
- (s) a table that the Declarant has delivered pursuant to clause 43(5)(g) of the Act setting out the responsibilities for repair after damage and maintenance, and indicating whether the Corporation or the owners are responsible;
- (t) a copy of the schedule that the Declarant has delivered pursuant to clause 43(5)(h) of the Act, setting out what constitutes a standard unit for each class of unit that the Declarant specifies, for the purpose of determining the responsibility for repairing improvements after damage and insuring them;
- (u) all reserve fund studies and all plans to increase the reserve fund;
- (v) a copy of the most current disclosure statement delivered by the Declarant to a purchaser prior the turnover meeting;
- (w) a copy of the written performance audit report received by the Corporation;
- (x) a copy of any order appointing an inspector or administrator, if applicable, pursuant to section 130 or 131 of the Act, together with any report that the Corporation receives from an inspector in accordance with subsection 130(4) of the Act;
- (y) a copy of all status certificates issued within the previous ten (10) years;
- (z) a copy of all notices of meetings sent by or on behalf of the Corporation within the previous ten (10) years;
- (aa) all proxies, for not more than ninety (90) days from the date of the meeting at which the proxies were utilized;

- (bb) a copy of all notices of lien issued by the Corporation to delinquent owners pursuant to subsection 85(4) of the Act, in respect of which the corresponding certificates of lien have not been discharged or vacated by court order;
- (cc) all records relating to actual or pending litigation (or insurance investigations) involving the Corporation [as contemplated in clause 55(4)(b) of the Act], together with copies of all outstanding judgements against the Corporation [as contemplated in clause 76(1)(h) of the Act];
- (dd) a copy of the budget of the Corporation for the current fiscal year, together with the last annual audited financial statements and auditor's report on such statements;
- (ee) a copy of all minutes of settlement and/or written decisions made by any mediator or arbitrator appointed pursuant to section 132 of the Act, regarding any issue(s) in dispute involving the Corporation (or to which the Corporation is a party), together with copies of all court orders issued in those circumstances where the Corporation was a party to the proceeding or otherwise directly affected thereby; and
- (ff) all other records as may be prescribed or specified in any other by-laws of the Corporation, together with copies of all other materials received by the Corporation that the regulations to the Act may hereafter require the Declarant to deliver on or shortly after the turnover meeting [as contemplated in clause 43(5)(m) of the Act].

ARTICLE IV - THE CORPORATION

4.1. Duties of the Corporation

The duties of the Corporation shall include, but shall not be limited to the following:

- (a) the operation, care, upkeep, maintenance and repair of the common elements and repair of units when an owner fails to repair as provided for in the Act and in the Declaration;
- (b) the collection of contributions toward common expenses from the owners;
- (c) the arranging for the supply of all requisite utility services to the common elements and units (unless separately metered) except where prevented from carrying out such duty by reason of any event beyond the reasonable control of the Corporation. The Corporation shall not be liable for indirect or consequential damage or for damages for personal discomfort or illness by reason of the breach of such duty;
- (d) obtaining and maintaining insurance for the property as may be required by the Act, the Declaration or the By-laws;
- (e) the retention of legal counsel to prepare, register and discharge, following payment, certificates of lien for arrears of common expenses;
- (f) the preparation and delivery of status certificates as required by the Act;
- (g) the preparation of a yearly budget;
- (h) the supervision of all public or private service companies which enter upon the common elements for the purpose of supplying, installing, replacing and servicing their systems;
- (i) the obtaining and maintaining of fidelity bonds for any person dealing with Corporation monies and in such amounts as the board may deem reasonable;
- (j) the purchase and maintenance of insurance for the benefit of all directors and officers in respect of anything done or permitted to be done by them in respect of

the execution of the duties of their offices except insurance against a liability, cost, charge or expense of such directors or officers incurred as a result of a contravention of any of the duties imposed upon them pursuant to the Act;

- (k) the preparation and maintenance of the records to be kept by the Corporation in accordance with Article III hereof;
- (l) the calling and holding of meetings and the delivery of notices, as required;
- (m) the consistent and timely enforcement of the provisions of the Act, the Declaration, the By-laws and the rules of the Corporation; and
- (n) establishing and maintaining adequate reserve funds for the major repair or replacement of the common elements and of the assets of the Corporation in accordance with the Act.

4.2 Powers of the Corporation

The powers of the Corporation shall include, but shall not be limited to the following:

- (a) the employment and dismissal of personnel necessary for the maintenance and operation of the common elements;
- (b) the investment of reserve monies held by the Corporation in accordance with the Act;
- (c) the settling, adjusting or referring to mediation and/or arbitration of any claim or claims which may be made upon or which may be asserted on behalf of the Corporation;
- (d) entering into the following agreements as required from time to time:
 - (i) a management agreement with an individual or corporation to manage the affairs and assets of the corporation at such compensation and upon such terms as the board may determine in its sole discretion;
 - (ii) an insurance trust agreement with an insurance trustee as permitted by the Act at such compensation and upon such terms as the board may determine in its sole discretion;
 - (iii) an agreement required by the supplier of any utility or service to the Corporation upon such terms as the board may determine in its sole discretion; and
 - (iv) any other agreements which may be permitted by the Act and the Declaration and which are deemed advisable, desirable or necessary by the board;
- (e) the authority to object to assessments under the *Assessment Act* on behalf of owners if it gives notice of the objections to the owners and to authorize the defraying of costs of objections out of the common expenses;
- (f) the borrowing of such amounts in any fiscal year as the board determines are necessary or desirable in order to protect, maintain, preserve or ensure the due and continued operation of the property in accordance with the Act, Declaration and by-laws of the Corporation and the securing of any loan of any amount by mortgage, pledge or charge of any asset (other than the reserve fund) of the Corporation, subject in each case to approval of each such borrowing, loan or security by a majority vote of the owners at a meeting duly called for that purpose or as required by the Act, provided however, the board may maintain over draft protection, in its general account, in an amount not exceeding one-twelfth (1/12) of the Corporation's current budget without requiring the approval of the Owners;

- (g) leasing any part of the non-exclusive use common elements, or granting or transferring any easement, right-of-way or license over, upon, under or through (or otherwise affecting) any part or parts of the common elements, and/or releasing and abandoning any appurtenant easement(s) or right(s)-of-way heretofore or hereafter granted to (or created in favour of) the Corporation, in respect of any servient tenement burdened or encumbered thereby, on the express understanding that to the extent that subsection 21(1) of the Act requires a by-law to authorize such a lease, licence, easement or right of way, or such a release and abandonment of easement, then this by-law shall accordingly be deemed and construed for all such purposes to be (and constitute) the by-law providing the board with the requisite authority to enter into any such lease, licence, easement or right of way, or any such release and abandonment of easement, and any such lease, license, easement, right of way or release of easement may be executed on behalf of the Corporation by the authorized signing officer(s) of the Corporation, with or without the seal of the Corporation affixed thereto, and same shall be valid and binding on the Corporation without requiring the consent or concurrence of (or the written authorization or signature of) any unit owner(s) thereto;

ARTICLE V - MEETINGS OF OWNERS

5.1 Annual Meeting:

The annual meeting of owners shall be held within six (6) months following the Corporation's fiscal year end at such place and on such day and time in each year as the board may from time to time determine for the purpose of receiving reports and statements required by the Act, the Declaration and By-laws of the Corporation, electing directors, appointing the auditor and fixing or authorizing the board to fix the auditor's remuneration, and for the transaction of such other business as may be set out in the notice of meeting.

5.2 The First Annual General Meeting:

Pursuant to subsection 45(2) of the Act, the board shall hold the first annual general meeting of owners not more than three (3) months after the registration of the Declaration, and subsequently within six (6) months of the end of each fiscal year of the Corporation. The owners shall, at such first meeting, appoint one or more auditors to hold office until the close of the next annual meeting, and if the owners fail to do so, the board shall forthwith make such appointment. The remuneration of an auditor shall be fixed by the owners (if the auditor is appointed by the owners), or fixed by the board (if authorized to do so by the owners, or if the auditor is appointed directly by the board). The Corporation shall then give notice in writing to an auditor of his or her appointment forthwith after such appointment is made.

5.3 Special Meetings:

The board shall, upon receipt of a requisition in writing made by owners who together own not less than fifteen (15%) per cent of the units, call and hold a meeting of the owners within thirty-five (35) days of the receipt of the requisition or if the requisitionists so request in the requisition or consent in writing, add the business to be presented at the requisitioned meeting to the agenda for the next annual general meeting. If the meeting is not called and held within thirty-five (35) days of receipt of the requisition, any of the requisitionists may call the meeting, which meeting shall be held within forty-five (45) days of the day on which the meeting is called. The board may at any time call a special meeting of the owners for the transaction of any business, the nature of which shall be specified in the notice calling the meeting.

5.4 Notices:

At least fifteen (15) days written notice of every meeting specifying the place, the date, the hour and the nature of the business to be presented shall be given to the auditor of the Corporation and to each owner and mortgagee entitled to vote and entered on the record

twenty (20) days before the date of the meeting in accordance with subsection 47(5) and 70(2) of the Act. The Corporation shall not be obligated to give notice to any Owner who has not notified the Corporation that he/she has become an Owner nor give notice to any mortgagee who has not notified the Corporation of his/her entitlement to vote and address for service.

5.5 Reports:

A copy of the financial statement and a copy of the auditors report shall be furnished to every owner and mortgagee entered on the record at least twenty (20) days before the date of any annual general meeting of Owners. A copy of the minutes of meetings of owners and of the board, shall be furnished to any owner or mortgagee who has requested same, within thirty (30) days of such request upon payment to the Corporation of a reasonable charge for labour and photocopying.

5.6 Persons Entitled to Be Present:

The only persons entitled to attend a meeting of owners shall be the owners and mortgagees entered on the Record, and any others entitled to vote thereat, the auditor of the Corporation, the directors and officers of the Corporation, a representative of the property manager, and others who, although not entitled to vote, are entitled or required under the provisions of the Act or the Declaration and By-laws of the Corporation to be present at the meeting. Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

5.7 Quorum:

At any meeting of owners, a quorum shall be constituted when persons entitled to vote and owning not less than twenty-five (25%) percent of the units are present in person or represented by proxy. If thirty minutes after the time appointed for the holding of any meeting of owners, a quorum is not present, the meeting shall stand adjourned and if the meeting was an annual general meeting, the board shall call a further meeting of the owners in accordance with the Act.

5.8 Right to Vote:

Subject to the restrictions in paragraphs 5.11 and 5.13 of this Article V, every owner of a unit that has the right to vote in accordance with the Act shall be entitled to vote who is entered on the Record as an owner or has given notice to the Corporation, in a form satisfactory to the Chairperson of the meeting that he/she is an owner. If a unit has been mortgaged, and the person who mortgaged such unit (or his/her proxy) has expressly authorized or empowered the mortgagee to vote and exercise the right of the owner to vote in respect of such unit and such mortgagee has, at least four (4) days before the date specified in the notice of meeting, notified the owner and the Corporation of his/her intention to exercise such right, such mortgagee shall be entitled to vote upon filing with the Secretary of the meeting sufficient proof of same. Any dispute over the right to vote shall be resolved by the chairperson of the meeting upon such evidence as the chairperson may deem sufficient. Each owner or mortgagee shall be entitled to only one (1) vote per unit.

5.9 Conduct of Meetings and Method of Voting:

At any meeting of owners, the president of the Corporation (or to whomever the president may delegate the responsibility) or failing him/her, the vice-president, or failing him/her, some other person appointed by the board or failing such appointment, such other person elected at the meeting shall act as chairperson of the meeting and the secretary of the Corporation shall act as secretary of the meeting or, failing him/her, the chairperson shall appoint a secretary. Any question shall be decided by a show of hands unless a poll is required by the chairperson or is demanded by an owner or mortgagee present in person or by proxy and entitled to vote, and unless a poll is so required or demanded, a declaration by the chairperson that the vote upon the question has been carried, or carried by a particular majority, or not carried, is prima facie proof of the fact without proof of

the number of votes recorded in favour of or against such question; provided, however, that voting for the election of directors shall be by ballot only, other than in the case of acclamation. A demand for a poll may be withdrawn. If a poll is so required or demanded and the demand is not withdrawn, a poll upon the question shall be taken in such manner as the chairperson shall direct.

5.10 Representatives:

An estate trustee, committee of a mentally incompetent person, or the guardian or trustee of an owner or mortgagee (and where a corporation acts in such capacity any person duly appointed a proxy for such corporation) upon filing with the Secretary sufficient proof of his/her appointment, shall represent the owner or mortgagee at all meetings of the owners, and may vote in the same manner and to the same extent as such owner or mortgagee. If there be more than one estate trustee, committee, guardian or trustee, the provisions of paragraph 5.11 of this Article V shall apply.

5.11 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 are present or represented by proxy, the majority of the owners of the unit shall decide how the vote is exercised.

5.12 Votes to Govern:

At all meetings of owners every question shall, unless otherwise required by the Act, Declaration or By-laws be decided by a majority of the votes duly cast on the question.

5.13 Entitlement to Vote:

Save and except in those instances where the Act provides or stipulates that the unanimous vote of all owners is required on any matter, issue, resolution or motion, an owner or mortgagee is not entitled to vote at any meeting if any common expenses or other monetary contributions that are payable in respect of the owner's or mortgagee's unit are in arrears for more than thirty (30) days prior to the meeting, provided however that such an owner or mortgagee may nevertheless vote if the Corporation receives payment, by way of a certified cheque, of all the arrears (and all other costs and expenses owing to the Corporation) before the meeting is held.

5.14 Proxies:

Every owner or mortgagee entitled to vote at any meeting of the owners may, by instrument in writing, appoint a proxy, who need not be an owner or mortgagee, to attend and act at the meeting, in the same manner, to the same extent and with the same power, as if the owner or mortgagee were present at the meeting. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney authorized in writing, and shall be effective for a particular meeting only. The instrument appointing a proxy shall be deposited with the secretary prior to the start of the meeting.

5.15 Minutes:

While the Corporation may produce, circulate and/or maintain minutes of any meeting that contain a more detailed narrative description of the proceedings at any meeting of Owners, the Corporation shall prepare, circulate and maintain a minute record of each meeting which records the following, and only the following, information:

- (a) the date, time and place of the meeting;
- (b) those present in person and by proxy at the meeting;
- (c) the identity and method of appointment of the Chair and the Secretary of the meeting;
- (d) confirmation of the due calling of the meeting;

- (e) confirmation of a quorum;
- (f) the disposition of each agenda item, including a record of the mover, seconder (where necessary) and disposition of every motion made and vote held pursuant to the agenda;
- (g) a record of the mover, seconder (where necessary) and disposition of every other motion made at the meeting;
- (h) a record (by brief description only) of any matter raised or discussed in addition to agenda items;
- (i) adjournment of the meeting; and
- (j) certification of the Secretary and Chair of the meeting.

ARTICLE VI - BOARD OF DIRECTORS

6.1 The Corporation:

The affairs of the Corporation shall be managed by a board of directors.

6.2 Number of Directors and Quorum:

The number of directors shall be three (3) of whom two (2) shall constitute a quorum for the transaction of business at any meeting 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.

6.3 Qualifications:

Each director shall be 18 or more years of age and need not be an owner of a unit in the Corporation. No undischarged, bankrupt or mentally incompetent person shall be a director and if a director becomes a bankrupt or mentally incompetent person, he thereupon ceases to be a director. A director immediately ceases to be a director if a certificate of lien has been registered against a unit owned by the director and the director does not obtain a discharge of the lien within ninety (90) days of the registration of the lien.

6.4 Consent:

No election or appointment of a person as a director shall be effective unless:

- (a) he/she consents in writing to act as a director before his/her election or appointment or within ten (10) days thereafter; or
- (b) he/she was present at the meeting when he/she was elected or appointed and did not refuse at that meeting to act as a director.

6.5 Election and Term:

- (a) The directors of the Corporation shall be elected in rotation and shall be eligible for re-election. At the turnover meeting held pursuant to Section 43 of the Act, one (1) director shall be elected to hold office for a term of one (1) year; one (1) director shall be elected to hold office for a term of two (2) years; and one (1) director shall be elected to hold office for a term of three (3) years. Such directors may, however, continue to act until their successors are elected. If more than one (1) of such directors whose terms are not of equal duration shall resign from the board prior to the expiration of their respective terms, and shall be replaced at a meeting of owners called for that purpose, the director or directors receiving the greater number of votes shall complete the longest remaining terms of the resigning directors. At each annual meeting thereafter a number of directors

equal to the number of directors retiring in such year shall be elected for a term of three (3) years.

- (b) If at least fifteen (15%) percent of the units are owner occupied (as defined in subsection 51(5) of the Act), no persons other than the owners of owner-occupied units may elect a person to one of the positions on the board. If fifteen (15%) percent of the units are owner-occupied at the turnover meeting, the position on the board to be elected by owners of owner-occupied units shall be the director elected for the one (1) year term and thereafter when that position becomes vacant (either because of resignation or the term has expired) the director for that position shall be voted upon only by the owners of owner-occupied units. If at least fifteen (15%) percent of the units are not owner-occupied at the turnover meeting, but in any subsequent year more than fifteen (15%) percent of the units become owner-occupied, the position of a director whose terms expires in that year shall be designated the director to be elected by owners of owner-occupied units and thereafter when that position becomes vacant (either because of resignation or the term has expired), the director for that position shall be voted upon only by the owner of owner-occupied units.

6.6 Filling of Vacancies and Removal of Directors:

- (a) If a vacancy in the membership of the board occurs, other than by way of removal by the owners or as a result of the number of directors being increased, subject to subparagraph (c) of this paragraph 6, the majority of the remaining members of the board may appoint any person qualified to be a member of the board to fill the vacancy until the next annual meeting at which time the vacancy shall be filled by election of the owners.
- (b) Where the number of directors is increased, the vacancies resulting from such increase shall be filled only by election at such meeting of the owners and the director(s) so elected shall not act until the by-law increasing the number of directors is registered.
- (c) When there is not a quorum of directors in office, the director(s) then in office shall forthwith call a meeting of owners to fill the vacancies and, in default or if there are no directors then in office, the meeting may be called by an owner.
- (d) Any director may be removed before the expiration of his term by a vote of owners who together own a majority of the units and the owners may elect, in accordance with the by-laws dealing with the election of directors, any person qualified to be a member of the board for the remainder of the term of the director removed provided the director elected by owners of owner-occupied units may only be removed by a vote of the owners of owner-occupied units in accordance with the Act.

6.7 Calling of Meetings:

Meetings of the board shall be held from time to time at such place and at such time and on such day as the President or any two directors may determine, and the Secretary shall call meetings when authorized by them. Notice of any meeting so called shall be delivered personally, by prepaid mail, courier delivery or electronic communication to each director addressed to him at his latest address, entered on the Record of the Corporation not less than forty-eight (48) hours (excluding any part of a Sunday or of a holiday as defined by the Interpretation Act of Canada for the time being in force) before the time when the meeting is to be held save that no notice of a meeting shall be necessary if all the directors are present and consent to the holding of such meeting, or if those absent have waived notice of or otherwise signified in writing their consent to the holding of such meeting.

6.8 Regular Meetings:

The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing a place and time of regular meetings of the board shall be given to each director forthwith after being passed, but no other notice shall be required for any such regular meeting.

6.9 Teleconference:

A meeting of the board may be held or convened by way of teleconference, or any other form of communication system that allows all of the directors to participate concurrently and to communicate with each other simultaneously and instantaneously, provided that all of the directors participating in a meeting held or convened by such means have consented thereto, and a director so participating in any such meeting held or convened by such means shall be deemed [for the purposes of subsection 35(5) of the Act and this by-law] to be present at such meeting. The board may, by resolution signed by all the directors, provide their consent, in advance, to have meetings of the board conducted in the manner contemplated herein, without the necessity of requiring new consents prior to each and every meeting, provided that such resolution (and the standing consent referred to therein) shall be automatically rendered ineffective from and after (but not prior to) the delivery to the board by any director of a written notice revoking his or her consent to such resolution.

6.10 First Meeting of New Board:

The board may without notice hold its first meeting for the purpose of organization and the election and appointment of officers immediately following the appointment of the directors of the first board provided a quorum of directors be present.

6.11 Conflict of Interest:

A director shall not be disqualified by reason of his office from contracting with the Corporation. Subject to the provisions of the Act, a director shall not by reason only of his office be accountable to the Corporation or to its owners for any profit or gain realized from a contract or transaction in which he has an interest, and such contract or transaction shall not be voidable by reason only of such interest, provided that the provisions in the Act relating to a declaration of interest have been followed.

6.12 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 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 whatsoever which shall happen in the execution of the duties of his/her office or in relation thereto, unless the same shall happen through his/her own dishonest or fraudulent act or acts.

6.13 Indemnity of Directors and Officers:

Every director and officer of the Corporation and their respective heirs, estate trustees, successors, and other legal personal representatives shall at all times be indemnified and saved harmless by the Corporation from and against:

- (a) any liability and all costs, charges and expenses that the director or officer sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or her for or in respect of anything done, permitted to be done, or omitted to be done, by him or her, in respect of the execution of the duties of his or her office; and

- (b) all other costs, charges and expenses that such director or officer sustains or incurs in respect of the affairs of the Corporation;

excluding however all costs, charges and expenses incurred directly or indirectly as a result of such director's or officer's own dishonest or fraudulent act or acts, or through or by such director's or officer's gross negligence, recklessness, wilful blindness or intentional misconduct (with all of the liabilities and costs for which each director and officer shall be indemnified being hereinafter collectively referred to as the "**Liabilities**"), unless the Act or the by-laws of the Corporation provide otherwise, on the express understanding that:

- (i) no director or officer shall be indemnified by the Corporation in respect of any liabilities, costs, charges and/or expenses that he or she sustains or incurs arising from any action, suit or other proceeding in which such director or officer is adjudged to be in breach of his or her duty to act honestly and in good faith;
- (ii) the Corporation is advised of any such action, suit or other proceeding (and of all liabilities, costs, charges and expenses in connection therewith) forthwith after the director or officer receives notice thereof or otherwise becomes aware of same; and
- (iii) the Corporation is given the right to join in the defense of any such action, suit or proceeding.

6.14 Insurance:

Subject to the limitations contained in the Act, the Corporation shall purchase and maintain such insurance for the benefit of the directors and officers as the board may from time to time determine.

6.15 Standard of Care:

Every director and officer shall exercise the powers and discharge the duties of his or her office honestly and in good faith, and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

6.16 Consent of Director at Meeting:

A director who is present at a meeting of directors, or committee of directors, is deemed to have consented to any resolution passed at such meeting or to any action taken thereat, unless such director:

- (a) requests that his or her dissent is entered in the minutes of the meeting; or
- (b) delivers a written dissent to the secretary of the meeting before the meeting is terminated.

A director who votes for (or consents to) a resolution is not entitled to dissent under or pursuant to the foregoing provisions hereof.

6.17 Deemed Consent of a Director:

A director who was not present at a meeting at which a resolution was passed or any action taken is deemed to have consented thereto unless within seven (7) days after becoming aware of the resolution, the director:

- (a) causes his or her dissent to be entered into (or annexed to) the minutes of the meeting; or
- (b) delivers a written dissent to the Corporation, personally or by registered mail.

6.18 Minutes:

While the Corporation may produce, circulate and/or maintain minutes of any meeting that contain a more detailed narrative description of the proceedings at any meeting of Directors, the Corporation shall prepare, circulate and maintain a minute record of each meeting which records the following, and only the following, information:

- (a) the date, time and place of the meeting;
- (b) those present in person and by proxy at the meeting;
- (c) the identity and method of appointment of the Chair and the Secretary of the meeting;
- (d) confirmation of the due calling of the meeting;
- (e) confirmation of a quorum;
- (f) the disposition of each agenda item including confirmation of the moving, seconding (where necessary) and disposition of every motion made and vote held pursuant to the agenda;
- (g) confirmation of the moving, seconding (where necessary) and disposition of every other motion made at the meeting;
- (h) adjournment of the meeting; and
- (i) certification of the Secretary and Chair of the meeting.

ARTICLE VII - OFFICERS

7.1 Elected President:

At the first meeting of the board, after each election of directors and whenever a vacancy in the office occurs, the board shall elect from among its members a President. Until such elections, the then incumbent (if a member of the board) shall hold office.

7.2 Other Elections and Appointments:

The board shall appoint or elect a secretary, a treasurer and such other officers as the board may determine, including one or more assistants to any such officers. The officers so elected may, but need not be, members of the board. One person may hold more than one office.

7.3 Term of Office:

The board may by resolution remove at its pleasure any officer of the Corporation.

7.4 President:

The President, shall, when present unless he/she has delegated the responsibility, preside at all meetings of the owners and of the board, and shall be charged with the general supervision of the business and affairs of the Corporation. Except when the board has appointed a General Manager or Managing Director, the President shall also have the powers and be charged with the duties of that office.

7.5 Vice-President:

During the absence of the President his/her duties may be performed and his/her powers may be exercised by the Vice-President, or if there are more than one, by the Vice-Presidents, in order of seniority as determined by the board. If a Vice-President exercises any such duty or power the absence of the President shall be presumed with reference thereto. A Vice-President shall also perform such duties and exercise such powers as the board may prescribe.

7.6 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. The terms of employment and remuneration of the General Manager appointed by the board shall be settled from time to time by the board.

7.7 Secretary:

The Secretary shall give or cause to be given all notices required to be given to the owners, directors, auditors, mortgagees and all other entitled thereto; he/she shall attend all meetings of the directors and owners and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at such meetings; he/she shall be the custodian of all books, paper, records, documents and other instruments belonging to the Corporation, and he/she shall perform such other duties as may from time to time be prescribed by the board.

7.8 Treasurer:

The Treasurer shall keep or cause to be kept full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation and under the direction of the board shall control the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation; he/she shall render to the board whenever required of him/her an account of all his/her 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. The offices of Secretary and Treasurer may be combined.

7.9 Other Officers:

The duties of all other officers of the Corporation shall be as set out in the terms of their employment or as the board further declares. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant unless the board otherwise directs.

7.10 Agents and Attorneys:

The board shall have power from time to time to appoint agents or attorneys for the Corporation with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

7.11 Committees

In order to assist the board in managing the affairs of the Corporation, the board may from time to time establish or constitute such advisor committees to advise and make recommendations to the board in connection with any activities undertaken (or under consideration) by the board, including those related to management, budgets, rules and/or any other matters related to the common elements or any facilities, services or amenities (or any portion thereof). The members of such committees shall be appointed by the board to hold office, and may be removed at any time by resolution of the board.

ARTICLE VIII - BANKING ARRANGEMENTS AND CONTRACTS

8.1 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 or appoint 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 bank to do any act or thing on the Corporation's behalf to facilitate such banking business.

8.2 Execution of Instruments:

Subject to the provisions of the Act, and subject to the provisions of any other by-law(s) of the Corporation specifically designating the person or persons authorized to execute any type or class of documents on behalf of the Corporation, all deeds, transfers, assignments, contracts and obligations on behalf of the Corporation may be signed by any two directors of the Corporation. Any contract or obligation 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. The manager of the Corporation, any two members of the board, or the Corporation's solicitor, may execute a certificate of lien or discharge thereof. Subject to the 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 preceding 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

10.01 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 unit, 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 unit or at the mail box for the owner's unit, 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 unit of the owner.
- (b) to a mortgagee [who has notified the Corporation in writing of his or her interest as mortgagee in any unit, 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/ unit 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;

10.02 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.

10.03 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 unit, shall concurrently send a copy of such notice to each mortgagee of such unit who has requested that such notices be sent to him/her.

ARTICLE XII - LIABILITY FOR COSTS

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

The owner of a unit is responsible for any cost incurred to repair:

- (a) damage to the common elements or other units 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 the unit 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 unit 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 unit with the permission or knowledge of the owner, by or through any act or omission causes damage to such owner's unit, or to any other unit(s), 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 unit, 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 Headings:

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 this 1st day of February, 2010.

**TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 2050**

Per: _____

Name: Sanford Minuk

Title: President

Per: _____

Name: Jeffrey Minuk

Title: Vice-President

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 unit owner (or unit 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.

OFFICE SCHEDULE

AT- 2294323

CERTIFICATE OF RECEIPT
RÉCÉPISSÉ
TORONTO (66)

2010-02-1

9:34

Maria Rodrigues

DECLARATION

CONDOMINIUM
ACT, 1998

TORONTO STANDARD CONDOMINIUM PLAN NO. 2050

NEW PROPERTY IDENTIFIER'S BLOCK 13050

RECENTLY : BEING ALL OF PINS: 07371-0609/ 0352/ 0610

DECLARANT : REXDALE COMMERCIAL CENTRE LTD.

JEFFREY P. SILVER

HARRIS, SHEAFFER LLP

4100 YONGE STREET

STE -610

TORONTO, ONTARIO

M2[P-2B5]

PHONE: 416-250-5800

FAX-416-250-5300

No. OF UNITS 44

FEES : 44 x 5 = 220.00 + \$70.00 = 290.00

THIS DECLARATION (hereinafter called the "**Declaration**") is made and executed pursuant to the provisions of the *Condominium Act*, 1998, S.O. 1998, C.19, and the regulations made thereunder, as amended from time to time (all of which are hereinafter collectively referred to as the "**Act**"), by:

REXDALE COMMERCIAL CENTRE LTD.
(hereinafter called the "**Declarant**")

WHEREAS:

- A. The Declarant is the owner in fee simple of certain lands and premises situate in the City of Toronto, in the Province of Ontario and being more particularly described in Schedule "A" annexed hereto and in the description submitted herewith by the Declarant (hereinafter called the "**Description**") for registration in accordance with the Act and which lands are sometimes referred to as the "**Lands**" or the "**Property**";
- B. The Declarant has constructed buildings upon the Property containing various units as more particularly described in this Declaration; and
- C. The Declarant intends that the Property together with the buildings constructed thereon shall be governed by the Act and that the registration of this Declaration and the Description will create a freehold standard condominium corporation.

NOW THEREFORE THE DECLARANT HEREBY DECLARES AS FOLLOWS:

ARTICLE I
INTRODUCTORY

1.1 Definitions

The terms used in the Declaration shall have the meanings ascribed to them in the Act unless this Declaration specifies otherwise or unless the context otherwise requires and in particular:

- (a) "**Applicable Zoning By-laws**" means the zoning by-laws, rules or regulations (as amended from time to time) of the City of Toronto or any governmental authority having jurisdiction;
- (b) "**Board**" means the Corporation's board of directors;
- (c) "**By-law(s)**" means the by-law(s) of the Corporation enacted from time to time;
- (d) "**Commercial Units**" means Units 1 to 37, inclusive on Level 1;
- (e) "**Common Elements**" or "**common elements**" means all the Property except the Units;
- (f) "**Corporation**" or "**Condominium**" means the freehold condominium that is a standard condominium corporation created by the registration of this Declaration and Description;
- (g) "**Extraordinary Expenses**" means the consumption of any utility, or service that is excessive or extraordinary in relation to the consumption or use by any other unit as determined by the Board acting reasonably;

- (h) **"Office Units"** means Units 1 to 7, inclusive, on Level 2;
- (i) **"Owner"** means the owner or owners of the freehold estate(s) in a unit, but does not include a mortgagee unless in possession;
- (j) **"Rules"** means the rules passed by the Board in accordance with the provisions of the Act;
- (k) **"Unit Owner's Individual Servicing System"** means any mechanical or electrical system (including, without restricting the generality of the foregoing, any heating, cooling, air conditioning, refrigeration, plumbing, ecology, environmental air filtration, fire protection, fire alarm, sprinkler, sound insulation, heat insulation or ventilation system) and any signage display, lighting displays and advertising or business identification installations (including any awning, canopies and posters) which exclusively services any one Unit (or any adjacent units owned by the same Owner or any persons affiliated or associated with such Owner) and the installation of which were not paid for by the Condominium but are being paid for and installed at the expense of the Owner of any such Unit benefitting from such servicing system, display or installation as referred to herein;
- (l) **"Units"** means all portions of the Condominium designated as a unit, collectively, as the context may require.

1.2 Act Governs the Lands

The Lands described in Schedule "A" annexed hereto and in the Description together with all interests appurtenant to the Lands are governed by the Act.

1.3 Standard Condominium

The registration of this Declaration and the Description will create a freehold condominium corporation that constitutes a standard condominium corporation.

1.4 Consent of Encumbrancers

The consent of every person having a registered mortgage against the Property or interests appurtenant thereto is contained in Schedule "B" attached hereto.

1.5 Inclusions and Exclusions from Units

It is expressly stipulated and declared that the following items, matters or things are included within or excluded from (as the case may be) each of the Units described below, namely:

- (a) Each Commercial Unit and Office Unit shall include the exterior doors, (including any overhead doors), door frames, windows (including any skylights and glazing, where applicable) and window frames, and all pipes, wires, cables, conduits, ducts, mechanical and electrical apparatus, including, but not limited to, the heating, air conditioning, ventilation and other "servicing" equipment and appurtenant fixtures attached thereto, that provide a service or utility to the Unit only, regardless of whether or not same are located outside the boundaries of the Unit described in Schedule 'C'. Each Commercial Unit and Office Unit shall also include all interior partition walls including an equal interest in the demising wall separating the units from each other, where applicable. Each Commercial Unit shall also include any exterior metal stairs immediately abutting the Units and in the vicinity of any loading docks, where applicable.

- (b) Each Commercial Unit and Office Unit shall exclude all exterior walls, any part of the roof assembly, any load bearing walls and columns, that provides support to another Unit or the Common Element and any pipe, wire, cable, conduit, duct, shaft, sprinkler, fire alarm, security system, carbon monoxide detector, mechanical and electrical apparatus, which are situate within the Unit and which provide a service or utility to another Unit or the Common Element.

1.6 Common Interest and Common Expenses

Each Owner shall have an undivided interest in the Common Elements as a tenant in common with all other Owners in the proportions set forth opposite each unit number in Schedule "D-1" and "D-2" attached hereto and shall contribute to the common expenses in the proportion set forth opposite each unit number in Schedules "D-1" and "D-2" attached hereto. The total of the proportions of the common interests and proportionate contribution to common expenses shall each be one hundred (100%) percent.

1.7 Address for Service, Municipal Address and Mailing Address of the Corporation

The Corporation's address for service shall be c/o Y.L. Hendler Ltd., 271 Ridley Boulevard, Suite 1208, Toronto, Ontario M5M 4N1, or such other address as the Corporation may by resolution of the Board determine, and the Corporation's mailing address shall be c/o Y.L. Hendler Ltd., 271 Ridley Boulevard, Suite 1208, Toronto, Ontario M5M 4N1. The Corporation's municipal address is c/o 670 and 680 Rexdale Blvd., Toronto, Ontario.

1.8 Approval Authority Requirements

The following statements or notices are included in this declaration as conditions imposed by the approval authority:

- (a) The Corporation shall retain control of all access driveways, internal circulation aisles, and parking spaces and handicapped parking spaces comprise portions of the Common elements and shall not be sold to Owners or be considered part of any exclusive use Common Elements, if any.
- (b) All solid waste materials must be stored indoors until the time of collection.

1.9 Architect/Engineer Certificates

The certificate(s) of the Declarant's architect(s) and/or engineer(s) confirming that all buildings on the Property have been constructed in accordance with the regulations made under the Act is/are contained in Schedule "G" attached hereto.

ARTICLE II

COMMON EXPENSES

2.1 Specification of Common Expenses

The common expenses shall comprise the expenses of the performance of the objects and duties of the Corporation and such other expenses, costs and sums of money incurred by or on behalf of the Corporation that are specifically designated as (or collectible as) common expenses pursuant to the provisions of the Act and/or this Declaration and without limiting the generality of the foregoing, shall include the specific expenses set out in Schedule "E-1" and "E"-attached hereto.

2.2 Payment of Common Expenses

Each Owner shall pay to the Corporation his or her proportionate share of the common expenses and the assessment and collection of contributions toward common expenses may be regulated by the Board pursuant to the By-laws. In addition to the foregoing, any losses, costs or damages incurred by the Corporation by reason of a breach of any provision of this Declaration, or in any By-laws or Rules in force from time to time by any Owner, or by such owner's tenants, and/or their employees, and/or their respective invitees or licensees, or as a result of any breach or non-compliance with any Applicable Zoning By-laws, or other laws or regulations, or by reason of an extraordinary expense and which is directly attributable to the use made by any owner of a Unit or by such owner's tenants, employees, as aforesaid and/or their respective invitees or licensees, shall be borne and paid for by such owner and may be recovered by the Corporation against such owner in the same manner as common expenses.

2.3 Extraordinary Expenses

In the event the Board, acting reasonably, determines that any Owner is consuming extraordinary utilities, the Board shall have the right to install a separate check or consumption meter appurtenant to or within such Owner's Unit to measure all or any part of the utility consumed by such Unit or Units in order to quantify and measure such Extraordinary Expenses, which meter, the Board or its designated agents alone shall read or verify on a regular basis as below described and which such owner shall be obliged to maintain and repair at its sole cost and expense at the discretion and control of the Board.

Upon such installation being completed such owner shall be solely responsible to pay to the Corporation, the Extraordinary Expenses determined or established pursuant to the reading taken by or on behalf of the Corporation of such check or consumption meter appurtenant to its Unit as aforesaid, without reducing the proportionate share of common expenses that such Owner shall otherwise be liable to pay. Such Owner shall be responsible to reimburse the Corporation for the cost of installation of each such check or consumption meter as well as for its required replacement, maintenance or repair and shall reimburse the Corporation for the cost of removal of such meter which the Board in its discretion desires to remove, including at any point in time when the Extraordinary Expenses are no longer being consumed in connection with such Owner's Unit.

Each Owner shall be obliged to pay the Corporation his or her Extraordinary Expenses on or before the fifth (5th) day following receipt of an invoice from the Corporation setting out the Extraordinary Expenses required to be paid. All such payments pursuant to this provision are deemed to be additional contributions towards the common expenses and recoverable as such.

2.4 Reserve Fund

- (a) The Corporation shall establish and maintain one or more Reserve Funds and shall collect from the Owners as part of their contribution towards the common expenses, all amounts that are reasonably expected to provide sufficient funds for major repair and replacement of Common Elements and assets of the Corporation all in accordance with provisions of the Act.
- (b) No part of any Reserve Fund shall be used except for the purpose for which the fund was established. The Reserve Fund(s) shall constitute an asset of the Corporation and shall not be distributed to any Owner(s) except on termination of the Corporation in accordance with the provisions of the Act.

2.5 Status Certificate

The Corporation shall provide a status certificate to any requesting party who has paid (in advance) the applicable fees charged by the Corporation for providing same, in accordance with the provisions of the Act, together with all accompanying documentation and information prescribed by the Act. The Corporation shall forthwith provide the Declarant with a status certificate and all such accompanying documentation and information, as may be requested from time to time by or on behalf of the Declarant in connection with the Declarant's sale, transfer or mortgage of any Unit(s), all at no charge or fee to the Declarant or the person requesting same on behalf of the Declarant.

ARTICLE III COMMON ELEMENTS

3.1 Use of Common Elements

Subject to the provisions of the Act, this Declaration, the By-laws and any Rules, each Owner has the full use, occupancy and enjoyment of the whole or any parts of the Common Elements, except as herein otherwise provided.

However, save and except as expressly provided or contemplated in this Declaration to the contrary, no condition shall be permitted to exist, and no activity shall be carried on, within any Unit or upon any portion of the Common Elements that:

- (a) will result in a contravention of any term or provision set out in the Act, this Declaration, the By-laws and Rules of the Corporation;
- (b) is likely to damage the Property of the Condominium, injure any person, or impair the structural integrity of any Unit or Common Element area;
- (c) will unreasonably interfere with the use and enjoyment by the other Owners of the Common Elements and/or their respective Units;
- (d) may result in the cancellation (or threatened cancellation) of any policy of insurance obtained or maintained by the Corporation, or that may significantly increase any applicable insurance premium(s) with respect thereto, or any deductible portion in respect of such policy;
- (e) would lead to a contravention by the Corporation or by other owners of the Applicable Zoning By-laws or of any terms or provisions of any agreements with any municipal or other governmental authority and which are registered on title to the Property or which otherwise affect the Property ("**Development Agreements**") or which would require obtaining the consent or approval of any person pursuant to the terms of the Development Agreements.

No one shall, by any conduct or activity undertaken in or upon any part of the Common Elements, impede, hinder or obstruct any right, privilege, easement or benefit given to any party, person or other entity pursuant to this Declaration, any By-law and/or the Rules.

3.2 Exclusive Use Common Elements

Subject to the provisions of and compliance with the Act, this Declaration, the By-laws and the Rules, the Owners of Unit(s) listed in Schedule "F" attached hereto shall have the exclusive use and enjoyment of those parts of the Common Elements more particularly described in Schedule "F" which are respectively allocated to the Unit(s).

3.3 Restricted Access

- (a) Without the consent in writing of the Board, no Owner shall have the right of access to those parts of the Common Elements used from time to time for the care, maintenance or operation of the Property or any part thereof as designated by the Board, from time to time.
- (b) This paragraph 3.3 shall not apply to any mortgagee holding mortgages on at least thirty percent (30%) of the Units who shall have a right of access for inspection upon forty-eight (48) hours notice to the Corporation or its property manager.
- (c) Notwithstanding any other provision of this Declaration to the contrary, Owners shall have the full access to and shall have the use and enjoyment of the Common Element areas of this Condominium, for the purpose of servicing, repairing, maintaining, replacing or inspecting the Unit Owner's Individual Servicing System as required to permit that servicing system or installation to function and operate in accordance with its permitted or contemplated use. Furthermore, the Owners of such Units shall have such access to and over the Common Element areas of this Condominium as is necessary to adequately maintain and repair their respective Units or conduct any act permitted to be made to or in their Units, all in accordance with the provisions of this Declaration.

3.4 Modifications of Common Elements, Assets and Services

(a) General Prohibition

- (i) No Owner shall make any change or alteration to the Common Elements whatsoever, including any installation(s) thereon, nor alter, decorate, renovate, maintain or repair any part of the Common Elements (except for maintaining those parts of the Common Elements which he or she has a duty to maintain in accordance with the provisions of this Declaration) without obtaining the prior written approval of the Board and having entered into an agreement with the Corporation in accordance with section 98 of the Act.
- (ii) In accordance with the requirements of the City of Toronto as provided for in Section 1.8(d) of this Declaration, and notwithstanding any other provision in this Declaration, Owners and/or occupants are hereby advised that they, as well as the Corporation, shall maintain the Common Elements of this Corporation in a comprehensive manner in terms of signage and architectural facade design of all buildings.

(b) Non-Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may make a non-substantial addition, alteration, or improvement to the Common Elements, a non-substantial change in the assets of the Corporation or a non-substantial change in a service that the Corporation provides to the Owners in accordance with subsections 97(2) and (3) of the Act.

(c) Substantial Additions, Alterations and Improvements by the Corporation

The Corporation may, by a vote of owners who own at least sixty-six and two thirds (66 $\frac{2}{3}$ %) percent of the Units, make a substantial addition, alteration or improvement to the Common Elements, a substantial change in the assets of the

Corporation or a substantial change in a service the Corporation provides to the Owner in accordance with subsections 97 (4), (5) and (6) of the Act.

3.5 Permitted Modifications

For the purposes of this Declaration, and for the purposes of regulating and managing the affairs of this Corporation and the Corporation's compliance with any provisions of the Act, and this Declaration, the following acts, (the "**Permitted Modification(s)**") shall not be considered additions, alterations, improvements to, or renovations of the Common Elements of the Corporation, nor a change in its assets:

- (a) any installation, alteration or improvement in a Unit, which involves a Minor Installation onto the Common Elements;
- (b) any alteration, addition, change, improvement or renovation made within any Unit that a tenant of a commercial/retail unit or store in a shopping plaza might ordinarily or reasonably be permitted to make as a leasehold improvement under the terms of a lease, in order to allow such tenant's store to function or operate;
- (c) the removal or replacement of any wall situate between Units or which constitutes part of the Unit but which serves to separate Units from Common Elements (provided the provisions of this Declaration are complied with) or the making of any full or partial enclosure of any unenclosed open area within the Unit or any other unenclosed area within the boundary limits of any Unit but which is situate beyond the physical limit of any wall, glass panel, door or other physical installation that physically encloses that Unit;
- (d) any extension of the boundary or limit of any physical installation physically enclosing a Unit up to the outer limit of any such Unit, or the enclosure of any boundary or side of any Unit; or
- (e) the alteration or removal of non-structural or non-load bearing walls or columns, within any Unit (provided the provisions of this Declaration are at all times complied with).

3.6 Minor Installations onto the Common Elements

- (a) Notwithstanding any provisions of this Declaration or the By-laws or Rules hereafter passed or enacted to the contrary, but subject to the provisions of this section, each owner of a Unit shall be entitled to install, encroach upon, protrude onto, puncture, pierce, alter or hang equipment from, any part of the Common Elements of the Corporation (hereinafter referred to as a ("**Minor Installation onto the Common Elements**") for the following purposes:
 - (i) to install, alter, repair, replace or upgrade any Unit Owner's Individual Servicing System;
 - (ii) to hook onto or connect any Unit Owner's Individual Servicing System into any of the Condominium's servicing systems, provided such hook up or connection was not provided in the mechanical, electrical, servicing or architectural drawings of the Condominium at the time of registration of this Declaration;
 - (iii) to recover or erect partitions and/or walls located between any two Units, or which are situate between any such Units and any adjacent Common Element areas and to replace, demolish or