

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 24

**Properties**

PIN 52807 - 0001 LT

Description UNIT 1, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0002 LT

Description UNIT 2, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0003 LT

Description UNIT 3, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0004 LT

Description UNIT 4, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0005 LT

Description UNIT 5, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0006 LT

Description UNIT 6, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0007 LT

Description UNIT 7, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0008 LT

Description UNIT 8, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0009 LT

Description UNIT 9, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

The applicant(s) hereby applies to the Land Registrar.

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<b>Properties</b>
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*PIN* 52807 - 0010 LT

*Description* UNIT 10, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0011 LT

*Description* UNIT 11, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0012 LT

*Description* UNIT 12, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0013 LT

*Description* UNIT 13, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0014 LT

*Description* UNIT 14, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0015 LT

*Description* UNIT 15, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0016 LT

*Description* UNIT 16, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0017 LT

*Description* UNIT 17, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

*PIN* 52807 - 0018 LT

*Description* UNIT 18, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

*Address* SEGUIN

The applicant(s) hereby applies to the Land Registrar.

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**Properties**

PIN 52807 - 0019 LT

Description UNIT 19, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0020 LT

Description UNIT 20, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0021 LT

Description UNIT 21, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

PIN 52807 - 0022 LT

Description UNIT 22, LEVEL 1, PARRY SOUND STANDARD CONDOMINIUM PLAN NO. 7 AND ITS APPURTENANT INTEREST. THE DESCRIPTION OF THE CONDOMINIUM PROPERTY IS : PT LOTS 29 & 30 CON 7 HUMPHREY PARTS 1, 6, 22, 24 & 25 PL 42R17667 AND PART 1 PL 42R17857; T/W & S/T EASEMENTS AS SET OUT IN SCHEDULE "A" OF DECLARATION GB9296; TOWNSHIP OF SEGUIN DISTRICT OF PARRY SOUND

Address SEGUIN

**Applicant(s)**

Name PARRY SOUND STANDARD CONDOMINIUM CORPORATION NO. 7  
Address for Service 15675 Dufferin Street  
King City, Ontario  
L7B 1K5

Parry Sound Standard Condominium Corporation No. 7 hereby certifies that by-law number 2 attached hereto See Schedules is a true copy of the by-law. The by-law was made in accordance with the Condominium Act. The owners of a majority of the units of the corporation have voted in favour of confirming the by-law.

I, Robert Visentin (President) and Tim Green (Secretary), have the authority to bind the corporation.

**Signed By**

Melissa Margaret McKenzie 610-4100 Yonge St. acting for Signed 2007 11 13  
Toronto Applicant(s)  
M2P 2B5

Tel 4162505800  
Fax 4162505300

**Submitted By**

HARRIS, SHEAFFER LLP 610-4100 Yonge St. 2007 11 13  
Toronto  
M2P 2B5

Tel 4162505800  
Fax 4162505300

**Fees/Taxes/Payment**

tatutory Registration Fee \$60.00

Total Paid \$60.00

The applicant(s) hereby applies to the Land Registrar.

**File Number**

Applicant Client File Number : 071345

*Condominium Act, 1998*

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

Parry Sound Standard Condominium Corporation No. 7 (known as the "**Corporation**") certifies that:

1. The copy of By-law 2 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 the 11<sup>th</sup> day of October, 2007.

**PARRY SOUND STANDARD  
CONDOMINIUM CORPORATION NO. 7**

Per:



Name: Robert Visentin

Title: President

Per:



Name: Tim Green

Title: Secretary

We have the authority to bind the Corporation.

**SCHEDULE "A"**

**PARRY SOUND STANDARD CONDOMINIUM CORPORATION  
NO. 7**

**BY-LAW NO. 2**

A By-law respecting the Shared Facilities Agreement to be entered into between Parry Sound Standard Condominium Corporation No. 7 (the "**Corporation**") and Lakeside at Rocky Crest Limited ("**Lakeside**") as the Declarant of the Future Phase Condominiums to be developed on the Future Lands as defined in the Shared Facilities Agreement.

**WHEREAS** the Corporation and Lakeside have agreed to enter into an agreement for the purposes of providing for the mutual use, maintenance, repair, replacements, governance and cost-sharing of various facilities which will serve and benefit the Corporation and the Future Phase Condominiums and the Rocky Crest Golf Club and the Delta Rocky Crest Resort as also defined in the Shared Facilities Agreement (the "**Shared Facilities Agreement**").

**BE IT ENACTED** as a By-law of Parry Sound Standard Condominium Corporation No. 7 as follows:

1. The Corporation enter into the Shared Facilities Agreement with Lakeside at Rocky Crest Limited having substantially the same form and content as the draft agreement annexed hereto as Schedule "B".
2. All of the terms, provisions and conditions contained in the Shared Facilities Agreement are hereby authorized, ratified, sanctioned and confirmed.
3. The President and/or Secretary <sup>and/or Treasurer</sup> of the Corporation be and are hereby authorized to execute on behalf of the Corporation, the Shared Facilities Agreement, together with all other documents as may be necessary to more effectively carry out the intent of this By-law.

**DATED** this 11<sup>th</sup> day of October, 2007.


**PARRY SOUND STANDARD  
CONDOMINIUM CORPORATION NO. 7**

Per:



Name: Robert Visentin  
Title: President

Per:



Name: Tim Green  
Title: Secretary

We have the authority to bind the Corporation.

**SCHEDULE "B"**

**THIS AGREEMENT** dated this 11<sup>th</sup> day of October, 2007.

**B E T W E E N:**

**PARRY SOUND STANDARD CONDOMINIUM CORPORATION NO. 7**, a corporation incorporated pursuant to the laws of the Province of Ontario

(hereinafter called the "**Condominium**")

OF THE FIRST PART

- and -

**FUTURE PHASE CONDOMINIUMS**, being **LAKESIDE AT ROCKY CREST LIMITED** as owner of the Future Phase Lands until registration of one or more condominium corporations thereon and thereafter the condominium corporations registered on such lands

(hereinafter called the "**Future Phase Condominiums**")

OF THE SECOND PART

- and -

**LAKESIDE AT ROCKY CREST LIMITED**, a corporation incorporated pursuant to the laws of the Province of Ontario;

(hereinafter called "**Lakeside** or the "**Declarant**")

OF THE THIRD PART.

**WHEREAS** the Declaration of the Condominium has been registered in the Land Registry Office for the Land Titles Division of Parry Sound (No. 42) as Instrument No. GB9296, thereby creating the Condominium, a condominium plan legally known as Parry Sound Standard Condominium Plan 7;

**AND WHEREAS** Lakeside or a related company, intends to develop and construct any one or more of the Future Phase Condominiums on the Future Phase Lands (as hereinafter defined);

**AND WHEREAS** ClubLink Corporation (or its related or affiliated companies) operates the Rocky Crest Golf Club on the lands adjacent to or in proximity to the lands upon which the Condominium and the Future Phase Condominiums are located or are to be located, which golf club operations may be expanded in the future on other lands owned or to be acquired by ClubLink (or its related or affiliated companies);

**AND WHEREAS** the parties have entered into this Agreement for the purposes of providing for the mutual use, maintenance, repair, replacement and cost-sharing of certain of the Shared Facilities, the Easements and the Shared Services (on such terms as hereinafter defined) which will serve and benefit the parties hereto;

**IN CONSIDERATION OF** the mutual covenants herein contained, and for other good and valuable consideration and the sum of Ten Dollars (\$10.00) now paid by each of the parties hereto to the other (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree each with the others as follows:

## I DEFINITIONS

1. In this Agreement, unless a contrary intention is expressed, the following terms shall have the following meanings:
  - (a) **“Acceptable Standards”** shall mean:
    - (i) with respect to any equipment, device, apparatus or system: efficient and safe operating capability for its intended purpose(s) in accordance with the standards specified by its manufacturer(s)/supplier(s) and prescribed by all applicable laws, regulations and by-laws;
    - (ii) with respect to any landscaped/grassed area: appearing to be properly cultivated/tended, suitable for its intended purpose(s) and
    - (iii) with respect to any structural or other non-operating element, part or component: good repair, having regard to the standards maintained by a prudent owner of a comparable facility of comparable age;
  - (b) **“Act”** shall mean the *Condominium Act*, 1998, S. O. 1998, c. 19, as amended;
  - (c) **“ADR”** shall mean alternate dispute resolution in accordance with Article XVI of this Agreement;
  - (d) **“Allocated Share”**, with respect to an Owner (as hereinafter defined), shall mean the proportion of the costs of the Shared Services (as hereinafter defined) to be borne by that Owner pursuant to Article IX of this Agreement;
  - (e) **“Cabana/Pool Unit”** means the swimming pool and related areas to be designated as a unit(s) in one of the Future Phase Condominiums;
  - (f) **“ClubLink”** means ClubLink Corporation and any of its related or affiliated corporations;
  - (g) **“Common Shared Areas and Services”** means: (i) the beach front area along the shore of Lake Joseph, which area will also house or contain some lounge chairs, some canoes, paddle boats and kayaks and an existing dock area and related boat slips within the adjoining water area; (ii) various common trails throughout the Project, comprising walking trails, jogging trails, cross country ski trails, sitting areas and some gazebos; within the adjoining water area which will or may be under lease with the Ministry of Natural Resources of the Government of Canada;
  - (h) **“Declarant’s Ownership Interest in Service Units and/or Shared Units”** means any ownership interest(s) of the Declarant (or its related or affiliated companies) from time to time in one or more or all of the Service Units and/or Shared Units which shall be established and determined by the Declarant on or before the Transfer Date;
  - (i) **“Delta Rocky Crest Resort”** means the existing resort operating on adjacent lands (and which may continue to operate until the development of a Future Phase Condominium(s));
  - (j) **“Easements”** means the easements referred to in Article IV hereof;
  - (k) **“Family Centre Unit”** means the building which will contain various recreational facilities and be designated as a unit(s) in one of the Future Phase Condominiums;



- (l) **“Future Phase Condominiums”** means the condominium corporations to be developed and created by the Declarant as separate condominium corporations upon the registration of declarations and descriptions under the Act on the Future Phase Lands;
- (m) **“Future Phase Lands”** means the lands upon which the Future Phase Condominiums are located or are to be located and which are generally legally described as: All of P.I.N. 52193-0538(LT) being Part of Lot 29, Concession 7 designated as Parts 2, 7, 39 & 42, Plan 42R-17667, All of P.I.N. 52193-0540(LT) being Part of Lot 30, Concession 7 designated as Parts 3, 36, 37 & 38, Plan 42R-17667, All of P.I.N. 52193-0077(LT) being Part of Lots 29 & 30, Concession 7 designated as Part 8, Plan 42R-17667, All of P.I.N. 52193-0086(LT) being Part of Lot 30, Concession 7 designated as Part 4, Plan 42R-17667, All of P.I.N. 52193-0087(LT) being Parts 5 & 35, Plan 42R-17667 and All of P.I.N. 52193-0463(LT) being Part of Lots 29 & 30 and Part of the Original Shore Road Allowance in Front of Lot 30(closed by By-Law 942, Instrument No. LT95285) designated as Parts 28, 40 & 41, Plan 42R-17667 save and except Part 1, Plan 42R-17857 all in the Geographic Township of Humphrey;
- (n) **“Housekeeping/Maintenance Building Unit”** means the building which will be used in connection with the providing of housekeeping services to the Project and as may be required or authorized by the Declarant to the Delta Rocky Crest Resort and which will be designated as a unit(s) in one of the Future Phase Condominiums;
- (o) **“Insurance Policies”** shall mean the policies or property and liability insurance and/or self-insurance maintained as contemplated under Article XI of this Agreement;
- (p) **“Lakeside at Rocky Crest”** or the **“Project”**, means the resort condominium development which shall comprise the Condominium and will also comprise the registrations of the Future Phase Condominiums under the Act;
- (q) **“Lands”** shall mean the Lands and the Future Phase Lands taken collectively;
- (r) **“Owner”** shall mean with respect to the Lands, the Condominium; with respect to the Future Phase Lands, any condominium corporation registered under the Act in connection therewith; and with respect to the Rocky Crest Golf Club and the Delta Rocky Crest Resort (while still in operation) Lakeside or its related companies; as the case may be, including their respective successors, in title, and **“Owners”** shall, as the context may require, have a corresponding meaning as to all the Lands;
- (s) **“Owners’ Liaison Committee”** shall mean the committee provided for in Article X. B of this Agreement;
- (t) **“Phase I Lands”** means the lands upon which the Condominium is located;
- (u) **“Propane/Hydro Substation Unit”** means the facilities and services designated as Unit 19, Level 1 in the Condominium for the supply of propane service to the Project and hydro service to the Project, the Rocky Crest Golf Club, the Delta Rocky Crest Resort, while still in operation, and Unit 20, Level 1, designated as the Armishaw Sports Club Unit in the Condominium;
- (v) **“Reception/Fitness Centre Unit”** means the reception/fitness building which will service the Project and is designated as a Unit 20, Level 1 in the Condominium;
- (w) **“Resort Units”** means the resort type buildings within the Condominium and within the Future Phase Condominiums;

- (x) **“Rocky Crest Golf Club”** means the existing golf club owned and operated by ClubLink Corporation, (a related company of Lakeside or its related companies) on the Rocky Crest Golf Club Lands, including its respective successors, in title;
- (y) **“Rocky Crest Golf Club Lands”** means those lands upon which the Rocky Crest Golf Club is operated together with any additional lands upon which such operations may be expanded upon in the future;
- (z) **“Service Units”** or **“Shared Units”** means the Reception/Fitness Centre Unit and the Propane/Hydro Substation Unit in the Condominium and the Cabana/Pool Unit, the Housekeeping/Maintenance Building Unit and the Family Centre Unit contained in one or more of the Future Phase Condominiums, all of which shall ultimately be shared and used by or on behalf of the Condominium, the Future Phase Condominiums and the Rocky Crest Golf Club and, while still in operation, the Delta Rocky Crest Resort, in accordance with this Shared Facilities Agreement together with all other mechanical and/or other services and facilities (and any appurtenances thereto) utilized in connection with the operation and/or maintenance of any or all of the Shared Facilities;
- (aa) **“Servient Portion”** with respect to the Lands owned by an Owner or charged in favour of a mortgagee, shall mean the parts thereof subject to the Easements;
- (bb) **“Shared Facilities Costs”** shall include the costs of providing the Shared Services;
- (cc) **“Shared Facilities”** shall mean the facilities described as such in Article VII of this Agreement;
- (dd) **“Shared Services”** shall mean the services for the Shared Facilities described in Article VII of this Agreement;
- (ee) **“Transfer Date”** shall mean the earlier of:
  - (i) one hundred and twenty (120) following the date upon which the last of the Future Phase Condominiums has been registered as a separate condominium pursuant to the provisions of the Act by the Declarant and all Resort Units therein have been sold and conveyed by the Declarant; and
  - (ii) such earlier date at the Declarant may determine in its sole and unfettered discretion;

## II RECITALS

The recitals hereinbefore set forth are true in substance and in fact.

## III FUTURE PHASE CONDOMINIUMS

### 1. Effect of Agreement

This Agreement shall be and remain in full force and effect and be binding upon the signatories hereto, notwithstanding that the Future Phase Condominiums are not in existence or do not come into existence with respect to the Future Phase Lands.

Upon the registration of a Declaration(s) under the Act in regard to the Future Phase Lands or any part thereof, the condominium corporation(s) so created will be deemed to have assumed the obligations of the Declarant. From and after such date the term “Future Phase Condominiums” as used in this Agreement will mean the Future Phase Condominiums so registered (and defined herein) which will thereafter have all of the

rights and obligations of the "Future Phase Condominiums" hereunder, and the term "Future Phase Condominiums" will not thereafter mean the Declarant which party shall be released and relieved of all obligation and liabilities hereunder in respect of the performance of the duties, covenants and agreements to be performed by the "Future Phase Condominiums".

#### IV EASEMENTS

The Lands of each of the Parties to this Agreement are subject to easements or licenses in favour of the other as set out on the registered title of the Lands and to be created in the declarations creating the Future Phase Condominiums, or as otherwise established.

#### V BENEFIT AND BURDEN

1. The parties hereto hereby acknowledge to and covenant with each other that:
  - (a) the principles of reciprocal benefit and burden shall apply and as such each of the easements, rights and privileges referred to in this Agreement establishes a basis for the mutual and reciprocal use of certain parts of the Lands including the Shared Facilities;
  - (b) as an integral and material consideration for the continuing enjoyment of and right to the use and enjoyment by each Owner of such easements, benefits and privileges, each Owner hereby accepts and agrees to assume the burdens and obligations imposed on it and agrees to be bound by each and every covenant contained in this Agreement;
  - (c) no Owner, unless its Lands are governed by the Act (in which case the provisions of Article V, subparagraph (3) of this Agreement shall apply), shall convey any interest in any part(s) of the Lands without obtaining from the grantee thereof a written covenant to be bound by the collective burden associated with such part(s) under this Agreement as described in clauses (a) and (b) hereof and including this herein paragraph, and seeing to registration thereof on the title to the Lands, immediately after said conveyance.
2. The provisions of this Agreement are intended to run with the Lands and any portion thereof benefitted and burdened thereby, and shall be binding on and enure for the benefit of each of the parties hereto and their respective successor in title thereto.
3. Upon sale, transfer or conveyance by Lakeside or any subsequent transferee of any unit within the Future Phase Condominiums, such transferor shall be automatically released and discharged *pro tanto* from any of the liabilities and obligations it would bear hereunder as the owner of such unit or land sold, transferred or conveyed, and it shall no longer be liable to the other parties for any breach of this Agreement caused or occurring subsequent to the date of such sale, transfer or conveyance relating to such unit or land; correspondingly, any subsequent purchaser of such unit or land shall assume *pro tanto* such liabilities and obligations insofar as the burden of such liabilities are capable of passing to such person by operation of law.
4. No Owner shall exercise any right of replacement of any building or structure forming part of the Shared Facilities in such a way as to substantially expand the dimensions of such buildings, structures or improvements, or as to place any non-trivial burden or greater burden, economic or otherwise, directly or indirectly, on another Owner's Lands in relation thereto or as to cause the amount of the other Owner's Allocated Share to increase to any non-trivial extent, without another Owner's prior written consent, which shall not be unreasonably withheld if such expansion, burden or increase may be adequately compensated for monetarily without compromising what the other Owner

fairly regards as its essential interests and said Owner legally binds itself to provide such compensation in the same manner as to payment (to the extent applicable) and enforcement as the payment of its own Allocated Share.

5. No Owner shall with respect to any existing or proposed condominium unit on any part(s) of the Lands:
  - (a) deliver any Disclosure Statement pursuant to the Act or any successor legislative provision, unless the provisions of this Agreement are set out therein;
  - (b) as a Declarant under the Act, make a conveyance thereof if such conveyance would cause the Owner to cease to be the registered owner of a majority of such units unless it has caused the condominium corporation to take all necessary steps, including the enactment of a by-law, for the execution of an agreement acknowledging the obligation of the condominium corporation to abide by the covenants set out in this Agreement and assuming the burden thereof, which agreement shall be registered against the title to the Lands of the condominium corporation and against the title to the other Owners' Lands and the other Owners shall execute any necessary documentation to register such agreement against its Lands.

## VI MAINTENANCE AND REPAIR

1. The Owners shall, in the manner contemplated by the terms of this Agreement be responsible for governing and arranging for the maintenance, repair, restoration, reconstruction, replacement and inspection of the Shared Facilities to Acceptable Standards, and accordingly, in the manner contemplated by the terms of this Agreement for engaging all requisite contractors, servicemen, suppliers and others required therefor.
2. No Declaration registered against the Lands or any part thereof under the Act shall permit the owner of any Resort Unit to maintain or repair any part of the common elements comprised within the Shared Facilities of the condominium corporation thereby created.

## VII PROVISION OF SHARED SERVICES AND USE OF THE SHARED FACILITIES

1. The following shall be the Shared Facilities referred to in this Agreement for which the Shared Services shall be supplied:
  - (a) those parts of the HVAC, electrical and mechanical systems, energy management system, water main service and pumps, sanitary drainage system, storm drainage system, water service, fire line and sprinkler system, telephone service, internet service, television service and all other systems or services situate in any of the Service Units and/or Shared Units or Common Shared Areas and Services;
  - (b) the Service Units and/or the Shared Units and the amenities and facilities contained therein;
  - (c) the Common Shared Areas and Services; and
  - (d) the common interior roadways and pathways, if any within the Project.

2. The Shared Services include, without restricting the generality of the foregoing:
  - (a) maintenance and repair, including renovation or reconstruction as necessary, of the Shared Facilities to ensure that same are and will operate in accordance with Acceptable Standards;
  - (b) preparation and setting of annual budgets with respect to all Shared Services and Shared Facilities and all matters related thereto;
  - (c) obtaining of any professional services, consultants, opinions, reports and advice with respect to the operation, maintenance and/or repair of the Shared Facilities;
  - (d) snow removal;
  - (e) personnel;
  - (f) window washing; and
  - (g) administration expenses.
3. All Shared Services shall be provided expeditiously in a good and workmanlike manner without unnecessary interference with the normal use of the Lands thereby affected or with the benefit of the Easements appurtenant thereto, and where performed by contract with others the contract price shall be competitive except in an emergency in which time did not permit competitive selection.
4. The Shared Facilities shall be maintained, repaired, improved, altered and/or replaced as determined by the Owners' Liaison Committee as set out herein.
5. The Owner of the Lands upon which Shared Facilities are located shall promptly notify the Owners' Liaison Committee of any maintenance, repair or other attention required of which it becomes aware.
6. Each Owner shall provide the other Owners in writing with the name(s) and telephone number(s) of its liaison personnel for the purposes of notification in case of emergency.
7. The Condominium and the Future Phase Condominiums and the owners of Resort Units therein and their respective residents, tenants, invitees and licensees shall, in accordance with the Declaration of the Condominium and the declarations to be registered in respect of the Future Phase Condominiums have the right to use the Shared Facilities. In addition and in accordance with the Declaration of the Condominium and the declarations to be registered in respect of the Future Phase Condominiums, the Declarant shall:
  - (i) have the right to enter into separate arrangements or agreements with the Delta Rocky Crest Resort to allow the Delta Rocky Crest Resort to use the Reception/Fitness Centre Unit and its facilities while the resort is still in operation and any and all revenue payable under such arrangements or agreements shall be paid to the Condominium and/or the Future Phase Condominiums, as the case may be;
  - (ii) have the right to enter into separate arrangements or agreements with the Delta Rocky Crest Resort to allow the Delta Rocky Crest Resort to use the Housekeeping/Maintenance Building Unit to service the resort while the resort is still in operation;

- (iii) have the right to enter into separate arrangements or agreements with the Delta Rocky Crest Resort to allow the Delta Rocky Crest Resort to use the Family Centre Unit in connection with the operations of the resort while the resort is still in operation;
- (iv) have the right, pending the development of the last construction phase of the Project, to use the Family Centre Unit as a sales office for the Project;
- (v) have the right to allow members of the Rocky Crest Golf Club and their guests and/or members of other clubs operated by ClubLink and their guests (who may not coincidentally also be an owner of a Resort Unit in the Project) to also share and have day use of some of the boat slips within the adjoining water area forming part of the Common Shared Areas and Services and designated or to be designated by Lakeside for such purposes.

## VIII OWNERSHIP OF THE SERVICE UNITS AND SHARED UNITS

1. Ownership of the Service Units and Shared Units shall ultimately be shared by the Condominium and the Future Phase Condominiums and the Declarant, as tenants-in-common. Save and except for the Declarant's Ownership Interest in the Service Units and/or shared Units, the Condominium and each of the Future Phase Condominiums shall receive a proportionate tenancy-in-common interest in the Service Units and Shared Units equivalent to the proportion that the number of Resort Units within that particular condominium bears to the total number of Resort Units ultimately contained in the Condominium and the Future Phase Condominiums.
2. The actual transfer of the ownership interests in the Service Units and Shared Units by the Declarant to the Condominium and the Future Phase Condominiums, as tenants-in-common in accordance with their respective proportionate interest shall occur no later than the Transfer Date.
3. Once ownership interests in the Service Units and Shared Units have been transferred by the Declarant to the Condominium and the Future Phase Condominiums any further sale, transfer, mortgage, charge, encumbrance or other conveyance of registered and/or beneficial title to same shall require [in addition to any other approvals required pursuant to the provisions of the Act and/or the Declaration(s)] the prior written consent of the Declarant and the prior written consent of the other co-tenants of the Service Units and Shared Units, together with the prior approval of two-thirds of the owners of the Resort Units in the Condominium and in the Future Phase Condominiums purporting to sell, transfer, mortgage, charge or encumber its/their ownership interest therein (with such unit owner(s) approval being procured from owners who are present, in person or by proxy, at a meeting duly called for the purpose of obtaining such approval).
4. Any instrument or other document purporting to sell, transfer, convey, mortgage, charge or encumber the ownership interest(s) of in the Service Units and/or Shared Units, in contravention of the foregoing provisions, shall be null and void and of no force and effect.

## IX COST SHARING

1. The Shared Facilities Costs shall be shared such that the Allocated Share of the Condominium and each of the Future Phase Condominiums shall be as follows:
  - (a) The costs of the Shared Facilities shall eventually be shared between the Condominium and the Future Phase Condominiums. Each such condominium corporation's proportionate share of the Shared Facilities Costs, upon completion and registration of all condominium plans shall be calculated in the proportion

that the total number of Resort Units in each condominium bears to the total number of Resort Units, from time to time, in the Condominium and the Future Phase Condominiums.

- (b) Subject to the terms of this Agreement, until the Future Phase Condominiums become registered the Shared Facilities Costs shall be paid by the Condominium. As each of the Future Phase Condominiums are registered as plans of condominium, the proportionate share of each corporation then registered shall be calculated based on the proportion that the total number of Resort Units in each condominium plan bears to the total number of all Resort Units in the condominium plans. Subject to the terms of this Agreement, Lakeside shall not pay nor be responsible for any portion of such Shared Facilities Costs for or in respect of the Condominium or in the case of Future Phase Condominiums for such condominiums while not yet registered and for which such corporations, if registered, would otherwise be responsible.
2. The cost of any services necessitated by the willful or negligent act or omission of any Owner or of any of its occupants, employees, agents, contractors, licensees or invitees shall be paid by that Owner and not included in the Allocated Share of the Owners.
3. Without limiting the generality of anything contained herein and notwithstanding anything contained herein, Lakeside or ClubLink (or its related or affiliated companies) shall not be responsible for any Shared Facilities Costs irrespective of: (i) the use that shall be made by Lakeside or ClubLink (or their related or affiliated companies) of the Shared Facilities in connection with the operation of the Rocky Crest Golf Club as provided for under this Agreement; or (ii) the use that shall be made by the Delta Rocky Crest Resort (while still in operation) of the Shared Facilities as provided for under this Agreement, save and except that Lakeside or ClubLink, based on a formula to be determined by Lakeside and based on usage, if any, by Lakeside or ClubLink of the Shared Facilities or by the Delta Rocky Crest Resort of the Shared Facilities, shall contribute a payment annually to the Shared Facilities Costs with respect to their usage of the Shared Facilities as provided for under this Agreement (the "**Lakeside Shared Facilities Costs Contribution**"). Nothing herein shall be deemed to represent or provide for or require that the Lakeside Shared Facilities Costs Contribution result in any reduction of what otherwise would constitute the amounts payable by the Condominium and the Future Phase Condominiums on account of the Shared Facilities Costs payable pursuant to the terms of this Agreement.

## X MANAGEMENT

### A. Shared Facilities Manager

1. The Shared Facilities shall be administered and overseen by an individual or corporate Shared Facilities Manager engaged by written contract with the Owners' Liaison Committee.
2. Whenever the position of Shared Facilities Manager is about to become, or becomes, vacant, the Owners' Liaison Committee shall tender for a new Shared Facilities Manager to be approved by a majority of the Owners' Liaison Committee.
3. The Shared Facilities Manager may (but need not) be the manager of any of the condominium corporations comprising the Condominium or the Future Phase Condominiums.
4. If each of two successive proposed Shared Facilities Managers are not approved by the Owners' Liaison Committee within ten (10) days of nomination then the matter shall be submitted to arbitration as provided for in Article XVI.

5. Forthwith after being appointed, and yearly thereafter, not later than the thirty-first (31st) day of October in the then current calendar year, the Shared Facilities Manager shall submit to the Owners' Liaison Committee for approval, a budget for the Shared Facilities containing the Shared Facilities Manager's estimate of the cost of the Shared Services for the period expiring at the end of the next calendar year.
6. Each yearly budget shall include the amount of each expense, the particulars of the type, frequency and level of the services to be provided and a projected breakdown of expenses on a monthly basis, and the fee to be paid to the Shared Facilities Manager in connection with the services to be performed by the Shared Facilities Manager for the period covered by the budget.
7. If, prior to November 30, in each year, the Owners' Liaison Committee fails to consent to the budget as originally drafted or as subsequently revised, the budget shall be submitted to arbitration according to the arbitration procedures set out in Article XVI.
8. The Shared Facilities Manager shall bill or cause to be billed to the Owners their respective share of the costs of providing the Shared Services as same become payable, and shall advise the Owners of any present or impending significant departures from the current yearly budget, from time to time.
9. If unanticipated repairs are found to be necessary or whenever, in the opinion of the Shared Facilities Manager, any change in the budgeted expenditures makes it desirable to do so, the Shared Facilities Manager shall submit to the Owners' Liaison Committee, a budget supplemental to the yearly budget covering the additional expenses to be incurred for the performance of the Shared Services for the then remaining portion of the current calendar year, and the procedure set out in paragraphs 6, 7 and 8 above shall apply to the said supplemental budget.
10. Save for emergency repairs involving manifest danger to persons or property, or immediately necessary for the preservation or safety of property or for the safety of persons, or for the payment of any applicable realty taxes or insurance fees due and owing or for the payment of all utility services, including water, hydro and propane or any other payments as otherwise required to be paid in order to avoid suspension of any service, the Shared Facilities Manager shall not make any expenditures in excess of the amount proposed in the budget (on a monthly basis if applicable) approved by the Owners' Liaison Committee or substantially in excess of any particular item in an approved budget.
11. The Shared Facilities Manager shall:
  - (a) in the case of major emergencies (i.e. those seriously affecting human safety, welfare or vital services, or involving potential or actual large-scale property damage), immediately notify those who are in danger, the appropriate public authorities and the Owners' Liaison Committee and act in consultation and co-operation with those authorities and the Owners' Liaison Committee in dealing therewith;
  - (b) in the case of all other emergencies, deal expeditiously therewith in accordance with the requirements thereof and notify the Owners' Liaison Committee as soon as is reasonably possible.
12. In any case in which the cost of any particular item of unanticipated repairs submitted in an approved supplementary budget, or where the cost of a particular item of repair or maintenance provided for in an approved yearly budget is estimated to exceed the sum of Two Thousand Five Hundred Dollars (\$2,500.00);



- (a) the Shared Facilities Manager shall obtain and submit three written quotations therefore and may, in addition, submit its own quotation to do the work itself for a lower price;
  - (b) the Owners' Liaison Committee shall consider such estimates and make a decision thereon;
  - (c) if within Fifteen (15) days of the submission of any estimate, actual or deemed agreement has not been reached among the Owners' Liaison Committee as to the method and cost of the work, any Owner may submit the matter to arbitration pursuant to Article XVI.
13. If the cost of any item of the type described in paragraph 12 above does not exceed Two Thousand Five Hundred Dollars (\$2,500.00) per annum, the Shared Facilities Manager may engage any parent or subsidiary corporation or any person, firm or corporation associated, affiliated or otherwise connected with it to perform said work or services provided that the cost of the said work or services shall not exceed the cost which it is reasonably estimated would be incurred if written quotations were obtained.
14. If in the opinion of any Owner, the Shared Facilities Manager is failing to properly carry out its contractual duties, such Owner shall be entitled to give the Shared Facilities Manager and the other Owners written notice that the Shared Facilities Manager is in breach of its obligations to perform such duty or duties and unless the Shared Facilities Manager shall rectify such failure or failures within fifteen (15) days after the giving of such notice, then the first-mentioned Owner shall be entitled to have such work carried out as may be necessary to cure such failure or failures and shall be entitled to be reimbursed by the other Owners for its share of the cost of carrying out such work, including the value of the time of the first-mentioned Owner's employees asked to carry out such work.
15. In the event that an Owner completes any repair or other work in an emergency when the Shared Facilities Manager was not available or otherwise able to complete such repairs or work, such Owner shall be entitled to be reimbursed to the same extent as if same had been performed pursuant to paragraph 14 above.

B. Owners' Management Responsibilities

1. There shall be an Owners' Liaison Committee consisting of:
- (a) two (2) representatives of Lakeside;
  - (b) one (1) member of the Board of Directors of the Condominium; and
  - (c) one (1) member of the Board of Directors of each of the Future Phase Condominiums (until registration of the Future Phase Condominiums, the then Owner of the Lands of the Future Phase Condominiums) shall appoint one (1) individual for each of the Future Phase Condominiums to the Owners' Liaison Committee.

Each of the Condominium and Future Phase Condominiums shall also appoint an alternative member to fulfil the obligation of the appointed member when unavailable to ensure timely and full operation of the Owners' Liaison Committee. All decisions of the Owners' Liaison Committee shall be by majority and a quorum shall consist of not less than three (3) members.

2. The duties of the Owners' Liaison Committee shall be to discuss matters from time to time respecting the Shared Facilities, requiring decision by the Owners if not otherwise provided for in this Agreement, and in particular, but without restricting the generality of the foregoing:
  - (a) any difference over the acceptability of any yearly budget for the Shared Services and Shared Facilities with a view to avoid the need to resort to arbitration; and
  - (b) major repairs;
  - (c) for the purposes of making appropriate recommendations to the Owners.
3. Any Owner may call a meeting of the Owners' Liaison Committee on at least five (5) Business Days written notice to the other Owners, and shall co-operate in arranging the time and place thereof as may be reasonable to accommodate the other Owners' members.
4. Any compensation or reimbursement paid to any member of the Owners' Liaison Committee shall be the sole responsibility of the Owner who has appointed that member.
5. Where a matter is of sufficient importance and cannot be resolved through the Owners respective representatives, the Owners shall co-operate in convening a joint meeting of the Owners' respective boards of directors (or, as to any non-corporate Owner, the equivalent) without unreasonable delay to deal with the matter expeditiously without resort to arbitration.

## XI INSURANCE

1. Each Owner, or, if required by the Insurer, the Owners together, shall cause to be taken out and maintained during the currency of its rights and obligations under this Agreement the following Insurance Policies with any insurance company or companies authorized to do business in Ontario and in the case of a condominium corporation created pursuant to the Act, in accordance with the Act and applicable condominium declaration, for:
  - (a) any buildings, structures or improvements forming part of the Shared Facilities and all other insurable equipment relating thereto belonging to the Owner in an amount not less than the replacement cost thereof against loss or damage by perils of "all-risks" (being the perils from time to time included in the standard "all-risk" policy issued by insurers from time to time), including resultant damage from error in design and faulty workmanship, to the extent available and as would be obtained by a prudent owner of such items;
  - (b) comprehensive boiler, machinery and pressure vessel insurance (if required) in such amount as would be normally maintained by a prudent operator and which amount shall initially be not less than Two Million (\$2,000,000.00) Dollars, which insurance policies and those maintained by the Owner pursuant to clause (a) hereof shall contain a "joint loss agreement" between the property insurers and the boiler insurers; and
  - (c) comprehensive public liability, including contractual liability on a per occurrence basis against claims for personal or bodily injury, death or property damage suffered by others arising in connection any buildings, structures or improvements forming part of the Shared Facilities or out of their operations indemnifying and insuring all Owners and their employees and all others for whom each of them is at law responsible in such amounts and to such extent as a prudent owner of such items would, from time to time carry not less than \$2,000,000.00 for any personal

or bodily injury, death, property damage or other claim in respect of any one accident or occurrence and, without limiting the foregoing, with provisions for cross-liability and severability of interests, which insurance policy or policies shall be primary and shall be fully exhausted before calling into contribution any insurance available to the other Owners and any additional insurance placed by the other Owners on its own behalf shall be in excess of the primary insurance required under this Article XI.

2. Each Owner shall ensure that each Insurance Policy shall name the other Owners as an additional insured as its interest may appear and contains no co-insurance endorsement.
3. Each Owner shall deliver to the other Owners upon request, adequate proof of the existence of all of the insurance policies as and when reasonably requested.
4. Each Insurance Policy of each Owner shall contain an agreement by the insurer to the effect that it will not cancel or alter or refuse to renew such policy prior to its expiration, whether by reason of non-payment of premium, non-fulfillment of condition or otherwise, except after thirty (30) days prior written notice to the other Owners.

## **XII DAMAGE TO SHARED FACILITIES**

1. If one or more of the buildings, structures or improvement containing any of the Shared Facilities are damaged, the respective Owners shall rebuild, restore and repair same in accordance with this Agreement.
2. If major damage has occurred to one or more of the buildings, structures or improvements containing any of the Shared Facilities, each Owner shall determine whether the damage is to such an extent where on commercially reasonable standards it would not merit their rebuilding ("**Major Damage**") and in the event of a dispute such determination shall be made by arbitration pursuant to Article XVI.
3. Where there has been a determination of Major Damage to one or more of the buildings, structures or improvements containing any of the Shared Facilities and:
  - (a) each such Owner has elected to rebuild, then each such Owner shall expeditiously rebuild, restore and repair such building or facility at its own expense in a good and workmanlike manner to Acceptable Standards to permit the other Owners and those authorized by it the intended benefit of the Easements; or
  - (b) all Owners have elected not to rebuild, the Owners need not rebuild their respective building or facility.
4. For the purposes of the Act, in the event that any parts of the Lands become governed by the Act, the obligations created in this Article XII shall be deemed to be an encumbrance against each condominium unit and its appurtenant common interest created after the registration of the relevant condominium declaration and description.

## **XIII CERTIFICATE OF COMPLIANCE**

1. Each Owner at any time and from time to time during the term of this Agreement, within ten (10) Days after written request by any person apparently having an interest in the Lands and the payment of a reasonable fee, shall execute, acknowledge and deliver to the requesting party a certificate stating:

- (a) that this Agreement is unmodified and in full force and effect, or if there has been any modification that this Agreement is in full force and effect, as modified, and describing the modification;
  - (b) whether or not there is any existing default under this Agreement by any party and if there is any such default, specifying the nature and extent thereof;
  - (c) whether or not an Owner has performed or caused to be performed, or is then performing or causing to be performed, any maintenance or other work not in the normal course of operation of its Lands, the cost of which the Owner is or will be entitled to charge in whole or in part to the other Owners but has not yet so charged and if there be any such maintenance or other work, specifying the nature and extent thereof;
  - (d) the current addresses to which notices given to the Owner are required to be delivered under Article XVIII of this Agreement;
2. Any certificate of compliance given pursuant to paragraph 1 may be pleaded and shall be a complete defense by the requesting party to any action brought on a claim that is inconsistent with the facts recited in the certificate.
  3. The Declarant of the Condominium and the Future Phase Condominiums shall be entitled to a Certificate of Compliance for the initial sale of each Resort Unit from each of the parties hereto at no cost to the Declarant and Lakeside shall also, at all time, be entitled to a Certificate of Compliance at no cost.

#### XIV DEFAULT

1. Any amounts not contributed by the Condominium or the Future Phase Condominiums (the "**Defaulting Owner**") as required pursuant to this Agreement shall, until advanced, bear interest at the prime rate of the Bank of Montreal plus Eight Percent (8%) per annum calculated and compounded monthly on such amount as is from time to time unpaid, and until so paid, such amounts together with interest thereon as aforesaid shall, to the extent thereof, be and constitute a lien and charge in favour of the other Owners (the "**Non-Defaulting Owners**") against the Lands and assets thereon of the Defaulting Owner.
2. The Non-Default Owners shall be entitled to file a caution, lien, or charge against title to the Defaulting Owner.
3. For the purposes of the Act, a lien against a building shall be deemed to be an encumbrance against each unit and its appurtenant common interest therein.
4. No conveyance or other divestiture of title shall in any way affect or diminish any lien arising pursuant to subparagraph 1 of this Article XIV hereof, and any lien which would have arisen pursuant to subparagraph 1 of this Article XIV had there been no conveyance or divestiture of title shall not be defeated, or otherwise diminished or affected, by reason of such conveyance or divestiture of title.

#### XV TERMINATION

1. The rights under this Agreement shall be incapable of termination other than by an instrument to that effect executed under seal by all Owners and by any mortgagees of the Lands at that time.

2. Notwithstanding the termination of any rights under this Agreement, if at the time of such termination, any party shall be obligated to pay any sum of money pursuant to the provisions of this Agreement, such obligation shall not be extinguished until such sum of money, together with any interest accruing thereon, has been paid, and any lien securing the payment of such sum of money shall remain in force and effect and continue to secure the payment and any interest which shall accrue thereon.
3. If any part(s) of the Lands become governed by the Act and such government is subsequently terminated, the then Owner thereof will continue after such termination to be bound by the provisions of this Agreement, and will execute such further assurances as may be required to give effect to this Article XV.

## **XVI ALTERNATIVE DISPUTE RESOLUTION**

### **1. Good Faith Negotiations**

The parties agree to use their best efforts to resolve any disputes or matters which may arise between them in respect of the Shared Facilities through good faith negotiations and the parties further agree that they shall resort to legal proceedings or mediation and arbitration against one another only as a last resort. If, after using their best efforts to resolve any such dispute or matter, such dispute or matters cannot be resolved by good faith negotiations, then any such dispute, other than with respect of non-payment of any party's Allocated Share of the Shared Facilities Costs, shall be determined in accordance with Article XVI, subparagraph 2 below.

### **2. Dispute Resolution Procedure**

Whenever arbitration is permitted or required under this Agreement and the Act, arbitration proceedings may be commenced by the parties in accordance with the following principles and procedures:

- (a) Prior to commencing arbitration proceedings, the parties shall use their best efforts to resolve the question or matter in dispute through good faith negotiations conducted at a meeting of the full boards of directors of each party, with the assistance and presence (optional) of legal counsel representing each corporation, all acting with a view to securing a resolution of the question or matter in dispute without further proceedings.
- (b) If the parties, with the assistance of legal counsel as set forth in a) above, are unable to resolve the questions or matter in dispute through good faith negotiations, as provided in Section 132 of the Act, the parties shall, within thirty (30) days thereafter, select a mediator qualified by education and training to assist the parties in dealing with the particular questions or matter in dispute, and the parties shall attempt to mediate their differences, and the mediator shall confer with the parties and endeavor to obtain a settlement with respect to the disagreement submitted to mediation. The parties shall initially share equally in the costs of a mediator, however, the settlement shall specify the share of the mediator's fees and expenses that each party is required to pay. Upon obtaining a settlement between and among the parties with respect to the disagreement submitted to mediation, the mediator shall make a written record of the settlement which shall form part of the agreement or matter that was the subject of the mediation.
- (c) If good faith negotiations and the mediation process as described in Sections 2(a) and (b) hereof are exhausted and the parties are still unable to resolve the question or matter in dispute, within thirty (30) days after the mediator delivers a notice to the parties stating that the mediation has failed, the parties agree to submit the question or matter in dispute for resolution by a single arbitrator whose

appointment is agreed upon by the parties, and the decision of the arbitrator shall be binding upon the parties hereto, and no legal recourse shall be exercised by either party hereto with respect to the question or matter in dispute until the arbitration has been completed.

- (d) The parties shall meet and attempt to appoint a single arbitrator who is well qualified with education and training to pass upon the particular question or matter in dispute. In the event that the parties are unable to agree upon a single arbitrator, each party shall appoint one arbitrator within seven (7) days of the meeting and notify the other party. The arbitrators so appointed shall, within seven (7) days of the appointment of the last arbitrator so appointed, choose a single arbitrator who is qualified by education and training to pass upon the particular question or matter in dispute. If either party neglects or refuses to name an arbitrator within seven (7) days of being requested to do so by the other party, the arbitrator named by the first party shall proceed to resolve the dispute in accordance with *Arbitrations Act 1991 (Ontario)* and the parties agree that the arbitrator's decision shall be final and shall not be subject to appeal by any party other than on a question(s) of law in accordance with Subsection 45(2) of the *Arbitrations Act, 1991* or pursuant to a specific ground for appeal or for setting aside the arbitrator's award pursuant to Section 46 of the *Arbitrations Act, 1991*.
- (e) The decisions and reasons of the arbitrator shall be made within thirty (30) days after the hearing of the question(s) or matter(s) in dispute, and the decisions and reasons shall be drawn up in writing and signed by the arbitrator who shall also be entitled to award costs of the arbitration. The compensation and expenses of the arbitrator shall initially be paid in equal proportions by each party, subject to the final outcome and any award being made as to costs of the arbitration.
- (f) Where arbitration is required by this Agreement, commencement and completion of such arbitration in accordance with this Agreement shall be a condition precedent to the commencement of an action at law or in equity in respect of the question or matter in dispute being arbitrated.

### 3. Ongoing Obligations

For clarity, notwithstanding the nature of the dispute, until the questions or matter in dispute is finally determined by arbitration, the disputing party shall continue to perform all work and services required to be performed by it and to pay all amounts required to be paid by it in accordance with this Agreement.

### 4. Rules of Procedure

Subject always to the parties agreeing to any modifications thereto, the mediation shall be conducted generally in accordance with the Rules of Procedure for the conduct of mediations of the Condominium Dispute Resolution Centre ("CDRC") and the arbitration shall be conducted generally in accordance with the Rules of Procedure for the conduct of arbitrations of the CDRC and also in accordance with the provisions of the *Arbitrations Act, 1991 (Ontario)*.

**XVII FORCE MAJEURE**

Notwithstanding any other provisions of the Agreement, whenever and to the extent that any Owner is unable to fulfil or is delayed or restricted in the fulfillment of any of its obligations (other than the payment of monies) under this Agreement by reason of any of the following impediments

1. strike;
2. lockout;
3. war or acts of military authority;
4. rebellion or civil commotion;
5. material or labour shortage not within the control of such Owner;
6. fire, explosion;
7. flood, wind, water, earthquake or other casualty;
8. any applicable lawful statute, by-law, ordinance, regulation or order; or
9. acts of God,

not caused by the default, act, or omission by such Owner and not avoidable or surmountable by the exercise of reasonable effort or foresight by it, then so long as any such impediment exists, such Owner shall be temporarily relieved from the fulfillment of such obligation and the other Owners shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned and, to the extent necessitated thereby, there shall be a postponement of any deadline, compliance with which would be otherwise adversely affected by such impediment, provided that at the expiration of such temporary relief, such Owner shall forthwith proceed with fulfillment of such obligation.

**XVIII GENERAL**

1. Any notice herein provided for or permitted to be given by any party under this Agreement shall be sufficiently given if delivered to an apparently responsible person at the following address given for such party (or at such replacement address as such party shall have notified any notifying part of in writing), or if Five (5) Days have elapsed from the mailing thereof to such address by prepaid registered post in the absence of any major interruption in postal service affecting the delivery/handling thereof:

- (a) Condominium:

Parry Sound Standard Condominium Corporation No 7  
 c/o Lakeside at Rocky Crest Limited  
 15675 Dufferin Street  
 King City, Ontario  
 L7B 1K5

(b) Future Phase Condominiums:

c/o Lakeside at Rocky Crest Limited  
15675 Dufferin Street  
King City, Ontario  
L7B 1K5

(c) Lakeside:

c/o 15675 Dufferin Street  
King City, Ontario  
L7B 1K5

2. This Agreement shall be read and construed as the number and gender of the party or parties referred to in each case requires and as may otherwise be required by the context.
3. The parties hereto shall without unreasonable delay execute all further assurances, easement agreements or other documents necessary or required to carry out the intent of this Agreement.
4. Each of the parties to this Agreement shall have the right at all times to enforce the provisions of this Agreement in accordance with the terms thereof, notwithstanding any conduct or custom on the part of such party in refraining from so doing at any time or times.
5. The failure of any party to this Agreement at any time(s) to enforce any of its rights under the provision of this Agreement in strict accordance with the terms thereof, shall not be construed as having in any way established a custom contrary to such provisions, or as having in any way modified or waived such rights.
6. This Agreement shall be binding upon the parties hereto, and their successors and assigns.

IN WITNESS WHEREOF the parties hereby have hereunto caused their respective corporate seals to be affixed, duly attested by the hands of their proper signing officers authorized in that behalf as of the date first above written.

**PARRY SOUND STANDARD  
CONDOMINIUM CORPORATION NO. 7**

Per: Robert Visentin  
Name: Robert Visentin  
Title: President

Per: Brian Brown  
Name: Brian Brown  
Title: Treasurer

We have the authority to bind the Corporation.

**FUTURE PHASE CONDOMINIUMS by  
LAKESIDE AT ROCKY CREST  
LIMITED**

Per: Robert Visentin  
Name: Robert Visentin  
Title: President

I have the authority to bind the Corporation.

**LAKESIDE AT ROCKY CREST  
LIMITED**

Per: Robert Visentin  
Name: Robert Visentin  
Title: Authorized Signing Officer  
I have the authority to bind the Corporation.