

INFORMATION STATEMENT
OF
ABODE

- A. Developer: 1136560 B.C. LTD.
3008 Skaha Lake Road
Penticton, British Columbia V2A 7H2
- B. Address for Service: c/o 170 – 1715 Dickson Avenue
Kelowna, British Columbia V1Y 9G6
- C. Real Estate Agent: The Development will be marketed by Tactx Project Sales & Marketing Inc.
The Developer reserves the right to designate other listing agents from time to time to represent the Developer in the sale of the Units.
- D. Date of Information Statement: April 30, 2021.

This Information Statement prepared by the Developer contains an overview of the Abode development project (the “**Development**”). This Information Statement does not amend nor modify any of the agreements relating to the Development and in the event of any conflict between this Information Statement and the Purchase Contract and Sublease, the latter will govern.

Buyer’s Right of Cancellation

The buyer, being the sublessee of a leasehold interest in a Unit, will have a time limited right to cancel their contract of purchase and sale for a leasehold interest in a Unit with the Developer. After the sublessee’s receives from the Developer an accepted contract of purchase and sale, the sublessee will have seven days to deliver a notice of cancellation of the contract of purchase and sale to the Developer. If the sublessee cancels the contract of purchase and sale within the seven day cancellation period, the sublessee will have no liability whatsoever under the contract of purchase and sale and any deposit paid by the sublessee will be returned to the sublessee without any deductions whatsoever.

This information statement relates to a development property that is not yet completed.

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1. THE DEVELOPER

- 1.1 Corporate Information of Developer: 1136560 B.C. Ltd. (the “**Developer**”) was incorporated in the Province of British Columbia on October 5, 2017, under Registration Number BC1136560.
- 1.2 Purpose of Corporate Developer: The Developer was registered specifically for the purpose of developing the Units. The Developer does not have any assets other than the Development property.
- 1.3 Registered and Records Office: The registered and records office of the Developer is c/o Pushor Mitchell LLP, 301-1665 Ellis Street, Kelowna, BC V1Y 2B3.
- 1.4 Directors of Developer: The Directors of the Developer are Hans Berger and Don Lloyd.
- 1.5 Potential Limited Partnership: The Developer intends to assign its interest in the Development to a limited partnership in the future. Any contracts for the purchase of a sublease of a unit entered into before that assignment may be assigned by the Developer to that limited partnership, or the Developer may require a replacement contract for the purchase of a sublease be signed.

2. GENERAL DESCRIPTION

- 2.1 General Description of the Development
 - (a) Abode Development Overall: The Development is a multi-unit residential building to be built on at the corner of Old Okanagan Highway and Butt Road, West Kelowna, which will consist of approximately 85 condominium units (the “**Units**”), 1 guest suite and an amenities room. It will include residential apartment-style units. The Developer intends to sell all of the Units which are the subject of this Information Statement by way of prepaid long-term subleases (the “**Subleases**”).
 - (b) Civic Address: 2345 Butt Road, West Kelowna, British Columbia.
 - (c) Site Plans: Attached as Schedule A are copies of the proposed building plans for the Development.
- 2.2 Permitted Uses: The uses contemplated in the Development are permitted by the Westbank First Nation under its Zoning Bylaw.

3. DEVELOPMENT INFORMATION

- 3.1 Voting Rights: Each Unit has one vote at an annual or special general meeting of the Owner Association.
- 3.2 Common Property: The common property (the “**Common Property**”) will include parking lots, exercise room, amenities room, guest suite, bike storage room, elevator and landscaped areas. Unit owners will enjoy the non-exclusive use of the Common Property with the other Unit owners. For a full definition of Common Property, see the Sublease. Common Property within the Development is available for the use and enjoyment of all occupants of Units in the Development and their invitees.

3.3 Amenities Room:

- (a) The Amenities Room is a social gathering with a kitchenette, pool table, lounge area with television and fireplace, and is for the private use of the Unit owners and their guests. The Amenities Room is part of the Common Property.
- (b) The Amenities Room is available for booking through the Owner Association for use by Unit owners. Bookings are subject to availability, hourly rates and booking requirements/restrictions as are set by the Owner Association from time to time, and are subject to change by the Owner Association without notice.

3.4 Exercise Room: The exercise room will include cardio equipment, weight machines, assorted fitness items and televisions, and is for the use of the Unit owners and their guests. The Exercise Room is part of the Common Property.

3.5 Guest Suite: The guest suite is part of the Common Property, and is available for booking through the Owner Association for guests of Unit owners. Bookings are subject to availability and to daily rates and booking requirements/restrictions are set by the Owner Association from time to time, and are subject to change.

3.6 Balconies: Balconies will be part of the Common Property.

3.7 Bylaws: All bylaws are subject to change by a resolution passed by a special resolution of the Owner Association from time to time, which may be passed by two thirds of the members at a meeting or consented to by all members in writing.

3.8 Furnishings and Equipment: The purchase price shall include the following:

- (a) one frost free refrigerator;
- (b) one kitchen range;
- (c) one microwave;
- (d) one dishwasher; and
- (e) one washer and dryer.

No other furnishings or equipment are included in the purchase price.

3.9 Locker and Parking: The purchase price will include 1 storage locker and 1 residential parking stall, which may be inside or outside. There will be 9 outside visitor stalls within the Development.

3.10 Lease of Units: The Developer does not presently intend to retain any Units in the Development for rental but reserves the right to retain Units and to lease those Units on terms and conditions determined by the Developer. The Developer may retain one or more Units for use as display suites as part of the Developer's marketing activities in the Development, or for marketing Units in projects in the vicinity of the Development. Unit owners are not prevented from renting Units.

- 3.11 Assignment of Subleases: An administration fee established by the Developer, may be charged for each Sublease assignment, as described in the Sublease. If the Sublease is in good standing, without default, it may be assigned without the Developer's consent.
- 3.12 Utilities and Services: Utilities will be provided to each Unit and the costs associated therewith will be apportioned as follows:
- (a) Heating, Ventilation and Air Conditioning: Each Unit owner will control the temperature of his or her home by a thermostat in each Unit.
 - (b) The following utilities will be separately metered and invoiced to each Unit:
 - (i) Electricity provided by BC Hydro;
 - (ii) Telephone service provided by Telus or Shaw Cable;
 - (iii) Cable and internet service provided by Shaw Cable or Telus;
 - (iv) Sewer service provided by Westbank First Nation; and
 - (v) Water service provided by Westbank First Nation.

There is no natural gas provided to individual Units.
 - (c) The following utilities for Common Property will be invoiced to the Owner Association and are included in the common costs:
 - (i) Sewer provided by Westbank First Nation;
 - (ii) Water provided by Westbank First Nation;
 - (iii) Electricity provided by BC Hydro for Common Property;
 - (iv) Natural gas provided by Fortis BC for Common Property;
 - (v) Garbage and recycling are provided by a private contractor as retained by the Owner Association from time to time;
 - (d) Fire protection is provided by the Westside Fire Protection District; and
 - (e) Access to the Development is by Butt Road.
- 3.13 Management Contracts: The Developer will cause the Owner Association to enter into contracts with third parties for the provision of services required in connection with the maintenance of the Common Property.

3.14 Insurance:

- (a) Development: In accordance with the Head Lease, initially the Developer, and subsequently the Owner Association, will maintain insurance coverage on the Development, insuring on the basis of full replacement value for the Common Property. The insurance will include coverage against major perils, such as fire, lightening, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism and malicious acts. Additionally, liability insurance, against liability for property damage and bodily injury, in an amount not less than \$5,000,000.00. Purchasers can obtain specific details regarding insurance by contacting the Developer or the Owner Association.
- (b) Unit: Each Unit owner is responsible for insuring the contents of his or her Unit and obtaining and maintaining liability insurance.

3.15 Rental Disclosure: The Developer and the Unit owners will have the right to rent/lease any of the Units for a term of not less than 30 days.

3.16 Property Taxes: The Development is located within the Tsinstikeptum Indian Reserve No. 9. Each Unit owner will be responsible for property taxes for his or her Unit. Property Taxes are levied by and payable to the Westbank First Nation, 201-515 Hwy 97, South, Kelowna, British Columbia V1Z 3J2.

4. TITLE AND LEGAL MATTERS

4.1 Legal Description: The Development is located on lands originally described as Lot 364-1 CLSR 95079 (the “**Lands**”).

4.2 Registered Owner: The Developer is the owner of a long term prepaid leasehold interest in the Lands pursuant to the Head Lease.

4.3 Head Lease: The Developer has entered into a Head Lease with Ronald Michael Derrickson and Kelly Margaret Derrickson as Lessors (the “**Lessors**”) registered at the Westbank Lands Register of the Self Government First Nation Land Registry in Ottawa (the “**Registry**”) on November 8, 2017, under number 5022897 (the “**Head Lease**”), expiring on November 7, 2116.

The rent due under the Head Lease was fully prepaid upon the registration of the Head Lease in the Registry. The provisions of the Westbank First Nation Constitution and Land Rules set out the legal enforceability and priority of the Head Lease and Sublease.

4.4 Subleases: A purchaser buys a fully prepaid Sublease which will be registered with the Registry. The term of each Sublease will be for the period from and including the date of the registration of such Sublease in the Registry up to and including the date that is one day prior to the expiration of the Head Lease, including any extensions or renewals to the term of the Head Lease, unless earlier terminated due to default as specifically set out in the Sublease. When the purchaser wishes to sell its interest in the Unit, it will assign its Sublease to a new owner in exchange for the new purchase price. If the purchaser wishes to borrow money to purchase the Unit, the purchaser may grant a mortgage of Sublease to a lender to secure the loan. The form of Sublease is approved by CMHC

for that purpose. Each owner of a sublease will pay monthly common costs to pay for costs associated with the Common Property, similar to a strata fee, as described in the Sublease.

- 4.5 Encumbrances: At the time of registration of each Sublease of a Unit, there will be registered against title to the Lands the following charges:
- (a) Lease from the Lessors to the Developer;
 - (b) Easement in favour of Ronald Michael Derrickson granting a right of way;
 - (c) Easement in favour Ronald Michael Derrickson and Westside Centre Properties, Limited Partnership granting a right of way;
 - (d) Statutory Rights of Way or Easements in favour of utility companies for the purpose of allowing the transferees access over the Lands to install and maintain water works, sewage works, gas works, hydro and/or telecommunication works and other utility works; and
 - (e) Statutory Rights of Way, easements, covenants or other instruments as may be required by the approving authorities to grant preliminary and final approval to the Development.
- 4.6 Owner Association: As the Development is situated on Westbank First Nation Lands, the *Strata Property Act* does not apply. The Development has been structured, however, to function in a manner similar to a strata development. In place of a strata corporation, a society, "Abode Owner Association" (the "**Owner Association**") will be or has been incorporated by the Developer pursuant to the laws of British Columbia, of which all of the members are comprised of the Developer and the Unit owners in the Development and which is at all times controlled by the Developer or the Unit owners in the Development.

One owner of each Unit will be a member of the Owner Association and will be entitled to one vote at meetings of the Owner Association. The Owner Association will be the assignee of the Head Lease once the Development has been fully sold out or in the event of a default under the Head Lease. The Common Property will be held in the residual Head Lease. The Owner Association is a society and is governed by the Societies Act, but will collect common costs from the Unit owners and will administer the Common Property like a strata corporation.

- 4.7 Outstanding or Contingent Litigation or Liabilities: There is no outstanding or contingent litigation or liability affecting the Development.
- 4.8 Environmental Matters: The Developer is not aware of any dangers or requirements imposed by Westbank First Nation or other governmental authorities relating to flooding or conditions of the soil or subsoil.

5. CONSTRUCTION AND WARRANTIES

- 5.1 Construction Commencement Date: The Developer intends to commence construction in August, 2021.

- 5.2 **Warranty:** The building construction will have a limited warranty provided by an approved warranty company under the *Homeowner Protection Act*. The Developer will provide a limited warranty for building construction in accordance with the terms and conditions of the warranty program and the requirements of the *Homeowner Protection Act*. Equipment warranties shall be provided by the manufacturer of such equipment in accordance with their standard terms and will be transferred or assigned to each purchaser.
- 5.3 **Previously Occupied Building:** The Development is new construction. None of the Units will have been previously occupied, unless rented by the Developer prior to sale.

6. APPROVALS AND FINANCES

- 6.1 **Development Approval:** The Developer submitted an application for a development permit in January, 2021 and is in the final stages of approval.
- (a) **Building Permit:** The Developer intends to apply for a building permit after the development permit has been approved, which is anticipated to be in May, 2021.
- 6.2 **Construction Financing:** A construction mortgage will be registered against the Developer's leasehold interest in part of the Development. The Developer will arrange for the partial discharge of the financing security from each Unit as they are sold. The lender may require the registration, from time to time, of financial encumbrances which may be in addition to or replace the initial financing security.

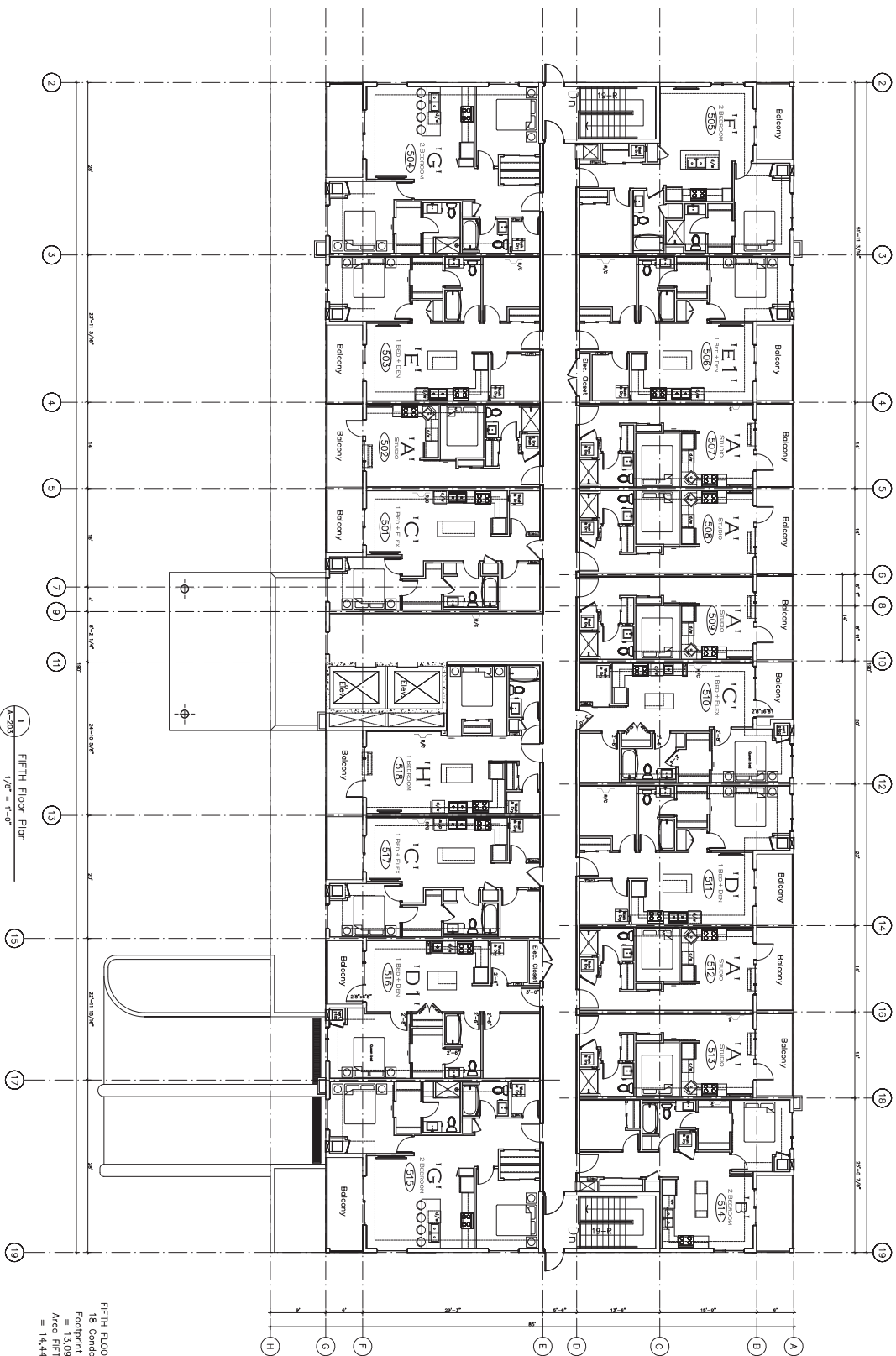
7. MISCELLANEOUS

- 7.1 **Deposits:** Deposits will be held in trust with the law firm of Pushor Mitchell LLP unless otherwise agreed by the Developer and the purchaser as set out in the Contract of Purchase and Sale.
- 7.2 **Developer's Commitments:** There are no commitments of the Developer save as set forth in this Information Statement.
- 7.3 **Other Material Facts:** There are no material facts or material contracts save as set forth in this Information Statement.

SCHEDULE A – SITE PLANS

Attached are architectural drawings showing the following plans:

- (a) First Floor
- (b) Second through Fourth Floor
- (c) Fifth Floor



FIFTH FLOOR:
 18 Condos on Fifth Floor
 Footprint Area Fifth Floor Exterior Bldg. Walls
 Footprint Area Fifth Floor Exterior Bldg. Walls
 Area Fifth Floor (1,341 m²) / Floor
 = 14,440 sf (1,341 m²) / Floor

R. W. SCHEIDT DESIGN
 1663 BLONDEAUX CR.
 KELOWNA, B.C. V1Y 4J8
 PHONE: (250) 860-5061
 E MAIL: SCHEIDTDESIGN@SHAW.CA



MCDUGALL ARCHITECT
 SUITE 904, 330 - 26TH AVENUE S.W.
 CALGARY, ALBERTA T2S 2T3
 PHONE: (250) 860-5061 (403) 265-3300

1
 A-203
 FIFTH Floor Plan
 1/8" = 1'-0"

PROJECT NAME		ABODE CONDOMINIUM PROJECT	
PROJECT ADDRESS		BUTT ROAD WEST KELOWNA, B.C.	
DRAWING TITLE		FIFTH Floor Plan	
DESIGN	DRAW	SCALE	DATE
		1/8"=1'-0"	MAR 14 2021
		A-203	



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PART 2 – TERMS OF INSTRUMENT

SUBLEASE

“ABODE”

THIS AGREEMENT DATED FOR REFERENCE the ____ day of _____, 20__ is made:

BETWEEN:

1136560 B.C. LTD.
(Inc. No. BC1136560)

Kelowna, British Columbia _____

(the “**Sublandlord**”)

AND:

| [\[Purchaser\]](#) [as “**Joint
Tenants**”]

(the “**Subtenant**”)

WHEREAS:

- A. Ronald Michael Derrickson and Kelly Margaret Derrickson, members of the Westbank First Nation, who were in lawful possession of the Lands under a Certificate of Possession, granted a Lease to the Sublandlord of the Lands effective November 8, 2017, for a 99 year term expiring on November 7, 2116, which Lease was registered in the Westbank Land Registry under number 5022897 (the “**Lease**”);
- B. The Sublandlord wishes to grant a sublease of the Subleased Premises to the Subtenant and the Subtenant wishes to accept a sublease of the Subleased Premises from the Sublandlord on the terms set out in this Sublease;

1. DEFINITIONS, INTERPRETATION AND BASIC TERMS

- 1.1 Definitions and Interpretation.** In this Sublease (including the above Recitals), the following terms will have the following meanings:



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- (a) **“Authority”** means any one or any combination of federal, provincial, municipal, local and other governmental and quasi-governmental authorities, departments, commissions and boards having jurisdiction, including, without limitation, the First Nation Council and any utility company lawfully acting under its statutory power;
- (b) **“Building”** means the 5 storey building named “Abode” that contains 85 Residential Units and 1 guest suite, and is located on the Lands and includes all of the Common Property within the Building and on the Lands;
- (c) **“Bylaws”** means the Bylaws of the Owner Association from time to time;
- (d) **“CMHC”** means Canada Mortgage and Housing Corporation or its successor;
- (e) **“Commencement Date”** means the date of registration of this Sublease;
- (f) **“Common Costs”** means those costs set out in Schedule B, which costs will be determined by the Sublandlord from time to time;
- (g) **“Common Insurance Cost”** means the annual cost to take out and maintain:
 - (i) all risk insurance for the Building and all Improvements on the Lands, to their full insurable value, calculated on a replacement basis against loss or damage by fire and other perils under customary supplementary coverage; and
 - (ii) liability insurance;both in amounts not less than as required by terms of the Lease or such other greater reasonable amounts that a prudent owner of a building similar to the Building would maintain, and any other insurance as the Sublandlord determines from time to time in the Sublandlord’s discretion acting reasonably;
- (h) **“Common Property”** means those portions of the Project, intended for the benefit of the Project, designated by the Sublandlord from time to time as common areas or property, including any Improvements thereon, and further including:
 - (i) that part of the Lands and the Building not within any of the Residential Units and includes all roads, curbs, walkways, sidewalks, street lighting, landscaped areas, guest suite, amenities room, exercise room, foundations, exterior walls, common walls, roof, lobbies, hallways, elevators, stairwells, passageways, patios, balconies, fences, gates, security systems, storage lockers and parking areas contained within, in whole or in part, the Building that are not located within any of the Residential Units;
 - (ii) all facilities for the passage or provision of water, sewage, drainage, gas, oil, electricity, telephone, radio, television, garbage, heating and cooling systems, or other similar services, if they are located:
 - (1) within a floor, wall or ceiling that forms a boundary.
 - (I) between Residential Units;



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- (II) between one of the Residential Units and the Common Property; or
 - (III) between one of the Residential Units or the Common Property and another parcel of land;
or
- (2) wholly or partially within one of the Residential Units, if they are capable or being and intended to be used in connection with the enjoyment of another Residential Unit or the Common Property.
- (i) **“Common Tax Cost”** means the total, without duplication, of all taxes, rates, duties, general and special assessments and charges levied or imposed on or in respect of any of the Common Property by any competent Authority;
- (j) **“Damaged Improvements”** has the meaning ascribed to such term in section 23.1;
- (k) **“Environment”** means all the components of the earth including, without limitation, all layers of the atmosphere, air, land (including, without limitation, all underground spaces and cavities and all lands submerged under water), soil, water (including, without limitation, surface and underground water), organic and inorganic matter and living organisms, the interacting natural systems that include the foregoing and all other external conditions or influences under which humans, animals and plants live or are developed;
- (l) **“Environmental Laws”** means any Laws, now existing or amended, enacted or re-enacted from time to time, relating, in whole or in part, to the protection and enhancement of the Environment, public health, public safety, and transportation of dangerous goods, and any decisions, specifications, mitigative measures, and environmental protection measures issued, ordered or otherwise provided for under such Laws, including any decision pertaining to any project on the Lands;
- (m) **“First Nation”** means the Westbank First Nation or any successor to the First Nation pursuant to a federal statute;
- (n) **“First Nation Council”** means the governing body of the First Nation, elected under the Westbank First Nation Constitution proclaimed effective April 1, 2005 or otherwise in accordance with the Laws;
- (o) **“Improvements”** means all buildings, structures, works, facilities, services, landscaping and other improvements by whomsoever made and which are at any time and from time to time situate on, under or above the Lands, and any improvements which serve the Subleased Premises, determined according to the common law, including all equipment, machinery, apparatus and fixtures forming part of or attached to the Improvements and all alterations thereto;
- (p) **“Interest Rate”** means the interest rate equal to the prime rate established from time to time by the Royal Bank of Canada, or its successor, as the case may be, plus 4% per annum;
- (q) **“Lands”** means those lands situate, lying and being in the Reserve in the Province of British Columbia more particularly known and described as Lot 364-1 CLSR Plan 95079, subject to existing easements, permits and rights of way (if any) in favour of utility companies;



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- (r) **"Laws"** means all laws, statutes, regulations, bylaws, rules, codes, guidelines, standards, declarations, notices, ordinances, requirements and directions of any Authority in force from time to time;
- (s) **"Lease"** means the Lease described in Recital A above, as amended and in effect from time to time;
- (t) **"Lessor"** means Ronald Michael Derrickson and Kelly Margaret Derrickson and their successors and assigns from time to time;
- (u) **"Limited Common Area"** means any Common Property or facilities set aside for the exclusive use of the Subtenant or any group of subtenants;
- (v) **"Minerals"** means ore or metal and every natural substance that can be mined and that:
 - (i) occurs in fragments or particles lying on or above or adjacent to the bedrock source from which it is derived, and commonly described as talus; or
 - (ii) is in the place or position in which it was originally formed or deposited, as distinguished from loose, fragmentary or broken rock or float which by decomposition or erosion of rock, is found in wash, loose earth, gravel or sand, and includes coal, petroleum and all other hydrocarbons; regardless of gravity and howsoever and wheresoever recovered, natural gas, building and construction stone, limestone, dolomite, marble, shale, clay, sand and gravel.
- (w) **"Mortgage"** means any Mortgage entered into in accordance with Article 9;
- (x) **"Mortgagee"** means any mortgagee under any Mortgage and includes CMHC;
- (y) **"Obligation"** means any duty, obligation or liability whatsoever, including that arising under any acknowledgement, covenant, agreement, representation, warranty, release, indemnity, breach or default;
- (z) **"Owner Association"** means a society incorporated by or on behalf of the Sublandlord pursuant to the laws of British Columbia, of which all of the members are comprised of the Sublandlord, nominees of the Sublandlord or the subtenants in the Project and which is at all times controlled by the Sublandlord or the subtenants in the Project;
- (aa) **"Party"** means a party to this Sublease and **"Parties"** means any or all of them;
- (bb) **"Permitted Uses"** means:
 - (i) any Residential Use;
 - (ii) home office use and home-based businesses, as accessory and subordinate to Residential Use and carried on indoors;
- (cc) **"Prepaid Rent"** means \$_____;



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- (dd) **"Project"** means the residential development on the Lands;
- (ee) **"Property Taxes"** means all of the following, without duplication:
- (i) general property, realty or school taxes, rates, duties, assessments, levies or charges and all other taxes, rates, duties, assessments, levies or charges in lieu thereof;
 - (ii) specified area, parcel, frontage, local improvement, limited purpose or limited area taxes, rates, duties, assessments, levies or charges and all other taxes, rates, duties, assessments, levies or charges in lieu thereof; and
 - (iii) other taxes, rates, duties, assessments, levies or charges of a similar nature which are levied or charged by cities, municipalities or regional districts within the Province of British Columbia;
- all to the extent that they are lawfully charged by a competent authority;
- (ff) **"Proportionate Share"** means the proportion share rate set out in Schedule "C" which will be used to calculate the share of the Common Costs for which the Subtenant is responsible;
- (gg) **"Registry"** means the Westbank Lands Registry within the Self Government First Nation Lands Registry established by Canada and held in the National Capital Region;
- (hh) **"Reserve"** means Tsinstikeptum Indian Reserve No. 9, which has been set apart for the use and benefit of the First Nation;
- (ii) **"Residential Units"** means all of the residential units located within the Building, and **"Residential Unit"** means any one of the Residential Units including the Subleased Premises;
- (jj) **"Residential Use"** means a use providing for the accommodation and home life of one or more individuals and includes subordinate activities customarily associated therewith;
- (kk) **"Services and Facilities"** means all on-site and off-site services, utilities, amenities and facilities in respect of or for the use of the Subleased Premises, including any roads, curbs, walkways, sidewalks, trails, street lighting, parks, common areas, community facilities, recreation facilities, water, sanitary sewer, garbage or solid waste removal or disposal, storm drainage or other drainage facilities, natural gas, propane, fuel, telephone, electricity, lighting, cablevision, communication, heating, energy, geothermal energy, ventilation or air conditioning services and facilities;
- (ll) **"Sublandlord's Representatives"** means any person duly authorized by the Sublandlord to represent the Sublandlord, including any officer, employee, agent, contractor, subcontractor, consultant or advisor of the Sublandlord so authorized;
- (mm) **"Subleased Premises"** means the land and Improvements, if any, described on the plan attached as part of Schedule "A";



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(nn) **"Taxes and Charges"** means all of the following, without duplication:

- (i) all Property Taxes;
 - (ii) user fees or charges for any of the Services and Facilities;
 - (iii) general and specific taxes, license fees, permit fees, inspection fees, rates, duties, assessments, levies and charges relating to or in respect of any Improvements or any personal property owned or installed by the Subtenant or any person claiming through or under the Subtenant;
 - (iv) amounts added to Property Taxes pursuant to any Laws; and
 - (v) interest and penalties charged on any of the above amounts,
- all to the extent that they are lawfully charged by an Authority;

(oo) **"Term"** means the term of this Sublease, as set out in section 2.3, and any renewal or extension thereof;

(pp) **"Year"** means a calendar year.

1.2 This Sublease. The phrase "this Sublease" means this Sublease between the Parties, including any attached Schedules.

1.3 Plurality and Gender. Reference to a Party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made. All words in the singular will include the plural and vice-versa.

1.4 All Terms are Covenants. All agreements, terms, conditions, covenants, provisions, duties and Obligations to be performed or observed by the Subtenant or the Sublandlord under this Sublease will be deemed to be covenants.

1.5 Governing Law. This Sublease and all claims arising out of or relating to this Agreement will be governed by and interpreted in accordance with the applicable laws of Canada and of the Province of British Columbia.

1.6 Entire Agreement. This Sublease constitutes the entire agreement between the Parties with respect to the subject matter of this Sublease and supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease and representations. No modifications of this Sublease are effective unless in writing and executed in the same manner as this Sublease.

1.7 Time is of the Essence. Time is of the essence in this Sublease.

1.8 Severability. If any part of this Sublease is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Sublease had been executed without the invalid portion.



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1.9 Statutes. Any reference to a statute or other Laws includes and is a reference to such statute or other Laws and to the regulations made pursuant thereunder, with all amendments made thereto as are in force from time to time, and to any statute or any regulation that may be passed which have the effect of supplementing or superseding any such statute or regulation.

1.10 Schedules. The following are the Schedules to this Sublease:

Schedule A	Subleased Premises Description
Schedule B	Common Costs
Schedule C	Proportionate Share

2. DEMISE, TERM AND LICENSE

2.1 Demise. In consideration of the covenants and agreements set out in this Sublease and other good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, the Sublandlord subleases the Subleased Premises to the Subtenant for the Term, subject to the terms and conditions contained in this Sublease, together with the non-exclusive right to use Common Property designated by the Sublandlord for the use of the Subleased Premises (in common with the other the subtenants in the Project), subject to payment by the Subtenant of its Proportionate Share of the Common Costs. This Sublease of the Subleased Premises and the non-exclusive right to use the Common Property shall be subject to any Bylaws, rules and regulations of the Owner Association, as amended from time to time, regulating the use thereof, provided such Bylaws, rules and regulations are of general application to all members of the Owner Association or to the members having the same or similar rights to use the Common Property.

2.2 Limited Common Area. The Sublandlord shall entitled to demise and sublease the right to use any Limited Common Area which shall be on terms established by the Sublandlord.

2.3 Term. The term of this Sublease will be the period from and including the Commencement Date up to and including the day that is one day prior to the expiration of the Lease, including any extensions or renewals to the term of the Lease, unless this Sublease is terminated before that date in accordance with the terms of this Sublease.

3. PREPAID RENT, TAXES AND CHARGES, AND COMMON COSTS

3.1 Prepaid Rent. The Subtenant will pay the Sublandlord the Prepaid Rent without any set-off or deduction in advance on registration of this Sublease, and no other rent of any kind will be payable by the Subtenant.

3.2 Place of Payment. All payments will be made to the appropriate Party at the address set out in section 30.5.

3.3 Taxes and Charges. The Subtenant will pay when due all Taxes and Charges applicable to the Subleased Premises or the Subtenant and the Subtenant will fully indemnify and save harmless the Sublandlord in respect of all such Taxes and Charges and any interest or penalty thereon. The Subtenant will give the Sublandlord reasonable proof of the payment of any Taxes and Charges upon the written request of the Sublandlord.



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- 3.4 Contesting Payment.** Without in any way relieving, limiting or modifying the Obligation of the Subtenant to comply with section 3.3, the Subtenant may, at its expense, contest or appeal the imposition or amount of any amount payable pursuant to section 3.3, provided that the Subtenant does so in accordance with any requirement under any Laws and the Subtenant commences any proceedings to contest or appeal the validity or amount forthwith and continues with the proceedings with all due diligence.
- 3.5 Arrears to Bear Interest.** If any amount, including, but not limited to the Prepaid Rent, owing by the Subtenant under this Sublease is not paid on the date on which it is due then it will bear interest at the Interest Rate compounded monthly from the date the sum is due until the date of the payment by the Subtenant, but this stipulation for interest will not prejudice or affect any other remedies of the Sublandlord under this Sublease or otherwise, or be construed to relieve the Subtenant from any default in making any payment at the time and in the manner specified in this Sublease.
- 3.6 The Subtenant's Proportionate Share.** The Subtenant will pay its Proportionate Share of the Common Costs at such time and in such manner as the Sublandlord directs from time to time.
- 3.7 Increased Common Costs.** The Subtenant will not do or permit anything to be done which will cause an increase in the Common Costs.
- 3.8 Payment of Proportionate Share.** The Subtenant will pay its Proportionate Share of the Common Costs to the Sublandlord as follows:
- (a) The Sublandlord will give the Subtenant written notice of the estimated amount of the Common Costs and the Subtenant's Proportionate Share of the Common Costs for the upcoming Year by November 30th of each Year; and
 - (b) the Subtenant will pay the Sublandlord one-twelfth of the amount of the Subtenant's Proportionate Share of the Common Costs as estimated in section 3.8(a) on or before the first day of each month of that upcoming Year.
- 3.9 Adjustment of Common Costs.** Within 60 days of the end of each Year, the Sublandlord will give the Subtenant written notice of the actual Common Costs and the Subtenant's Proportionate Share of the Common Costs for that prior Year. If the Subtenant's actual Proportionate Share of the Common Costs differs from the amount paid by the Subtenant for that prior Year under section 3.8, then the Sublandlord will make an adjustment within 30 days of the notice to the Subtenant of Subtenant's actual Proportionate Share of the Common Costs and the appropriate Party will immediately pay the other Party for the deficiency or overpayment, as the case may be.
- 3.10 Daily Accrual.** The Proportionate Share of the Common Costs is deemed to accrue from day to day. If it is necessary to calculate the Proportionate Share of the Common Costs for a period of less than one Year, then the Sublandlord will make a pro rata adjustment.
- 3.11 Allocation by Competent Authority.** If a competent Authority does not issue a separate allocation of taxes, rates, duties, assessments or charges with respect to the parts of the Common Property, then the Sublandlord may, from time to time, apply to such Authority for a determination of a separate allocation. If the Sublandlord cannot obtain such an allocation, then the Sublandlord will determine the portion of taxes, rates, duties, assessments or charges



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attributable to each of the parts of the Common Property using the then current principles of assessment employed by taxing authorities and will add this portion to the Common Costs.

4. USE AND RIGHT OF OCCUPATION

4.1 Permitted Uses. The Subtenant may use the Subleased Premises for the Permitted Uses and in accordance with and subject to the terms and conditions set out in any Laws, this Sublease and any other agreement to which the Subtenant is a party and the Subtenant will not use or permit to be used the Subleased Premises or any portion of the Subleased Premises for any other use or purpose.

5. SUBLANDLORD'S RIGHTS OF WAY AND EASEMENTS

5.1 Granting of Other Interests. The Sublandlord hereby reserves the right to further charge the Lands, or any part thereof, by way of easement, right of way, or restrictive covenant in favour of any Authority, provided that no such easement, right of way or restrictive covenant will interfere with the purpose of the Sublease as set forth in section 4.1. The Subtenant agrees, at the request of the Sublandlord, to expeditiously execute and deliver to the Sublandlord such instrument as may be necessary to subordinate the Subtenant's right and interest in the Lands under this Sublease to such charge.

6. QUIET ENJOYMENT

6.1 Quiet Enjoyment. Upon payment in full of the Prepaid Rent, and by observing and performing its Obligations under this Sublease, the Subtenant will peaceably and quietly possess, hold and enjoy the Subleased Premises during the Term, on the terms and conditions contained in this Sublease, without any disturbance by the Sublandlord or any person claiming under or through the Sublandlord except as set out in the Lease, this Sublease and in any Laws.

7. NUISANCE, WASTE AND RUBBISH

7.1 Nuisance. The Subtenant will not cause, permit or suffer any nuisance to be created on or to emanate from the Subleased Premises or the Common Property.

7.2 Waste. The Subtenant will not cause, permit or suffer the commission of any waste at, on, within or in respect of the Subleased Premises or the Common Property.

7.3 Rubbish. The Subtenant will not cause, permit or suffer any rubbish, garbage, solid waste or debris on or within the Subleased Premises or the Common Property except in suitable containers and as may be reasonably necessary and in accordance with the Permitted Uses and any Laws.

8. ASSIGNMENT AND SUBLETTING BY THE SUBTENANT

8.1 Right to Assign. The Subtenant may assign or transfer the whole or any part of its interest in this Sublease subject to the following terms and conditions:



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- (a) the assignment or transfer of the Sublease must be completed in a form acceptable for registration in the Registry;
- (b) the assignment or transfer must include covenants and agreements pursuant to which the assignee or transferee covenants and agrees in writing, with the Sublandlord and Owner Association, to be bound by and liable under all terms, conditions, covenants and agreements of the Subtenant under this Sublease;
- (c) the Subtenant shall not be in default of its covenants and agreements set out in this Sublease, and in particular shall have paid its Proportionate Share of all Common Costs and shall have paid to the Owner Association all amounts due for the period to and including the date of the assignment or transfer;
- (d) prior to any assignment or transfer the Subtenant shall at the expense of the Subtenant request a certificate from the Sublandlord or the Sublandlord's Representative confirming that to the Sublandlord's knowledge the Sublease is in good standing; and
- (e) if the Subtenant is a corporation, any change in control will be deemed to be an assignment.

8.2 Release of Subtenant Upon Assignment. Upon the assignment of this Sublease by the Subtenant in accordance with this Article 8, the Subtenant will be released from any and all further Obligations arising under this Sublease which arise after the time of such assignment, provided that the Subtenant will not be released from or in respect of any default or any Obligation of the Subtenant under this Sublease which is in respect of any matter occurring after the Commencement Date but prior to the effective time of the assignment and all Obligations of the Subtenant arising under this Sublease prior to the time of such assignment will remain unaltered and in full force and effect, notwithstanding that any default or failure to perform may not become known until after such time.

9. MORTGAGE OF SUBLEASE

9.1 Mortgaging. The Subtenant may grant a Mortgage of this Sublease without the consent of the Sublandlord or the Lessor.

9.2 Registration of Mortgage by Subtenant. A Mortgage of this Sublease in accordance with section 9.1 must be registered by or on behalf of the Subtenant in the Registry at the expense of the Subtenant.

10. ASSIGNMENT BY SUBLANDLORD

10.1 Assignment. The Sublandlord may directly or indirectly assign, transfer, convey or otherwise dispose of the Lease, and thereby concurrently assign, transfer, convey or otherwise dispose of its interest in this Sublease, without the consent of the Lessor or the Subtenant. The Sublandlord's interest in this Sublease and its Obligations under this Sublease will be automatically assigned to the assignee under any assignment of the Sublease.

10.2 Release of Sublandlord Upon Assignment. Upon the assignment of the Lease by the Sublandlord in accordance with section 10.1, the Sublandlord will be released from any and all further Obligations arising under this Sublease which arise after the time of such assignment, provided that the Sublandlord will not be released from or in respect of any default or any Obligation of the Sublandlord under this Sublease which is in respect of any matter



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occurring after the Commencement Date but prior to the effective time of the assignment and all Obligations of the Sublandlord arising under this Sublease prior to the time of such assignment will remain unaltered and in full force and effect, notwithstanding that any default or failure to perform may not become known until after such time.

11. CONSENTS

11.1 Sublandlord's Consents. Except as otherwise specifically provided herein, wherever in this Sublease the Subtenant is required to obtain the consent of the Sublandlord, the Sublandlord will act reasonably and without delay in giving or withholding such consent.

12. COMPLIANCE WITH RULES, LAWS AND INSURANCE POLICIES

12.1 Compliance with Rules, Laws and Insurance Policies. The Subtenant will:

- (a) observe and comply with the Bylaws and such reasonable rules and regulations respecting the use of the Common Property and the Subleased Premises, or any part thereof as will be made by the Sublandlord or the Owner Association from time to time;
- (b) observe and comply with all Laws applicable to the Common Property and the Subleased Premises and observe and comply with the requirements of all policies of insurance required to be carried by the Subtenant pursuant to this Sublease.

However, failure to comply with such Bylaws and rules and regulations (other than payment of Common Costs or any other monetary amounts owing to the Owner Association or a default which would constitute a default under the terms of the Lease) will not result in termination rights referred to in Article 25 notwithstanding anything to the contrary herein.

13. ENVIRONMENTAL STANDARDS

13.1 Compliance with Environmental Laws. The Subtenant will at all times use and maintain the Subleased Premises in compliance with all applicable Environmental Laws. Notwithstanding anything else in this Article, this Sublease will not be terminated by the Sublandlord as result of any environmental contamination of the Subleased Premises or the Lands which is not caused by the Subtenant or a person for whom they are responsible at law.

14. SERVICES AND DEVELOPMENT PROPERTY

14.1 Interruption of Services and Availability of Common Property. No interruption of any of the utility services provided to the Subleased Premises or the Common Property or the availability of the Common Property, will be deemed to be a disturbance of the Subtenant's enjoyment of the Subleased Premises or render the Sublandlord liable to the Subtenant or any person claiming through or under the Subtenant, unless and to the extent that such interruption is caused by the negligence of the Sublandlord.



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15. ALTERATIONS AND ADDITIONS

- 15.1 No Alterations.** Except as provided in Articles 20 and 23, the Subtenant will not alter, remove, add to, replace, or make substitutions on the Subleased Premises, without first having received the written consent of the Sublandlord, which consent may be withheld in the discretion of the Sublandlord.

16. IMPROVEMENTS

- 16.1 Compliance with Provisions.** Any Improvements to the Subleased Premises made by the Subtenant must be made in compliance with the provisions of this Sublease and the Lease and any applicable Laws and the Subtenant shall, upon the expiry or sooner termination of the Term, at the option of the Sublandlord in writing, immediately remove from the Subleased Premises all Improvements made to the Subleased Premises by the Subtenant and restore the Improvements on the Subleased Premises to their original condition. All Improvements made to the Subleased Premises by the Subtenant which are not removed shall automatically and at no costs to the Sublandlord become the property of the Sublandlord and the Subtenant shall not make any claim for compensation, recompense or other allowance or consideration whatsoever in respect of other Improvements.

17. REPAIR OF SUBLEASED PREMISES

- 17.1 Repair of Subleased Premises.** The Subtenant will, at its expense at all times during the Term repair, renew, replace and maintain the Subleased Premises and Improvements in a good and tenantable condition and in accordance with all Laws, in every respect as would a careful subtenant in occupation, excepting reasonable wear and tear only insofar as is not inconsistent with the foregoing. At no time will the Sublandlord be obliged to the Subtenant to repair, renew, replace or maintain any areas within the Subleased Premises unless it specifically agrees in writing to do so.

- 17.2 Repair of Common Property by Sublandlord** The Sublandlord will at all times during the Term, repair, review, replace and maintain the Common Property and maintain the landscaping located on the Common Property in a neat, tidy, clean and attractive condition. Other than as described herein, the Sublandlord will not be obliged to the Subtenant to repair, renew, replace or maintain any Improvements or other areas within the Subleased Premises unless it specifically agrees in writing to do so.

- 17.3 Access by Sublandlord over Subleased Premises** The Subtenant hereby grants to the Sublandlord or its agents, the full and free right, liberty and easement over the Subleased Premises for the purpose of the Sublandlord repairing, renewing, replacing and maintaining any Common Property located on the Subleased Premises.

18. SIGNS

- 18.1 No Signs.** The Subtenant will not at any time during the Term affix or exhibit upon the Subleased Premises any sign or other advertising device except with the prior written consent of the Sublandlord, such consent not to be unreasonably withheld, and except where necessary and ancillary for carrying out the purpose permitted in Article 4.



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18.2 Subtenant Responsible. The Subtenant shall be responsible for the repair, maintenance, strengthening or removal of any sign or advertising device.

19. NO LIENS

19.1 No Liens. Other than in respect of any Mortgage, the Subtenant will use all reasonable efforts not to suffer or to permit any liens or charges of whatever nature to exist or to be registered against title to the Subleased Premises or any part thereof and should any such lien or privilege so exist or be so registered, the Subtenant will cause to be discharged the same forthwith. Notwithstanding the foregoing, the Subtenant will have the right to contest the validity of any such lien or charge or the amount thereof by appropriate legal proceedings if the Subtenant prosecutes such legal proceedings with all due diligence. The Subtenant hereby agrees to indemnify and save harmless the Sublandlord from and against any action or damage whatsoever in respect of any such lien or proceeding.

20. REMOVAL OF IMPROVEMENTS AND CHATTELS

20.1 Subtenant May Remove Goods. At any time during the Term, the Subtenant may, if not in default hereunder, at the Subtenant's expense, remove from the Subleased Premises any or all of the moveable goods and chattels placed on the Subleased Premises by the Subtenant provided that the following conditions are met:

- (a) the Subtenant complies with section 20.3; and
- (b) any requirements in the Lease are complied with, and the Sublandlord agrees to comply with such requirements on behalf of the Subtenant, provided that the Subtenant complies with this Article 20; and
- (c) the Subtenant shall not remove, damage or interfere with any part or parts of the Subleased Premises or the Improvements of the Sublandlord constructed upon any part or parts of the Lands.

20.2 Removal of Moveable Goods on Demand. The Subtenant will, at the sole cost and expense of the Subtenant, upon written demand by the Sublandlord given on or before the 30th day after the expiration or earlier termination of this Sublease, forthwith remove from the Subleased Premises any or all of the Subtenant's moveable goods and chattels and any moveable goods and chattels of any other person on the Subleased Premises as the Sublandlord may require.

20.3 Leave Subleased Premises in Good Condition. The Subtenant will, upon the expiration or earlier termination of this Sublease, or upon the removal of any moveable goods, chattels and tenant's fixtures from the Subleased Premises, all as applicable, pursuant to this Article 20, whichever is later, leave the Subleased Premises in good and substantial repair, in a neat, clean and tidy condition and free from all waste and debris to the reasonable satisfaction of the Sublandlord.

20.4 Sublandlord May Remove Goods. If the Subtenant does not remove any moveable goods, chattels, tenant's fixtures from the Subleased Premises as provided in this Article 20 or pursuant to a notice or demand given pursuant to section 20.2, then the Sublandlord may remove them and dispose of them as they see fit. The



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Subtenant will pay to the Sublandlord all reasonable costs and expenses incurred in the removal and disposal of the moveable goods, chattels and tenant's fixtures and in making good all damage caused to the Subleased Premises by the removal forthwith upon demand by the Sublandlord. The Sublandlord will not be responsible to the Subtenant for any loss by the Subtenant as a result of the removal or the disposal of moveable goods, chattels or tenant's fixtures.

21. SUBLANDLORD'S INSURANCE

21.1 Sublandlord to Maintain Insurance on Common Property. The Sublandlord will maintain or cause to be maintained property insurance and third party liability insurance for the Common Property. The costs of such insurance will be part of the Common Insurance Cost which shall form part of the Common Costs.

22. SUBTENANT'S INSURANCE PROVISIONS

22.1 Insurance. The Subtenant will take out, or cause to be taken out, and maintain, at the expense of the Subtenant, the following insurance:

- (a) Liability Insurance. Comprehensive Personal Liability insurance (the "**Liability Insurance**") against claims for personal injury, death or property damage, occurring on or about the Subleased Premises in an amount of \$2,000,000 for any one occurrence;
- (b) Personal Contents Insurance. General Insurance coverage for the Subtenant's contents, tenant's fixtures and improvements located in and on the Subleased Premises;
- (c) Other Insurance. Such other insurance as the Sublandlord may occasionally reasonably require from time to time in amount and for perils against which a prudent Subtenant would protect itself in similar circumstances.

22.2 Terms of Insurance. Each insurance policy will be on the following terms and conditions:

- (a) the Liability Insurance will be written in the name of the Subtenant with the Sublandlord as additional insured;
- (b) to the extent it is obtainable, the policy will contain an agreement by the insurer that it will not cancel the policy midterm or amend the policy without first giving to all of the insureds at least 15 days' prior written notice.

22.3 Not Invalidate Insurance. The Subtenant will not do, permit or suffer anything to be done on or from the Lands that might cause any policy of insurance to be invalidated, either in whole or in part, or canceled, and the Subtenant will comply forthwith with every notice in writing from the Sublandlord or any insurer requiring anything to be done or not done in order to avoid invalidation or cancellation of any insurance.

22.4 Evidence of Insurance. The Subtenant will, upon written request from the Sublandlord, deliver a certified copy of every insurance policy required by the Sublandlord.

22.5 Obligation to Make Up. The Subtenant will forthwith make up from its own resources any and all deficiencies in the proceeds of any insurance received to be maintained by the Subtenant pursuant to the terms of this Sublease.



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22.6 Release of Liability for Insured Damage. The Subtenant hereby fully releases and discharges and agrees to fully indemnify and save harmless the Sublandlord from and against any and all actions and damages whatsoever caused by, resulting from or in respect of any of the perils or injury against which it has covenanted in this Sublease to insure, unless the action or damage arises out of the negligence or omission of the Sublandlord or those for whom the Sublandlord is at law responsible and even if the Subtenant has failed to so insure, unless insurance is not available for that peril or injury.

22.7 Mortgages Insured by CMHC. Notwithstanding any other term or condition of this Sublease, if the Mortgage is insured by CMHC, then during any such time as CMHC has possession of the Subleased Premises or holds the equity of redemption in the Subleased Premises, CMHC will not assume or be responsible for the duties, obligations or liabilities whatsoever for taking out or maintaining insurance as set out herein.

22.8 Deductible. If the Subtenant makes a claim on the insurance described in section 21, the Subtenant shall be responsible for the deductible portion of such claim if the Subtenant is responsible for the loss or damage that gave rise to the claim.

23. REPLACEMENT ON DESTRUCTION

23.1 Risk of Damage. The Subtenant acknowledges that all risk with respect to the Improvements and the contents of the Subleased Premises during the Term will belong to the Subtenant. If during the Term any Improvements on or forming part of the Lands are damaged or destroyed whether in whole or in part by fire or any other cause (in this Article called the “**Damaged Improvements**”), this Sublease will not be determined and the Subtenant will not be entitled to surrender possession of the Subleased Premises or any part thereof or to any abatement or reduction of the Prepaid Rent.

23.2 Obligation to Restore. The Subtenant shall expeditiously reinstate and repair all the Damaged Improvements to the satisfaction of the Sublandlord and cast its vote to cause the Owner Association to reinstate and repair as soon as reasonably practicable following the damage or destruction in question.

23.3 Condition of Subleased Premises. In addition to the Obligations of the Subtenant pursuant to section 23.2 the Subtenant will expeditiously clean up the Subleased Premises and ensure the return of the Damaged Improvements and the Subleased Premises to a neat, tidy, and safe condition of repair, all to the satisfaction of the Sublandlord, acting reasonably, and in accordance with all Laws.

24. INDEMNITY

24.1 Indemnity. The Subtenant will indemnify and save harmless the Sublandlord, its officers, employees, agents or contractors, against and from all liability, loss, costs, claims, demands, expenses, actions, damages, suits and other proceedings, whatsoever, including consequential, howsoever arising out of or related to any breach of the Subtenant’s covenants herein contained and/or for personal injury, death or property damage or loss arising out of or related to any act or omission of the Subtenant, its officers, employees or agents or any person for whom the Subtenant is responsible at law.



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24.2 CMHC. There shall be no obligation for CMHC to indemnify the Sublandlord herein.

25. DEFAULT AND REMEDIES

25.1 Subtenant's Covenants. All Obligations to be observed or performed by the Subtenant in favour of the Sublandlord under this Sublease will be deemed to be the Subtenant's covenants and all the Obligations in favour of the Sublandlord in this Sublease are made on behalf of the Subtenant and its successors and assigns.

25.2 Sublandlord's Right to Cure Default. If the Subtenant fails to observe or perform any of its Obligations under this Sublease then, without limiting any other remedy of the Sublandlord under this Sublease, the Sublandlord may, at its option, and upon not less than 45 days' written notice to the Subtenant, perform or cause to be performed the Obligation, but having commenced such work, the Sublandlord will have no Obligation to the Subtenant to fulfill such Obligation. The Subtenant will pay to the Sublandlord any reasonable cost or expense incurred by the Sublandlord in performing the Obligation forthwith upon demand by the Sublandlord and such amount will bear interest at the Interest Rate from the date that such reasonable cost or expense is incurred by the Sublandlord and compounded monthly until the date of the payment by the Subtenant. The performance by the Sublandlord of any of the Subtenant's Obligations pursuant to this section will not be an acknowledgment or admission of any liability or responsibility on the part of the Sublandlord nor give rise to any liability for the Sublandlord.

25.3 Notice of Default and Termination. If and whenever the Subtenant defaults in the observance or performance of any Obligation in favour of the Sublandlord or the Lessor under this Sublease on the Subtenant's part to be observed or performed, the Sublandlord may give the Subtenant written notice of the default, specifying the particulars of the default. If the Sublandlord gives the Subtenant a notice of default pursuant to this section and:

- (a) the default is in respect of a monetary payment or is reasonably capable of being cured within 45 days (or such longer period as is permitted under any Laws) after the notice is given and the Subtenant fails to cure or to cause the Subtenant to cure the default within 60 days (or such longer period as is permitted under any Laws) after the notice is given; or
- (b) the default is in respect of a non-monetary matter and is capable of being cured but is not reasonably capable of being cured within 45 days after the notice is given and the Subtenant fails to commence to cure the default promptly upon receipt of the notice and to proceed to cure it with all due diligence to completion;

then, subject to section 25.4, the Sublandlord may by notice to the Subtenant declare the Term ended. If the Sublandlord declares the Term ended then, except as otherwise expressly provided in this Sublease, this Sublease and everything contained in it, the Subtenant's estate under this Sublease and the Term will thereupon terminate without re-entry or any other act or legal proceedings in respect thereof, and the Sublandlord may re-enter and possess the Subleased Premises and the Sublandlord may enjoy the Subleased Premises and its former estate therein as if this Sublease had not been made with respect thereto.

25.4 Notices and Opportunity for Others to Cure. The Parties acknowledge that Mortgagees have an interest in the Subleased Premises. Accordingly, the Parties agree as follows:



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- (a) the Sublandlord will provide a copy of any notice to the Subtenant pursuant to section 25.3 to each Mortgagee at the address in the Registry, and no notice given pursuant to section 25.3 will be validly given unless the Sublandlord has done so. The copies of such notices may be given to each Mortgagee on the same terms and conditions as are applicable to notices referred to in this Sublease;
- (b) each Mortgagee will have the same opportunity to cure or cause to be cured defaults as is afforded to the Subtenant pursuant to section 25.3 and a cure by any of such persons will be deemed to be a cure by the Subtenant;
- (c) the Sublandlord shall not exercise effectively as against the Mortgagee any right of re-entry or distress or right to terminate this Sublease until:
 - (i) the Sublandlord gives to the Mortgagee at least 45 days in writing of the intention to re-enter or to distrain or to terminate specifying the full particulars of the grounds therefore, and
 - (ii) the Mortgagee does not during that 45 day period either remedy all specified proper grounds for re-entry or distraint or termination or give to the Sublandlord notice in writing that the Mortgagee intends to take, or has taken, formal proceedings for the enforcement of its Mortgage and the protection of its position, and
 - (iii) the Mortgagee, having given the notice specified in section 25.4(c)(ii), has had reasonable time to pursue to their conclusion all reasonable proceedings for the enforcement of its Mortgage and the protection of its position; and
- (d) if, upon the conclusion of proceedings by the Mortgagee for the enforcement of its Mortgage and the protection of its position, the rights of the Subtenant have been released to the Mortgagee or foreclosed or sold then thereupon all then existing grounds for re-entry or distress or termination and all then existing rights (if any) of re-entry or distress or termination shall terminate and the Mortgagee or purchaser shall become the Subtenant free of all liability for such grounds; and
- (e) where the Sublandlord, at the request of the Subtenant, intends to terminate the Sublease either by surrender of sublease or otherwise, notice of such intention shall be given in writing to the Mortgagee, allowing the Mortgagee at least 45 days to obtain repayment in full of the outstanding mortgage, inclusive of interest and penalties, or take mortgage default enforcement action with its rights pursuant to this Article 25 intact. If the Mortgagee provides to the Sublandlord notice of its intention to commence or the commencement of Mortgage default enforcement action to realize on its security, including but not limited to foreclosure proceedings, the Sublandlord shall not accept the surrender of this Sublease.

25.5 Right of Sublandlord to Re-let. Without limiting any rights or remedies of the Sublandlord hereunder, if the Subtenant is in default and such default is not cured in the manner and within the times provided for in sections 25.3 and 25.4, and if at such time the Subleased Premises are deserted or vacant, then unless there is a Mortgage of such Subleased Premises, the Sublandlord may re-enter the Subleased Premises and re-let as agent for and on behalf of the Subtenant and at the expense and risk of the Subtenant and none of the Sublandlord or



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the Sublandlord's Representatives will be liable for any damage in connection therewith. The Sublandlord will not be construed as re-entering if prior thereto the Term has ended or the Sublandlord has given notice of the termination of this Sublease.

25.6 Antecedent Liability Remains. Notwithstanding the expiry or earlier termination of this Sublease or any re-entry, the Subtenant will remain liable in respect of, and the Sublandlord will be entitled to enforce any right of action against the Subtenant in respect of, any default or breach of any of the Subtenant's Obligations under this Sublease occurring prior to the end of the Term.

25.7 Remedies Cumulative. All rights and remedies of the Sublandlord are cumulative and are in addition to and do not exclude any other right or remedy provided in this Sublease or otherwise allowed by law. All rights and remedies of the Sublandlord may be exercised concurrently but will not give rise to duplicative liability of the Subtenant.

25.8 Surrender of Subleased Premises. When the Term expires or otherwise ends or is terminated, the Subtenant will peaceably surrender the Subleased Premises to the Sublandlord in accordance with the terms of this Sublease.

26. CMHC

26.1 CMHC. Notwithstanding any other provisions of this Sublease, where the whole or any part of the interest of the Subtenant under this Sublease is mortgaged to a Mortgagee, insured against borrower default, under the National Housing Act, then:

- (a) throughout any period of time during which, as a result of proceedings for default under the mortgage including transfer of title under the National Housing Act, the Mortgagee or CMHC as successor is in leasehold possession of the Subleased Premises or holds leasehold title to the Subleased Premises,
 - (i) the Sublandlord waives, as against the Mortgagee and CMHC and their successors and assigns, all rent and additional rent and interest accruing and otherwise required to be paid under this Sublease, but for the purposes of this waiver, rent and additional rent do not include municipal real estate taxes, school taxes, local improvement charges, water rates and utility charges required to be paid by the Sublandlord or the Subtenant and the actual costs of construction, maintenance and repair of damage that are the responsibility of the Subtenant, and
 - (ii) the review and approval of the Sublandlord shall not be required with respect to plans, specifications, contractors, workers, tradesmen, materials, proposals, details and drawings for repairs, replacements, maintenance, Improvements, alterations, and decorations, and
 - (iii) the consent of the Sublandlord shall not be required with respect to any vacancy of or removal of goods from the demised premises; and



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- (b) no restriction on assignment or subletting of this Sublease by the Subtenant applies to any assignment or subletting or release of this Sublease to the Mortgagee or CMHC as successor, and the Mortgagee and CMHC shall not remain liable on the Sublease after assignment or release by them; and
- (c) if any time the Subleased Premises are damaged or destroyed to the extent of twenty-five (25%) per cent or more of their full insurable value, then the Mortgagee or CMHC as successor may, within 60 days of its receipt of notice of the event and extent of damage or destruction and appropriate amount of available insurance proceeds, elect to require that the insurance proceeds not be applied toward the repair or rebuilding or restoration of the Subleased Premises, and in the event of such an election the insurance proceeds shall be applied, in priority,
 - (i) first, but only if and to the extent required by the Sublandlord or the Subtenant, toward clearing and restoring the lands as nearly as possible to their condition prior to the commencement of construction,
 - (ii) second, towards payment of all monies owing on the Mortgage,
 - (iii) third, towards payment of all monies payable to the Sublandlord under this Sublease, and
 - (iv) fourth, in payment to the Sublandlord and the Subtenant in accordance with their interests therein,and the Subtenant shall not be obligated to repair or rebuild or restore; and
- (d) there shall be no obligation on CMHC to arrange or maintain any insurance, and for the purposes of section 26.1(c) if because the CMHC has not arranged or maintained insurance there are no or insufficient insurance proceeds and the CMHC makes the election specified then the CMHC shall not be required to do more than clear and restore the Subleased Premises as nearly as possible to their condition prior to the commencement of construction and shall be entitled to apply to that end whatever insurance proceeds may be available; and
- (e) there shall be no obligation on CMHC to indemnify the Sublandlord except where the CMHC would be so obligated apart from the terms of this Sublease; and
- (f) any party requiring arbitration pursuant to the terms of this Sublease shall give timely notice of all arbitration proceedings to the Mortgagee and the Mortgagee may participate fully in the proceedings if in its reasonable opinion the outcome may affect its security; and
- (g) without restricting the generality of the foregoing, all references to Mortgagee shall include the CMHC.

27. SUBLANDLORD'S COVENANTS

27.1 Covenants in Lease. The Sublandlord will observe and perform all of its Obligations in the Lease save in so far as the same fall to be observed by the Subtenant pursuant to the terms hereof.

27.2 Amendment of Lease. The Sublandlord will not amend the Lease in any manner that will materially adversely affect the rights of the Subtenant, its permitted assigns and Mortgagees under the terms of this Sublease, except with the prior written consent of the Subtenant and any Mortgagees.



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27.3 Maintenance and Repair of Common Property. The Sublandlord will maintain or will cause to be maintained the Common Property in good order and repair, reasonable wear and tear excepted, to the standards set by the Sublandlord from time to time.

27.4 Cure Default under Lease. The Sublandlord will take all steps required to cure any default under the Lease and to keep the Lease in good standing.

28. THE SUBTENANT'S COVENANTS

28.1 Subtenant's Acknowledgments and Covenants Respecting Documents. The Subtenant acknowledges that it has read and understands the following and will abide by their terms and conditions and observe and perform all Obligations contained thereunder to the extent applicable to the Subleased Premises:

- (a) the Lease;
- (b) the Bylaws; and
- (c) the permit(s), right(s) of way or easement(s) in favour of any utility providers, if any.

29. THE OWNER ASSOCIATION

29.1 Member of the Owner Association. Upon registration of this Sublease in the Registry, one representative of the Subtenant will become a voting member of the Owner Association in accordance with the Bylaws (i.e. one per Residential Unit).

29.2 Mortgagee May Exercise Member's Rights. If required as a condition of a Mortgage, the Mortgagee may exercise the Subtenant's rights as a member of the Owner Association.

29.3 Membership Ceases on Assignment or Termination. The Subtenant will cease to be a member of the Owner Association in accordance with the Bylaws if the Subtenant assigns this Sublease or this Sublease is terminated.

29.4 Assignment of Lease. When 100% of the Residential Units in the Project have been subleased, or at such earlier date as determined by the Sublandlord, at the option of the Sublandlord, and at the request of the Subtenant, the Sublandlord may in its discretion assign the Lease to the Owner Association, and in the event of an assignment under Section 8.2 of the Lease, the Sublandlord shall assign the Lease to the Owner Association.

29.5 Covenants Respecting the Owner Association. As a member of the Owner Association, the Subtenant will cast its vote as follows and, if the Sublandlord is a member of the Owner Association, then the Sublandlord will cast its vote(s) as follows:

- (a) to cause the Owner Association to maintain its existence and remain in good standing with the Registrar of Companies (British Columbia) with respect to the filing of annual reports;



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- (b) except as otherwise set out in this section 29.5 until 100% of the Residential Units in the Project have been subleased, or at such earlier date as directed by the Sublandlord, at the option of the Sublandlord, to elect the nominees of the Sublandlord as directors of the Owner Association, provided that if Sublandlord has been given by the Lessor notice of default under the Lease, its nominees will cease to be directors of the Owner Association;
- (c) if the Lessor is entitled to declare the term of the Lease ended pursuant to the provisions of the Lease, or if the Sublandlord wishes to assign its interest in the Lease relating to the Project to the Owner Association, to cause the Owner Association to:
 - (i) cure any default of the Sublandlord to the extent the default relates to Lands for which rents have been fully prepaid;
 - (ii) accept an assignment of the Sublandlord's interest in the Lease; and
 - (iii) observe and perform the Sublandlord's Obligations under the Sublease;

during the unexpired Term.

However, be it always provided, after 50% plus one of the Residential Units in the Project have been subleased, in the reasonable opinion of 51% of the subtenants as witnessed by their signatures on a petition presented to the Sublandlord, that the Sublandlord has defaulted in the performance of management services for the Common Property, the Sublandlord shall have 30 days to correct the default or defaults and failing correction shall call a meeting of the Owner Association upon 14 days' notice and thereafter representation on the Board of Directors of the Owner Association shall be determined by the subtenants and the Sublandlord in proportion to Residential Units held by them. However, no change to the Bylaws will be effective unless the change has been approved in writing by the Sublandlord while the Sublandlord still holds Residential Units unsold or undeveloped in the Project.

29.6 Release of the Sublandlord Upon Assignment. If the Owner Association accepts an assignment of the Lease as described in this Article, then the Sublandlord will be released from any and all further Obligations arising under this Sublease which arise after the time of such assignment, provided that the Sublandlord will not be released from or in respect of any default or Obligations of the Sublandlord under this Sublease which is in respect of any matter occurring after the Commencement Date, but prior to the effective time of the assignment and all Obligations of the Sublandlord arising under this Sublease prior to the time of such assignment will remain unaltered and in full force and effect, notwithstanding that any default or failure to perform may not become known until after such time.

29.7 Owner Association to Operate in Similar Manner to a Strata Corporation. Notwithstanding the fact that a strata plan under the *Strata Property Act* cannot be filed in respect of the Lands, and without limiting the provisions of this Sublease, the Parties agree that it is their intention that the Project and the Owner Association operate in a manner essentially similar to that which would exist if a strata plan was filed in respect of the Lands, and the Owner Association was a strata corporation. In the event of a disagreement as to the applicability of a provision of the *Strata Property Act*, and amendments, replacement legislation or successor statutes, the matter may be referred to arbitration, provided that the provisions of this Sublease are paramount.



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30. MISCELLANEOUS PROVISIONS

30.1 Entire Agreement/Amendments. This Sublease constitutes the entire agreement between the Parties with respect to the subject matter of this Sublease except as may be set out in any written document or agreement between the Parties. There is no warranty, representation, collateral warranty, collateral agreement or other term or condition whatsoever in respect of this Sublease except as is expressly set out in this Sublease or in an agreement in writing duly executed and delivered by the relevant Parties. No modification or amendment of any provisions of this Sublease will be inferred from anything done or omitted by any of the Parties except by an express agreement in writing duly executed and delivered by the Parties.

30.2 No Waiver. No condoning, excusing or overlooking by any Party of any default by any other Party at any time or times in performing or observing any of the other Party's Obligations under this Sublease will operate as a waiver of or otherwise affect any rights or remedies in respect of any continuing or subsequent default and no waiver of these rights or remedies will be inferred from anything done or omitted to be done by any Party except by an express waiver in writing.

30.3 Dispute Resolution. In the event of any dispute under this Sublease, the Parties may, in each of their discretion, agree in writing to submit the dispute to arbitration pursuant to the provisions of the *Arbitration Act*, R.S.B.C. 1996, c.55 as amended from time to time. A Mortgagee will be entitled to participate in any arbitration which affects the Mortgagee's interest in the Subleased Premises.

30.4 Force Majeure. If pursuant to the provisions of this Sublease a Party is required to do any act or thing (other than the payment of any amount of money) by a specified date, and the obligated Party is prevented from completing such act or thing by such date by any strike, lockout, other labour disturbance, embargo, war, fire, flood, earthquake, other act of God, explosion, breakage of or accident to equipment or machinery, inordinate delay in obtaining approvals after the date of this Sublease, delay or failure of suppliers or carriers or any other act or thing beyond the reasonable control of the obligated Party, in any case without the fault or neglect of the obligated Party, then the date by which the obligated Party is required to do such act or thing will be extended by the period of such delay, provided that the obligated Party gives written notice of such delay to the Party in favour of whom the obligated Party is required to do such act or thing, setting out the cause of such delay in reasonable detail both:

- (a) within 30 days after the commencement of such delay; and
- (b) within 30 days after the end of such delay,

and the obligated Party will, at any time and from time to time, provide any further information in respect thereof as may be reasonably requested by the Party in favour of whom the obligated Party is required to do such act or thing.

30.5 Notices. All notices under this Sublease must be given in writing and delivered in accordance with this provision. All notices will be delivered to the Party to whom the notice is given to the Party's address for delivery as set forth



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in this provision by personal delivery or by registered mail and no notice will be effective until such delivery has been made. The addresses for delivery are as follows:

- (a) **to the Sublandlord:** at its address set out on Page 8 of this Sublease;
- (b) **to the Subtenant:** at the address of the "Transferee" set out in Part 1 General Instrument of this Sublease, or any at the address of the "Transferee" set out in Part 1 General Instrument of any assignment of this Sublease.

Any Party may change its address for delivery by delivering notice of such change of address to the other Parties as provided in this provision, provided that all Parties will at all times have an address in British Columbia for the delivery of notices in accordance with this provision. Notices will be deemed to have been delivered only (i) upon delivery, if delivered by hand, or (ii) upon receipt, if sent by registered mail. Notwithstanding the foregoing, no notice of default or termination will be effective unless actually delivered by hand to the Subtenant's address for delivery. The Sublandlord and/or the Subtenant may elect to receive notices by email or other electronic communication by providing an email address or other contact information to the other in accordance with this section 30.5.

30.6 **Time.** Time is of the essence of this Sublease.

30.7 **Invalid Term.** If any part of this Sublease is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Sublease had been executed without the invalid portion.

30.8 **New Agreement.** If any part of this Sublease is declared or held invalid for any reason or the Sublandlord otherwise requires a new form of Sublease for any reason whatsoever, then the Subtenant will, upon request of the Sublandlord, promptly execute and deliver the new form of Sublease to the Sublandlord. The Subtenant hereby irrevocably appoints the Sublandlord as attorney for the Subtenant with full power and authority to execute and deliver such documents for and in the name of the Subtenant.

30.9 **Binding Effect.** This Sublease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, assigns and other legal representatives of each of the Parties, as applicable. Every reference in this Sublease to any Party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the Party, as applicable.

30.10 **Joint and Several.** If the Subtenant is comprised of two or more persons, then each of them will be jointly and severally bound to perform the Obligations of the Subtenant in this Sublease.

30.11 **Corporate Authority.** If the Subtenant is a corporation, the Subtenant warrants and represents to the Sublandlord that:

- (a) the Subtenant has the corporate authority to enter into this Sublease and to perform all of its duties and Obligations under this Sublease;



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- (b) the Subtenant is a company duly incorporated under the laws of the Province of British Columbia, is not a reporting company and is a valid and subsisting company in good standing with respect to the filing of annual reports with the provincial corporate registry; and
- (c) all necessary corporate action on the part of the Subtenant and its directors and shareholders has been taken to approve of the execution and delivery of this Sublease by the Subtenant.

30.12 Registration/No Provincial Registration. This Sublease, including all Schedules, will be registered in the Registry at the expense of the Subtenant as soon as reasonably possible following the execution and delivery of this Sublease. Neither the granting of this Sublease nor anything contained herein will be construed as an agreement or assurance by the Sublandlord that this Sublease or any assignment, Mortgage or other disposition of the leasehold interest of the Subtenant can be registered in any Provincial Land Title Office or other Provincial office of record and the Subtenant will not register or record this Sublease in any such office or attempt to do so.



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SCHEDULE A

SUBLEASED PREMISES DESCRIPTION

The “**Subleased Premises**” is the land and Improvements, if any, situated in Tsinstikeptum Indian Reserve No. 9, British Columbia legally described as follows:

Unit ____ within Lot _____ CLSR Plan _____

Subject to the following:

1. Lease 5022897;
2. Easement SG04483 and Easement SG04484;
3. The rights, restrictions, reservations or conditions contained in any statutory provision or instrument;
4. The right(s) of way, easement(s) or permit(s) in favour of any utility provider, if any;

and excluding all Minerals or natural resources under the Subleased Premises.



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SCHEDULE B

COMMON COSTS

In section 1.1(f) of the Sublease, the costs are: the total, without duplication, of the reasonable costs, charges and expenses incurred by the Sublandlord which are not billed directly by any utility service provider to the Subtenant, to operate, service, maintain, clean, supervise, replace, repair and manage the Common Property, and includes costs relating to the Common Property within the Project, which are for the benefit of the whole of the Project, including the following:

1. the Common Insurance Cost and the Common Tax Cost;
2. the cost of the supply of utilities to any Common Property, including electricity, natural gas, geothermal energy, telephone, water, sewer, cablevision and telecommunication;
3. the cost of lighting any Common Property;
4. the maintenance cost of landscaping and gardening any part of the Common Property;
5. the cost of cleaning of the Common Property and all snow removal therefrom;
6. the cost of servicing, repairing, constructing, operating, replacing or upgrading the Common Property and all cost of depreciation, at generally accepted rates and practice, on the capital cost and rental thereof and the cost of interest calculated on the undepreciated capital costs and the rental charge thereof at a rate equal to 2% above the prime lending rate offered by the Royal Bank of Canada (or its successor), from time to time, (prime lending rate meaning the annual rate of interest announced from time to time by the Royal Bank of Canada as a reference rate then in effect for determining interest rates in Canadian dollar commercial loans in Canada);
7. all amounts payable to independent contractors for any service rendered in connection with the maintenance, repair, management and operation of the Common Property, including wages and salary (including any benefits paid) of personnel required directly in connection therewith;
8. all other direct and indirect costs and expenses whatsoever to the extent allocated to the maintenance, management construction and repair of the Common Property in the Sublandlord's sole discretion; and
9. the costs of management, administration and bookkeeping services.



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SCHEDULE C

PROPORTIONATE SHARE

END OF DOCUMENT

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Schedule C - Bylaws

BYLAWS OF ABODE OWNER ASSOCIATION

1. DEFINITIONS AND INTERPRETATION

1.1 In these Bylaws the following terms will have the following meanings:

- (a) **"Board"** means the board of Directors of the Owner Association;
- (b) **"Budget"** means a budget for the expenditures of the Owner Association used to determine the Common Costs payable under the Sublease;
- (c) **"Committee"** means a committee of the Board;
- (d) **"Common Costs"** has the meaning ascribed to such term in the Sublease;
- (e) **"Common Property"** has the meaning ascribed to such term in the Member's Sublease, shall include but shall not be limited to **"Limited Common Areas"** as that term is defined in the Sublease, unless a contrary intention is specified;
- (f) **"Common Asset"** means personal property held by or on behalf of the Owner Association;
- (g) **"Contingency Fund"** has the meaning ascribed to such term in Bylaw 21.4(b);
- (h) **"Developer"** means 1136560 B.C. Ltd.;
- (i) **"Director"** means a director of the Owner Association from time to time;
- (j) **"Lease"** means the lease granted by Ronald Michael Derrickson and Kelly Margaret Derrickson to the Developer for a 99-year term and registered in the Registry under No. 5022897;
- (k) **"Leased Premises"** means the premises described in the Lease;
- (l) **"Lessor"** means the Developer or any assignee of the Lease from time to time;
- (m) **"Member"** means the people described in Bylaw 2.1;
- (n) **"Mortgage"** has the meaning ascribed to such term in the Sublease;
- (o) **"Mortgagee"** has the meaning ascribed to such term in the Sublease;
- (p) **"Non-Voting Member"** has the meaning ascribed to such term in Bylaw 2.4;
- (q) **"Operating Fund"** has the meaning ascribed to such term in Bylaw 21.4(a);
- (r) **"Owner"** means a sublessee(s) under a Sublease, and for clarity, an Owner is a Member;
- (s) **"Owner Association"** means the Society incorporated under the *Societies Act*, named "Abode Owner Association";

- (t) **“Proportionate Share”** has the meaning ascribed to such term in the Sublease;
 - (u) **“Registry”** means the Westbank Lands Register within the Self Governing First Nations Land Registry;
 - (v) **“Resident”** or **“Residents”** refer to those individuals residing in the Unit, whether as Owners, tenants or other occupants;
 - (w) **“Rules”** means, collectively the rules and regulations passed pursuant to Bylaw 22;
 - (x) **“Societies Act”** means the *Societies Act*, SBC 2015, c 18 as amended from time to time or any successor statutes;
 - (y) **“Special Levy”** had the meaning ascribed to such term in Bylaw 21.15;
 - (z) **“Sublease”** means a sublease under the Lease which has been registered in the Registry and under which the Member is an Owner, all of which are in a standard template sharing the same definitions;
 - (aa) **“Unit”** means a unit which is subleased to an Owner under a Sublease; and
 - (bb) **“Voting Member”** has the meaning ascribed to such term in Bylaw 2.4.
- 1.2 The definitions in the *Societies Act* and the Sublease, on the date that these Bylaws become effective, apply to these Bylaws.
- 1.3 The phrase “these Bylaws” means these Bylaws of the Owner Association, including any attached Schedules.
- 1.4 In these Bylaws, the singular includes the plural and the plural the singular, and the masculine includes the female and a corporation, as the context permits or requires.
- 1.5 Should any portion of these Bylaws be deemed unenforceable by any court of competent jurisdiction, then for the purposes of interpretation and enforcement of the Bylaws, each paragraph, sub-paragraph or clause hereof shall be deemed a separate provision and severable, and the balance of the provisions contained herein shall remain in full force and effect.
- 1.6 Any terms used in these Bylaws shall be interpreted:
- (a) first in light of the Lease and Sublease;
 - (b) then, so that the Owner Association operates in a manner essentially similar to that which would exist if a strata plan was filed under the Strata Property Act and the Owner association was the strata corporation;
 - (c) then by reference to other applicable legislation including but not limited to the *Societies Act*, the *Personal Information Protection Act*, BC Human Rights Code, and the *Interpretation Act*;

(d) then by reference to any definitions stated or implied in these Bylaws.

2. MEMBERSHIP

2.1 The Members of the Owner Association are the applicants for incorporation of the Owner Association and those persons who subsequently have become Voting Members and Non-Voting Members pursuant to these Bylaws, and, in either case, have not ceased to be Members.

2.2 The Developer, as applicant for incorporation of the Owner Association, will be a Voting Member until Subleases are registered in the Registry in respect of each of the Units which are available for subletting under the Lease.

2.3 A person will be a Member, either Voting or Non-Voting pursuant to Bylaw 2.4, upon:

- (a) registration in the Registry of a Sublease or an assignment of a Sublease in which that person is an Owner; or
- (b) appointment as a Member pursuant to Bylaw 2.2.

2.4 The Voting Members and the Non-Voting Members of the Owner Association will be as follows:

- (a) the Developer, as described in Bylaw 2.2;
- (b) if there is one Owner under a Sublease, then the Owner will be a Voting Member; and
- (c) if there is more than one Member under a Sublease, then the person nominated to be the Voting Member by the Owners pursuant to the purchase contract for the Sublease or by other subsequent written notice to the Owner Association will be a Voting Member and the remaining Owners under that Sublease will be Non-Voting Members;

and upon acceptance by the Directors, the applicant for membership will be a Voting Member or a Non-Voting Member, as the case may be.

2.5 A person will, automatically and without further action on his or her behalf or by the Owner Association, cease to be a Member when:

- (a) the Member assigns his or her interest in the Sublease, either voluntarily, by court order or by operation of law, other than assignment by way of Mortgage;
- (b) the assets of the Owner Association are distributed, and the Owner Association is wound up pursuant to Bylaw 14;
- (c) subject to Bylaw 2.6, on the death of the Member;
- (d) if the Member is a corporation, on the corporate Member being dissolved or wound up; or
- (e) on bankruptcy.

- 2.6 If there is more than one Owner under a Sublease and the Voting Member nominated by the Owners of that Sublease dies or becomes incapable of managing his or her affairs, then the remaining Owners under that Sublease will by written notice to the Owner Association nominate a Voting Member in place of the deceased or incapable Voting Member.
- 2.7 A Member will cease to be in good standing if the Member is in default or breach of any of his or her obligations under any Sublease in which the Member is an Owner or these Bylaws. The Member will continue to be a Member not in good standing until each such default or breach is cured. A Member not in good standing will not have the right to vote at any meeting of the Owner Association or stand for election as a Director.
- 2.8 If required as a condition of a Mortgage, a Mortgagee may exercise a Member's rights as a Member of the Owner Association.
- 2.9 Every Member will observe and uphold the constitution of the Owner Association, these Bylaws and any Rules.
- 2.10 Notwithstanding any other provision of these Bylaws, a Member or a former Member will remain liable to the Owner Association for any money payable to the Owner Association by that Member or former Member prior to the time that such Member ceased to be a Member.

3. OWNER ASSOCIATION

- 3.1 The powers and duties of the Owner Association are as set out in the following documents, and subject to any restriction imposed or direction given at a general meeting of the Owner Association, the Directors may exercise and perform these powers and duties:
 - (a) these Bylaws;
 - (b) the *Societies Act*; and
 - (c) if the Lessor assigns the Lease to the Owner Association, then the Lease and any Sublease.
- 3.2 In particular, if the Lessor assigns the Lease to the Owner Association, then the Owner Association may, by resolution, approve all such actions by the Owner Association or other persons:
 - (a) as required in order for the Owner Association to fulfill its obligations under the Lease, any Sublease and any assignment agreement between the Lessor and the Owner Association; and
 - (b) otherwise as may be considered appropriate or beneficial to the Members;

provided, in either case, that such actions are not in breach of the Owner Association's obligations under the Lease or any Sublease.
- 3.3 All powers of the Owner Association may be exercised by Directors resolution except where otherwise indicated in these Bylaws.

3.4 A resolution of the Members in general meeting at the level indicated below is required to approve the following actions of the Owner Association:

- (a) approval of a Budget, approval by ordinary resolution;
- (b) amendment of a Budget after its approval, approval by special resolution;
- (c) approval of an extension of greater than 30 days if a Budget is not approved by the Members, approval by special resolution;
- (d) authorization of an expenditure not included in the Budget for Common Costs, approval by special resolution; and
- (e) any other matter specified by the Members, approval by special resolution.

4. MEETINGS OF MEMBERS

4.1 General meetings of the Owner Association will be held at the time and place, in accordance with the *Societies Act*, that the Directors decide.

4.2 Every general meeting, other than an annual general meeting, is an extraordinary general meeting.

4.3 The Owner Association will give at least 14 days' notice of a general meeting specifying the place, date and hour of meeting and, in the case of special business or a special resolution, the general nature of that business, to:

- (a) every Voting Member and Non-Voting Member shown on the Register of Members on the day notice is given, provided that the Owner Association need only send one such notice to each address under a Sublease;
- (b) the auditor, if Bylaw 17 applies;
- (c) any Mortgagee who has provided the Owner Association with an address for notice; and
- (d) no other person is entitled to receive a notice of a general meeting.

4.4 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice by, any Member does not invalidate proceedings at that meeting.

4.5 An annual general meeting will be held at least once in every calendar year.

4.6 The Directors will call an extraordinary general meeting:

- (a) whenever they think fit; and
- (b) upon a requisition in writing of 10% of the Voting Members, without delay.

- 4.7 A Member is entitled to participate in a general meeting by telephone or other communications medium if all persons participation in the meeting are able to communicate with each other. The Owner Association not obligated to take any action to facilitate the use of any communication medium at a general meeting. A vote at a general meeting contemplated by this Bylaw 4.7 will be conducted in a manner that adequately discloses the intentions of the Members.

5. PROCEEDINGS AT GENERAL MEETINGS

- 5.1 Special business is:

- (a) all business at any extraordinary general meeting except the adoption of rules of order; and
- (b) all business transacted at an annual general meeting, except:
 - (i) the adoption of rules of order;
 - (ii) the consideration of financial statements;
 - (iii) the report of the Directors;
 - (iv) the report of the auditor, if any;
 - (v) the election of Directors;
 - (vi) the appointment of the auditor, if required; and
 - (vii) the other business that, under these Bylaws, ought to be transacted at an annual general meeting or business that is brought under consideration by the report of the Directors, issued with a notice convening the meeting.

- 5.2 The quorum at general meetings will be 20% of the Voting Members, who are present in person or by proxy, provided that a quorum may not be less than 3 such people.

- 5.3 Except as otherwise provided in these Bylaws, the Owner Association will not transact any business at any general meeting unless a quorum of Voting Members is present at the time when the meeting proceeds to business.

- 5.4 If at a general meeting:

- (a) a quorum of Voting Members is not present within 1/2 hour from the time appointed for that general meeting, then the meeting will stand adjourned to the same day in the next week at the same place and at the same time; and
- (b) a quorum of Voting Members is not present within 1/2 hour from the time appointed for a meeting adjourned under Bylaw 5.4(a), then, notwithstanding Bylaw 5.3, the Voting Members present will be a quorum.

- 5.5 The president of the Owner Association will be the chair of all general meetings except as follows:
- (a) if the president is absent from the meeting or if he vacates the chair, then the vice-president of the Owner Association will act as the chair of that meeting; and
 - (b) if both of the president and the vice-president of the Owner Association are absent from the meeting or if they both vacate the chair or they both refuse to act, then the Voting Members will appoint a chair from amongst themselves for that meeting.
- 5.6 The Owner Association may adjourn a general meeting from time to time and from place to place, but at the adjourned meeting the Owner Association will only transact the business left unfinished at the meeting that was adjourned.
- 5.7 If a meeting is adjourned for 10 days or more, then the Owner Association will give notice of the adjourned meeting in the same manner as for the original meeting.
- 5.8 The order of business at general meetings and, as far as is appropriate, at all extraordinary general meetings, will be as follows:
- (a) if the president and the vice-president of the Owner Association are absent, electing the chair of the meeting;
 - (b) calling the role, certifying the proxies and issuing a voting card for each Voting Member present or represented by proxy at the meeting;
 - (c) filing proof of notice of meeting or waiver of notice;
 - (d) reading and disposing of any unapproved minutes;
 - (e) receiving reports of Committees;
 - (f) considering the accounts;
 - (g) electing Directors, if necessary;
 - (h) unfinished business;
 - (i) present Budget;
 - (j) new business; and
 - (k) adjournment.
- 5.9 At any general meeting, the Owner Association will decide a resolution by the Voting Members on a show of hands, unless any Voting Member present in person or by proxy demands a poll.
- 5.10 Unless a Voting Member demands a poll, a declaration by the chair of the meeting that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

- 5.11 A Voting Member may withdraw a demand for a poll.
- 5.12 If a Voting Member demands a poll, then the chair of that meeting will take the poll in whatever manner the chair thinks fit and the result of the poll will be deemed to be a resolution of the Voting Members at the meeting at which the poll was taken. Without limiting the foregoing, the chair is authorized to take the poll by telephone, email or other electronic means.
- 5.13 It is not necessary to second any resolution proposed at a meeting and the chair of the meeting may move or propose a resolution.
- 5.14 If there is a tie vote, then the chair of that meeting will not have a casting or second vote.
- 5.15 A Voting Member present in person or by proxy is entitled to one vote, provided however that a Voting Member is not entitled to vote by any means if that Voting Member is not in good standing.
- 5.16 A Non-Voting Member is not entitled to vote on his or her own behalf.
- 5.17 On a show of hands or on a poll, a Voting Member may give his or her vote either personally or by proxy appointed in accordance with these Bylaws.
- 5.18 A Voting Member may appoint a proxy by a written instrument, signed by the Voting Member or his or her lawfully appointed attorney, granting his or her proxy.
- 5.19 The Voting Member may appoint any person, including a Non-Voting Member, to be that Voting Member's proxy.
- 5.20 The Voting Member may limit a proxy granted under Bylaw 5.18 to a particular resolution at a particular meeting.
- 5.21 Notwithstanding anything in these Bylaws, if:
 - (a) the Mortgagee of a Sublease has the power to exercise the rights of the Voting Member under the Mortgage; and
 - (b) the Mortgagee has given written notice to the Owner Association of its intention to exercise the Voting Member's rights as a Voting Member of the Owner Association;then a proxy is not necessary to give the Mortgagee the power to vote and the Voting Member may not vote.
- 5.22 On a show of hands, a proxy and a Mortgagee will indicate the vote of the Voting Member whose proxy they hold or whose rights they exercise by showing his or her voting card.
- 5.23 The authorized representative of a corporate Voting Member is entitled to exercise the rights of a Voting Member including, without limitation, to speak and to vote for the corporate Voting Member, and that representative will be a Voting Member for all purposes with respect to a meeting of the Owner Association.

6. DIRECTORS AND OFFICERS

- 6.1 The Directors may exercise all the powers and do all the acts and things that the Owner Association may exercise and do, provided that nothing in these Bylaws, any statute or other lawful direction does not require such power, act or thing to be exercised or done by the Owner Association in a general meeting, and subject to:
- (a) all laws affecting the Owner Association;
 - (b) these Bylaws;
 - (c) the Rules; and
 - (d) if the Lessor assigns the Lease to the Owner Association, then the Lease, any Sublease and any assignment agreement between the Owner Association and the Lessor.
- 6.2 No act of the Directors will be invalidated by a rule or a motion subsequently made or passed by the Owner Association in a general meeting if that act would have been valid before the Rule or motion was made or passed.
- 6.3 Subject to Bylaw 6.4 and 6.5, the Voting Members will elect the Directors from among the Voting Members in good standing.
- 6.4 The first Directors will be the persons named in the list of first directors filed with the registrar.
- 6.5 The Directors will consist of at least 3 and no more than 7 persons.
- 6.6 Where a Unit has multiple Owners, spouses of Owners and/or life estate beneficiaries are eligible to serve on the Board, provided that only one person per Unit is permitted to be on the Board at any given time. If the multiple Owners of the Unit cannot agree who will stand to serve on the Board, only the Owner of that Unit with the higher number of votes received may serve on the Board for that term, if elected. A tie breaking vote shall be held if necessary.
- 6.7 The Directors will appoint the following officers of the Owner Association from among the Directors, and a Director may hold more than one position:
- (a) one president;
 - (b) one vice-president;
 - (c) one secretary;
 - (d) one treasurer;
 - (e) one privacy officer;
 - (f) one Civil Resolution Tribunal Liaison; and
 - (g) such other officers as the Directors will appoint.

6.8 The Directors will retire from office at each annual general meeting, at which time the Voting Members will elect the successors to the retiring Directors provided that the retiring Directors are eligible for re-election at that meeting. If the Voting Members do not elect a successor, then the person previously elected will be deemed to have been re-elected.

6.9 If a Director:

- (a) resigns his or her office;
- (b) is unwilling or unable to act for a period of 2 or more months; or
- (c) otherwise ceases to hold office,

then the remaining Directors will appoint a Voting Member to take the place of that former Director. A Director appointed under this Bylaw 6.9 will hold office only until the conclusion of the next annual general meeting of the Owner Association but is eligible for re-election at that meeting.

6.10 A Director may send or deliver to the address of the Owner Association, by letter, or electronic mail, a waiver of notice of any Directors' meeting and until such waiver is withdrawn:

- (a) the Owner Association will not send that Director a notice of a Directors' meeting; and
- (b) any and all Directors' meetings for which notice has not been given to such Director will be valid and effective provided that a quorum of Directors is present.

6.11 The Voting Members may, by special resolution, remove a Director before the expiration of his or her term of office, and may elect a successor to complete the term of that Director's office.

6.12 The Owner Association will not remunerate any Director for being or acting as a Director, provided that the Owner Association will reimburse a Director for all expenses that the Director necessarily and reasonably incurs while engaged in the affairs of the Owner Association.

7. DUTIES OF DIRECTORS

7.1 The Directors will control, manage or supervise and administer the assets and affairs of the Owner Association for the benefit of all of the Members.

7.2 If the Lessor assigns the Lease to the Owner Association, then the Directors will cause the Owner Association to exercise its rights, remedies and discretion and perform its obligations under the Lease, all Subleases and any assignment agreement between the Lessor and the Owner Association.

7.3 If it is later discovered that there was a defect in the appointment or continuance in office of any Director, then all acts that the Directors did in good faith are as valid as if there were no such defect in the appointment or continuance in office of the Directors.

- 7.4 No Director will be personally liable for any act done in good faith in carrying out his or her duties as a Director.

8. PROCEEDINGS OF DIRECTORS

- 8.1 The Directors may meet together at the places they think fit for the conduct of business, adjourn, and otherwise regulate their meetings as they think fit.
- 8.2 The Directors may from time to time fix the quorum necessary to conduct business. Unless the Directors so fix the quorum, the quorum will be a simple majority of the Directors then in office.
- 8.3 The president of the Owner Association will be the chair of the Directors' meetings except as follows:
- (a) if the president is not present at the meeting within 1/2 hour after the time appointed for the meeting, then the vice-president of the Owner Association will act as the chair of the meeting; and
 - (b) if neither the president nor the vice-president is present at the meeting within 1/2 hour after the time appointed for the meeting, then the Directors will choose one of them to act as the chair of that meeting.
- 8.4 A Director may at any time, and the secretary will on the request of a Director, call a Directors' meeting.
- 8.5 Subject to any restriction imposed or direction given at a general meeting, the Directors may delegate any, but not all, of their powers to Committees consisting of Directors and/or Members as they think fit.
- 8.6 A Committee will comply with any rules that the Directors impose on it and will report every act or thing done in the exercise of its delegated powers to the next Directors' meeting.
- 8.7 The Committee may meet and adjourn as the Committee members think proper.
- 8.8 A Committee will elect a chair of its meeting. If the Committee does not elect a chair, or if the chair is not present at the meeting within 1/2 hour of the time appointed for the meeting, then the Committee members present will choose one of them to be chair of that meeting.
- 8.9 If a quorum of the Directors is present, then the Directors need not give newly elected or appointed Directors notice of:
- (a) the first Directors' meeting held immediately following the appointment or election of such Directors at an annual or other general meeting; or
 - (b) a Directors' meeting at which a Director is appointed to fill a vacancy in the Directors.

- 8.10 The Directors will resolve any questions arising at a Directors' or a Committee meeting by a simple majority of votes decided by a show of hands or, in the case of a Director attending by telephone, by voice.
- 8.11 If there is a tie vote, then the chair of the Directors' or Committee meeting will have a second or casting vote.
- 8.12 It is not necessary to second a resolution proposed at a Directors' or Committee meeting, and the chair of a Directors' or a Committee meeting may move or propose a resolution.
- 8.13 A resolution in writing, signed by all the Directors personally and placed with the minutes of the Directors is as valid and effective as if regularly passed at a meeting of Directors.
- 8.14 A Director may participate in any Directors' or Committee meeting by telephone, video conference or by any other communications facility, provided that all persons participating in the meeting can hear each other, and any Director participating in a meeting pursuant to this Bylaw 8.14 will be:
- (a) deemed to be present at that meeting;
 - (b) counted in the quorum at that meeting; and
 - (c) entitled to speak and vote at that meeting.

Any resolutions passed during such a meeting will be as effective as if passed at a meeting where the Director was present in person.

- 8.15 The Board must inform Members of the minutes of all Directors' meetings within 2 weeks of the meeting, whether or not the minutes have been approved.

9. OBSERVERS

- 9.1 An Owner may attend Directors' meetings as an observer. Notwithstanding any provision in these Bylaws, an Owner wishing to receive notice of a Directors' meeting and/or wishing to attend a Directors' meeting must provide the Board with written notice of that intention at least 48 hours before a meeting is called; otherwise the Board is not obliged to notify that Owner of meeting times and dates in advance of a meeting.
- 9.2 An Owner attending a Directors' meeting as an observer must not interrupt or participate in the meeting in any way, except to the extent that they are invited to speak or participate. Any Owner interrupting or participating without lawful authority shall be required to leave the meeting if such removal is approved by majority vote of the Board.
- 9.3 Notwithstanding Bylaw 9.1, the Directors may close to Owners those portions of a meeting which deal with any of the following:
- (a) Bylaw contravention hearings;

- (b) rental restriction Bylaw exemption hearings;
- (c) matters which the Directors are of the view that the inclusion of observers would unreasonably interfere with an individual's privacy; or
- (d) matters which the Directors will be considering related to a litigation or arbitration and some or all of the observers are adverse in such litigation or arbitration.

10. DELEGATION OF BOARD'S POWERS AND DUTIES

- 10.1 Subject to Bylaws 10.2 to 10.6, the Owner Association may delegate some or all of the Board's authority, powers and duties to one or more Directors or persons who are not Directors and may revoke any such delegation.
- 10.2 The individual Directors are hereby delegated sufficient authority of the Board to permit decisions to be made between Directors' meetings as set out in Bylaw 11.
- 10.3 The Owner Association may delegate authority and/or spending powers to a licensed property manager or licensed strata manager pursuant to the valid terms of a management agreement.
- 10.4 The Board may otherwise delegate its powers by a motion, approved at a duly convened Directors' meeting and recorded in the minutes of that meeting, which specifies:
 - (a) the specific person(s) or corporation which is to receive the delegation of authority;
 - (b) the valid purposes for which the Owner Association's funds may be spent;
 - (c) the specific or maximum amount to be authorized; and
 - (d) other conditions on the delegated authority to spend money, if any.
- 10.5 No delegation of the Board's authority may include delegation of its powers to determine, based on the facts of a particular case:
 - (a) whether to commence a court or tribunal proceeding;
 - (b) whether a person has contravened a Bylaw or rule;
 - (c) whether a person should be fined and the amount of the fine;
 - (d) whether a person should be denied access to a recreational facility;
 - (e) whether an Owner should be granted an exemption from a rental restriction Bylaw; and
 - (f) whether to determine conclusively the rights of an Owner, tenant, occupant or third party in a manner which is not reversible.
- 10.6 The authority delegated under this Bylaw must not exceed the existing authority of the Board.

11. SOME DECISIONS OF THE BOARD MAY BE MADE BETWEEN DIRECTORS' MEETINGS

11.1 Subject to the limitations on delegation of authority specified above and herein, Directors shall have authority to make decisions between duly convened Directors' meetings in accordance with the following provisions and restrictions:

- (a) in order for a decision to be considered, the question must be presented to the Board by a current Director or by the Owner Association's manager with a specific statement that the matter is intended for a decision "between Directors' meetings". Without that statement, the discussion shall be considered discussion only, despite any record of agreement;
- (b) in order for a decision to be approved under this provision, the agreement of a number of Directors satisfying the quorum of the Board must be recorded in writing. A statement by a Director to the effect that they will 'accept the decision of the group' shall suffice for that purpose;
- (c) before a decision is approved under this provision, every Director (other than any who have declared a conflict of interest) must be provided a reasonable opportunity to participate in the discussion and express their position;
- (d) if any 2 Directors (other than any who have declared a conflict of interest) state in writing that they object to the decision being made in accordance with this Bylaw, the decision shall be adjourned to a subsequent duly convened Directors' meeting;
- (e) a decision may only be made under this Bylaw using email or similar interface to which all Directors (other than any who have declared a conflict of interest) are invited and have access;
- (f) the record of the discussion and decision must be saved or printed and included in the Owner Association's records;
- (g) the decision must be reported in the minutes of a Directors' meeting held within 30 days of the decision being made; or distributed to the Owners as an "interim decision" if no Directors' meeting is held within 30 days;
- (h) a decision properly made in accordance with this provision shall be conclusively deemed to be a decision of the Board;
- (i) without limiting the generality of this provision, the following decisions may be made pursuant to the delegation of authority contemplated herein:
 - (i) scheduling a future meeting, hearing before the Board or inspection;
 - (ii) to approve a proposed general meeting notice or changes to a proposed general meeting notice;

- (iii) the provision of a warning or a notification of a contravention of Bylaws or Rules to an Owner and/or tenant requesting a response;
- (iv) to approve expenditures in accordance with quotes received for repair or maintenance which is considered in an approved Budget or special resolution;
- (v) to approve a contract for provision of services of one year or less which includes any expense contemplated within an approved Budget;
- (vi) to approve an insurance policy renewal;
- (vii) to approve filing an insurance claim;
- (viii) to have a vehicle removed from Common Property if it is parked in a fire lane or blocking access or egress; and
- (ix) to give directions and/or expend funds under these Bylaws to prevent significant loss or damage or to ensure the safety and security of Residents.

12. DUTIES OF OFFICERS

12.1 The president is the chief executive officer of the Owner Association and will:

- (a) preside at all meetings of the Owner Association and of the Directors; and
- (b) supervise the other officers in performing their duties.

12.2 The vice-president will carry out the duties of the president during the president's absence.

12.3 The secretary will:

- (a) conduct the correspondence of the Owner Association;
- (b) issue notices of meetings of the Owner Association and the Directors;
- (c) keep minutes of all meetings of the Owner Association and the Directors;
- (d) have custody of all records and documents of the Owner Association except those required to be kept by the treasurer;
- (e) have custody of the common seal of the Owner Association; and
- (f) maintain the register of Members.

12.4 The treasurer will:

- (a) keep the financial records, including books of account, necessary to comply with the *Societies Act*; and

- (b) render financial statements to the Directors, Members and others when required.

12.5 The privacy officer will:

- (a) ensure that the Owner Association's privacy policy and procedures are being followed;
- (b) respond to requests by Members and tenants for access to their personal information;
- (c) review personal information security safeguards, storage and retention policies and procedures on a periodic basis;
- (d) respond to requests for access to personal information under the *Personal Information Protection Act* (British Columbia); and
- (e) handle all complaints in relation to the collection, use and disclosure of personal information under the *Personal Information Protection Act* (British Columbia).

12.6 The civil resolution tribunal liaison will liaise with the Civil Resolution Tribunal on any disputes raised by Owners.

12.7 If there is a secretary-treasurer, then the secretary-treasurer will carry out the duties of the secretary and the treasurer.

12.8 If the secretary is absent from a meeting, then the Directors will appoint another person to act as secretary at that meeting.

13. EXTRAORDINARY GENERAL MEETING ON LEASE EXTENSION

13.1 This Bylaw applies only if the Lessor has assigned the Lease to the Owner Association.

13.2 If, at any time during the term of the Lease, the Owner Association receives notice proposing to extend the term of the Lease, then the Directors will, without delay, call an extraordinary general meeting for the purpose of assessing such proposal.

13.3 At the extraordinary general meeting called pursuant to Bylaw 13.2, the Owner Association, will, by special resolution, elect to accept or to reject the proposal to extend the term of the Lease either absolutely or on such terms as the Owner Association resolves.

14. WINDING UP AND DISTRIBUTION OF ASSETS

14.1 Within a reasonable time after the end of the term, or earlier termination, of the Lease, the Directors will cause the Owner Association to wind up.

14.2 After the Owner Association has paid all of its debts and liabilities, or has made provision for such payment, then the Directors will or will cause:

- (a) the remaining assets of the Owner Association, if any, to be liquidated; and

- (b) subject to Bylaw 14.5, the assets of the Owner Association to be distributed among and paid to the Members shown on the Register of Members on the day that the term of the Lease ended in accordance with Bylaw 14.3.
- 14.3 The Directors will determine the share of the Owner Association's assets to which each Member is entitled pursuant to Bylaw 14.2 as follows:
 - (a) the Directors will divide the value of the Owner Association's assets by the number of Subleases immediately prior to the end of the term of the Lease (in this Bylaw called the "Share");
 - (b) if there is one Owner under a Sublease, then the Directors will pay the Share to the Member who is the Owner of that Sublease; and
 - (c) if there is more than one Owner under an Sublease, then the Directors will pay the Share to the order of all of the Members who are Owners under that Sublease in the same manner as the Owners appear on the Sublease.
- 14.4 For greater certainty, if a Member is an Owner under more than one Sublease, then that Member will be entitled to receive his or her Proportionate Share of the Owner Association's assets pursuant to Bylaw 14.2 in respect of each Sublease under which he or she is an Owner.
- 14.5 If a Member is indebted to the Owner Association at the time that the Members' Share is to be paid to the Member pursuant to Bylaw 14.2, then the amount of that indebtedness will be deducted from that Member's Share and will form part of the assets of the Owner Association available for distribution to the Members pursuant to Bylaw 14.3.

15. BORROWING

- 15.1 Subject to Bylaw 15.2, Bylaw 15.3, Bylaw 29.10 and Bylaw 29.11, the Directors may, on behalf of and in the name of the Owner Association, raise or secure the payment or repayment of money in the manner they decide, including, without limitation, by the granting of a mortgage or a general security agreement or the issue of debentures, in order to carry out the purposes of the Owner Association. Without limiting the foregoing, the Owner Association may borrow for the purposes of paying an insurance premium.
- 15.2 The Directors may only grant a mortgage or a general security agreement or issue a debenture pursuant to Bylaw 15.2 with the prior approval of the Voting Members by special resolution.
- 15.3 The Voting Members may, by special resolution, restrict the borrowing powers of the Directors, but any restriction imposed will expire at the next annual general meeting.

16. EXECUTION OF DOCUMENTS AND SEAL

- 16.1 All instruments in writing requiring execution by the Owner Association will be signed by the person or persons authorized by Directors' resolution on behalf of the Owner Association. The Directors may from time to time by Directors' resolution appoint any person or persons on behalf of the Owner Association either to sign instruments generally or to sign specific instruments.

16.2 In the absence of any resolution passed pursuant to Bylaw 16.1, all instruments in writing requiring execution by the Owner Association will be signed on behalf of the Owner Association by:

- (a) any 2 Directors; or
- (b) if there is only one Director, that Director alone.

16.3 The Directors may provide a common seal for the Owner Association and may destroy a seal and substitute a new seal in its place.

16.4 The common seal will be affixed only when authorized by a Directors' resolution, and then only in the presence of the persons prescribed in the resolution. If no such persons are prescribed, then the common seal will be affixed in the presence of the president and the secretary or the president and the secretary-treasurer.

17. AUDITOR

17.1 This Bylaw 17 applies only if the Owner Association is required or has resolved to have an auditor.

17.2 The Directors will appoint the first auditor and will also fill all vacancies occurring in the office of auditor.

17.3 At each annual general meeting the Owner Association will appoint an auditor to hold office until he is re-elected or his or her successor is elected at the next annual general meeting.

17.4 The Owner Association may, in accordance with the *Societies Act*, remove an auditor by ordinary resolution at a general meeting called for that purpose and will appoint another auditor for the remainder of the term.

17.5 The Owner Association will promptly inform, in writing, an auditor of appointment or removal.

17.6 The Owner Association will not appoint any Director or employee of the Owner Association to be the Owner Association's auditor.

17.7 The auditor may attend general meetings of the Owner Association.

18. NOTICES

18.1 A notice may be given to a Member either personally, by mail to the Member's registered address, or by electronic mail at the address that the Member provides to the Owner Association.

18.2 Any notice that the Owner Association gives the Member:

- (a) by mail will be deemed to have been given 48 hours after it is posted, and to prove that notice was given it is sufficient to prove that the notice was properly addressed and put in a Canadian post office receptacle; and

- (b) by electronic mail will be deemed to have been given on the day that the transmission was successfully sent to the Member's electronic mail address.

18.3 A notice may be given by a Member to the Owner Association by:

- (a) leaving it with a Director or emailing to a Director at an email address which that Director has notified the Members is for notices;
- (b) mailing it to the Owner Association at its registered office on file with the Registrar of Societies (or equivalent from time to time);
- (c) emailing it to the Owner Association at an email address which the Owner Association has notified Members is for notices; or
- (d) putting it in the mailbox the Owner Association uses for notices.

18.4 In these Bylaws, the word "notice" includes any request, statement or other writing required or permitted to be given by the Owner Association to the Members.

19. INDEMNIFICATION OF DIRECTORS

19.1 Subject to the *Societies Act*, the Directors may, on behalf of the Owner Association and in their discretion, indemnify a Director or former Director and his or her heirs and personal representatives against those costs, charges and expenses for which the *Societies Act* permits indemnification.

19.2 Notwithstanding that any of the following people may also be or have been a Director, the Directors may, in their discretion, cause the Owner Association to indemnify any:

- (a) present or former officer, employee or agent of the Owner Association; or
- (b) person serving who has been on a Committee;

and his or her heirs and personal representatives against all costs, charges and expenses incurred by, and resulting from, him or her acting as an officer, employee or agent of the Owner Association, or resulting from that person serving or having served on any Committee.

19.3 The Directors may, in their discretion, cause the Owner Association to indemnify any person that the Owner Association may indemnify under the Bylaws or the *Societies Act* even if that person has failed to comply with the *Societies Act*, the Owner Association's constitution, or these Bylaws.

19.4 The Directors may cause the Owner Association to purchase and maintain insurance for the benefit of any person who is or was serving:

- (a) as a Director, officer, employee or agent of the Owner Association; or
- (b) on any Committee;

and his or her heirs and personal representatives against any liability incurred by him or her in that capacity.

- 19.5 This Bylaw 19 is subject to the *Societies Act* and the common law, and if any part of this Bylaw is void, illegal or invalid because of the *Societies Act* or the common law, then the remaining parts of this Bylaw 19 will be construed and will take effect as if that void, illegal or invalid part had not been contained in this Bylaw.

20. RECORDS

- 20.1 The Directors will:

- (a) keep minutes of their proceedings;
- (b) cause minutes to be kept of general meetings; and
- (c) cause proper accounting records and financial statements to be kept in accordance with the *Societies Act*.

- 20.2 The Directors will keep the following documents of the Owner Association at the address of the Owner Association for the length of time indicated below and will make them available to a Member, or a person authorized in writing by a Member, upon request:

- (a) a copy of these Bylaws and any changes to these Bylaws, current copies;
- (b) a copy of the Rules and any changes to the Rules, current copies;
- (c) a copy of the Lease and any amendments, permanently;
- (d) a copy of any resolutions passed by the Owner Association and the Directors, 6 years;
- (e) copies of all legal agreements to which the Owner Association is a party, including insurance, 6 years after termination;
- (f) a list of the Members, Directors and officers of the Owner Association, current copies;
- (g) minutes of all general meetings or consent resolutions in lieu of general meeting, 6 years;
- (h) minutes of all Directors' meetings or consent resolutions in lieu of Directors' meeting, 6 years;
- (i) accounting records of the Owner Association, 6 years;
- (j) annual Budget for each year, 6 years;
- (k) bank statements and supporting documents, 6 years;
- (l) income tax returns, if any, 6 years;

- (m) correspondence, 2 years;
 - (n) decisions of judges and arbitrators in matters in which the Owner Association is a party, permanently; and
 - (o) such other documents as the Directors will make available.
- 20.3 The Directors may decline to disclose any record referred to in Bylaw 20.2 if the Directors are of the view that:
- (a) the record contains personal information of a Member who is not the Member requesting disclosure and it is not possible to redact portions of the record so as to make it possible to disclose such record without also disclosing the personal information;
 - (b) the record contains information related to a litigation or arbitration that is subject to solicitor client privilege; or
 - (c) the record contains information obtained by the Owner Association in contemplation of litigation or arbitration, including but not limited to legal advice.

21. BUDGET AND FUNDS

- 21.1 The Owner Association will prepare a Budget for the coming fiscal year for approval by a resolution to be passed by an ordinary resolution at each annual general meeting. The proposed Budget may be amended by an ordinary resolution at the annual general meeting before the Budget itself is put to a vote. If a Budget is not approved at an annual general meeting, the Owner Association will within 30 days, or such longer period as approved by special resolution, prepare a new Budget and place it before a special general meeting for approval by an ordinary resolution.
- 21.2 The portion of the Budget allocated to a Sublease is the Proportionate Share described in each Member's Sublease.
- 21.3 The Member will pay to the Owner Association the Proportionate Share of the Common Costs assessed to that Member's Sublease on the first of each calendar month, as described in the Sublease or as otherwise directed by the Owner Association.
- 21.4 From the Common Costs, the Owner Association will:
- (a) establish an operating fund (the "**Operating Fund**") for common expenses that usually occur once a year or more often than once a year;
 - (b) establish a contingency fund (the "**Contingency Fund**") for common expenses that usually occur less often than once a year or that do not usually occur; and
 - (c) the Directors will determine the amount in the Budget to be allocated to the Contingency Fund, and in so determining the Directors may consider any factor they consider appropriate for establishing an adequate Contingency Fund and give relative weight to those factors in their discretion, which may include but are not limited to:

- (i) the amounts required to repair and maintain Common Property projected over 30 years;
- (ii) the rules applicable to contingency funds under the *Strata Property Act* (British Columbia), as amended;
- (iii) the desirability of accumulating in the Contingency Fund sufficient monies to, as feasible, limit the use of Special Levies; and
- (iv) any other considerations deemed appropriate by the Directors.

21.5 The Owner Association will account for money in the Contingency Fund separately from the Operating Fund and must invest all of the money in the Contingency Fund in one or the other or a combination of the following:

- (a) those investments permitted to a trustee under the *Trustee Act* R.S.B.C. 1996, as amended from time to time; and
- (b) insured accounts with savings institutions in British Columbia;

Any interest or income earned on the money in the Contingency Fund becomes part of the Contingency Fund.

21.6 The Owner Association will not spend money from the Operating Fund unless the expenditure is:

- (a) authorized under the Budget;
- (b) an insurance deductible;
- (c) under \$5,000; or
- (d) first approved by a special resolution.

21.7 An expenditure may also be made out of the Operating Fund or Contingency Fund if there are reasonable grounds to believe that an immediate expenditure is necessary to ensure safety or prevent significant loss or damage, whether physical or otherwise, and includes an expenditure for obtaining and maintaining insurance, provided that expenditure does not exceed the minimum amount needed to ensure safety or prevent significant loss or damage and the Owners Association informs Members of such expenditures as soon as is feasible.

21.8 Contributions to the Operating Fund which are not required to meet operating expenses accruing during the fiscal year to which the Budget relates will be dealt with in one or more of the following ways, unless approved by a special resolution:

- (a) transferred into the Contingency Fund;
- (b) carried forward as part of the Operating Fund, as a surplus; or

- (c) used to reduce the total contribution to the next fiscal year's Operating Fund.
- 21.9 If operating expenses exceed the total contribution to the Operating Fund, the deficit will be eliminated during the next fiscal year.
- 21.10 If the Owner Association fails to pass a new Budget before the end of the current Budget, the Owner Association may continue to spend money from the Operating Fund.
- (a) on the type of expenses that are set out in the previous Budget and that usually occur once a year or more often than once a year; and
 - (b) up to the maximum amount set out in the previous Budget for each category of expense.
- 21.11 At the time of sale, assignment or disposition of the Sublease, the Owner of a Sublease is not entitled to any return of contributions made to the Operating Fund or the Contingency Fund.
- 21.12 If the Owner Association wishes not to maintain or not to continue to maintain the Contingency Fund, such decision will be approved by the Voting Members at a duly convened meeting by 85% vote of the Voting Members present at the meeting.
- 21.13 The Owner Association will inform the Members of any changes to the Common Costs resulting from the new Budget within 2 weeks following the meeting at which a Budget is passed.
- 21.14 Unless otherwise expressly stated in these Bylaws, all of the Owner Association's costs associated with fulfilling any of the obligations hereunder will be paid from the Common Costs paid or to be paid by all the Owners of Subleases.
- 21.15 The Owner Association may also collect money from the Owners of Subleases by means of a special levy (the "**Special Levy**").
- 21.16 The Owner Association will calculate the portion of the Special Levy to be assessed against each of the Subleases based upon:
- (a) the Proportionate Share assessed to each Member's Sublease in which case the Special Levy will be approved by a special resolution; or
 - (b) in another way that establishes a fair division of expenses for that particular Special Levy, in which case the Special Levy will be approved by a resolution passed by the Voting Members at a duly convened meeting by a unanimous vote of the Voting Members present at the meeting.
- 21.17 The resolution of the Members to approve the Special Levy will set out the following:
- (a) the purpose of the Special Levy;
 - (b) the total amount of the Special Levy;
 - (c) the method used to allocate the Special Levy to each of the Subleases;

- (d) the amount of the Special Levy assessed to each of the Subleases; and
 - (e) the date by which the Special Levy is to be paid or, if the Special Levy is payable in installments, the dates by which the installments are to be paid.
- 21.18 The Owner Association will use the money collected for the purpose set out in the resolution and inform the Members about the expenditure of the money collected. If the amount collected exceeds that which is required or for any other reason is not fully used for the purpose set out in the resolution, the Owner Association will return the money to the Owners of the Subleases in amounts proportional to their respective contributions.
- 21.19 If a Special Levy is approved before a Sublease is conveyed to a purchaser, the seller owes the Owner Association the portion of the Special Levy that is payable before the date the Sublease is conveyed and the purchaser owes the Owner Association the portion of the Special Levy that is payable on or after the date the Sublease is conveyed notwithstanding the terms of any agreement between the seller and purchaser.
- 21.20 If there is a dispute over whether the Owner of the Sublease, tenant or occupant owes money to the Owner Association, the Owner of the Sublease, tenant or occupant may pay the disputed amount:
- (a) into court if court proceedings have been started and the Rules of Court allow payment into court; or
 - (b) to the Owner Association in trust if the matter has been referred to arbitration or if court proceedings have been started;

On receipt of an amount under Bylaw 21.20(b), the Owner Association will hold the money and any interest on the money in trust for the parties to the dispute until the dispute is resolved. After the dispute is resolved, the Owner Association will pay the amount to the party entitled to it as set out in the decision of the court or arbitrator.

22. RULES AND REGULATIONS

- 22.1 Until the Lease has been assigned by the Developer to the Owner Association, the Lessor may make Rules governing the use, safety and condition of the Common Property.
- 22.2 The Directors may make, repeal, replace or alter Rules governing the use, safety and condition of the Common Property provided that:
- (a) a Rule ceases to have effect at the first annual general meeting held after it is made, unless the Rule is ratified by a special resolution at that annual general meeting or at a special general meeting held before that annual general meeting;
 - (b) once a Rule has been ratified under Bylaw 22.2(a), it is effective until it is repealed, replaced or altered, without the need for further ratification.

23. REMEDIES FOR VIOLATION OF BYLAWS AND RULES

- 23.1 In addition to any remedies available to the Owner Association at law, in equity or pursuant to any Sublease, if any Member or any person that such Member is responsible for at law violates these Bylaws or any Rules established pursuant to these Bylaws, then the Owner Association may, at its option:
- (a) remedy, correct or cure such violation itself, and the Member will pay to the Owner Association any cost or expense incurred by the Owner Association in remedying, correcting or curing such violation immediately on demand;
 - (b) recover from the Member by an action for debt in any court of competent jurisdiction any sum of money that the Owner Association is required to expend as a result of any act or omission or violation of these Bylaws or the Rules by the Member or anyone that the Member is responsible for at law; and
 - (c) the Owner's rights and privileges to use any Common Property will be suspended until such time as all defaults have been remedied and all amounts due, including all amounts arising under these Bylaws, have been fully paid, provided that, with the prior consent of, and in accordance with any conditions established by the Owner Association, the Owner may have access to any part of the Common Property necessary for the purpose of remedying the Owner's default.
- 23.2 The Owner Association may initiate a proceeding in the court or tribunal having jurisdiction, as applicable against an Owner or other person to collect money owing to the Owner Association, including money owing as a fine. No prior approval of the Voting Members is required to institute a claim in Small Claims Court for monies owing to the Owner Association.

24. COMPLAINTS AND ENFORCEMENT

- 24.1 The Board shall not be obliged to investigate or enforce any Bylaw or rule at the request of any person, unless that person delivers a complaint to the Owner Association in a manner contemplated by this Bylaw.
- 24.2 Each complaint of contravention of a Bylaw or rule must be in writing, and must disclose an allegation of contravention of a Bylaw or rule with sufficient clarity and detail to permit the Board to provide reasonable particulars to the person alleged to have contravened the Bylaw or rule.
- 24.3 A complaint may only be delivered to the Owner Association by one of the methods contemplated Bylaw 18.
- 24.4 Nothing in this Bylaw shall either require that any Director submit a complaint on their own initiative or prevent any Director from doing so, in compliance with this Bylaw.
- 24.5 Nothing in this Bylaw shall be interpreted to modify the Board's authority to determine in their discretion that a Bylaw or rule complaint should or should not result in formal enforcement steps.

25. FINES

- 25.1 The Owner Association may fine an Owner, tenant or occupant up to a maximum of \$200 for each contravention of a Bylaw or Rule unless another amount is otherwise expressly stated in these Bylaws or the Rules.
- 25.2 The Owner Association may impose a fine on an Owner, tenant or occupant for a continuing contravention of these Bylaws or a Rule every 7 days from the day the contravention first occurred.
- 25.3 If the Owner Association fines a tenant or occupant or requires a tenant or occupant to pay the costs of remedying a contravention of these Bylaws or the Rules, the Owner Association may collect the fine or costs from the tenant or occupant or the Owner.

26. BYLAWS

- 26.1 Each Member is entitled to and the Owner Association will give him or her, without charge, a copy of the Owner Association's constitution, these Bylaws and any changes to these Bylaws, and the Rules and any changes to the Rules.
- 26.2 The Owner Association may alter or add to these Bylaws only by special resolution.

27. INFORM OWNER ASSOCIATION

- 27.1 Within 2 weeks of becoming an Owner or tenant, that person must inform the Owner Association in writing of their name, Unit number, telephone number and mailing address outside the Leased Premises, if any.
- 27.2 An Owner must advise the Owner Association in writing of any legal change to their name, changes to previously provided contact information, and any change to the current emergency contact information provided pursuant to Bylaw 28.3 within 2 weeks of any such changes.
- 27.3 Notwithstanding any of the foregoing, any person who occupies a Unit is obliged to make sure that the Board has been provided written notice of their name and emergency contact information as well as the Unit number that they are occupying so that the Board has the ability to contact Unit occupants in the case of an emergency. That contact information must be provided in writing no later than the date upon which the person becomes an occupant of the Unit.

28. PERMIT ENTRY TO UNIT

- 28.1 An Owner, tenant, occupant or visitor must allow a person authorized by the Owner Association to enter the Unit:
 - (a) in an emergency, without notice, to ensure safety or prevent significant loss or damage;
 - (b) at a reasonable time, on 48 hours' written notice stating the time and date of entry, to inspect, repair or maintain Common Property, Common Assets and any portions of a Unit

that are the responsibility of the Owner Association to repair and maintain under these Bylaws or insure under the Lease or a Sublease; and

- (c) at a reasonable time, on 7 days' written notice stating the time and date of entry to investigate a complaint of a serious and on-going Bylaw infraction or to remedy a serious and on-going Bylaw contravention.
- 28.2 The notice referred to in Bylaws 28.1(b) and 28.1(c) must include the date and approximate time of entry, and the reason for entry.
- 28.3 Owners are responsible to ensure that access can be obtained to their Unit in an emergency, by providing the Owner Association with reliable and current contact information of a person who can arrange prompt access to the Unit.
- 28.4 In the event of an emergency emanating from a Unit whose Owner, tenant or occupant cannot be contacted and to which access cannot otherwise be gained, in order to prevent significant damage or ensure safety, access may be gained by a person authorized by any Director, without notice. Access pursuant to this Bylaw may be facilitated by locksmith or by forcing a lock depending upon the urgency of the circumstances. It shall be the responsibility of the Owner Association to re-secure the Unit and pay for any necessary repairs resulting from the forced entry, except that the Owner shall be responsible for those costs if the Owner has failed to provide the necessary current means for prompt emergency access pursuant to Bylaw 28.3.

29. USE OF PROPERTY

- 29.1 An Owner, tenant, occupant, or visitor must not use a Unit, the Common Property or Common Assets in a way that:
- (a) causes a nuisance or hazard to another person;
 - (b) causes unreasonable noise or disturbance;
 - (c) unreasonably interferes with the rights of other persons to use and enjoy the Common Property, Common Assets or another Unit;
 - (d) is injurious to the reputation of the Owner Association;
 - (e) is contrary to the lawful requirements of any document registered in the Registry which is binding upon the Unit and/or the Leased Premises;
 - (f) contravenes any Westbank First Nation, provincial, federal or municipal enactment or regulation; or
 - (g) is contrary to a purpose for which the Unit or Common Property is intended expressly set out in the Lease or a Sublease or by necessary implication.

- 29.2 An Owner, tenant, occupant or visitor must not cause damage, other than reasonable wear and tear, to the Common Property or Common Assets or those parts of a Unit which the Owner Association must repair and maintain under the Sublease.
- 29.3 Quiet hours are from 11pm until 7am each day. Without limiting the general application of Bylaw 29.1, any noise which is audible from within another Unit is deemed to be unreasonable if it occurs during quiet hours, unless a contrary finding is made by the Board.
- 29.4 Without limiting the general application of Bylaw 29.1, in determining whether noise is unreasonable, the Board may give particular consideration to whether noise resulting in a complaint:
- (a) was caused by sustained, recurring and/or unnecessarily loud operation of any audio, audio/video, computing, gaming, amplification, or other powered device, machine, tool, musical instrument, wind chime, or similar item, excepting reasonable use of tools, machinery and equipment used in making an approved alteration of a Unit;
 - (b) was caused by a raised voice or unnecessary impact;
 - (c) was recurring, sustained or unnecessarily loud;
 - (d) was audible in 2 or more Units other than the one from which the noise originated;
 - (e) was caused by activities which themselves breached other legal restrictions, Bylaws or Rules of the Owner Association;
 - (f) was caused by activities which are inconsistent with the character of a reasonably quiet multi-family residential development;
 - (g) appears to have been deliberately intended to disturb others; and
 - (h) occurred after previous complaints or warnings were supplied to the Owner of the Unit in question.
- 29.5 Owners are responsible to ensure that their tenants, co-occupants, agents, employees, guests, visitors, pets and invitees comply with all applicable Bylaws and Rules.
- 29.6 An Owner, tenant, occupant or visitor must not prop or hold open common exterior doors unattended for any reason, except when in use and being directly and visibly monitored in person, to deter unauthorized access to the building.
- 29.7 An Owner, tenant, occupant or visitor must not drop, throw, hang, shake out or suspend anything from windows, doors, decks, railings or any portion of Common Property, except as specifically permitted under these Bylaws.
- 29.8 No laundry, clothes or linens shall be hung to air or dry out of doors, and no clothes line or similar structure shall be erected or used within Common Property, or within a Unit in a manner visible from outside of the Unit.

- 29.9 The Owner Association will not make a significant change in the use or appearance of Common Property unless:
- (a) the change is approved by the Voting Members at a duly convened meeting by special resolution; or
 - (b) there are reasonable grounds to believe that immediate change is necessary to ensure safety or prevent significant loss or damage.
- 29.10 The Owner Association will not sell, lease, mortgage, grant an easement over, grant a restrictive covenant affecting or otherwise dispose of Common Property, unless a special resolution approving the disposition is passed by the Voting Members at a duly convened meeting.
- 29.11 The Owner Association may acquire personal property for the use of the Owner Association and may sell, lease, mortgage or otherwise dispose of personal property. If the market value of the personal property is more than \$5,000, the Owner Association will obtain prior approval by the Voting Members at a duly convened meeting by special resolution for the acquisition or disposal of personal property unless the expenditure was approved in the Budget.
- 29.12 The Owner of a Sublease shall be personally responsible and jointly and severally liable for all damage to property or personal injury or death caused by the Owner of a Sublease or their guests or invitees or pets including damages to the Common Property or to the property of other Owners of Subleases and for all costs (including legal costs on a solicitor and his/her own client basis) incurred by the Owner Association in replacing or repairing damaged Common Property or in enforcing or maintaining its rights under these Bylaws. Upon becoming an Owner, the Owner of a Sublease shall be deemed to release the Owner Association from any liability for any damage to property or personal injury or death suffered by that Owner of a Sublease and his/her guests unless such damage, injury or death was caused by the gross negligence or willful misconduct of the Owner Association or its duly authorized representatives.
- 29.13 No person may produce, store or use any item or substance within the bounds of the Leased Premises which increase insurance rates of the Owner Association, jeopardize insurance coverage of the Owner Association or increase the difficulty in finding an insurer willing to insure the Leased Premises, encourage break and entry, discourage emergency responders from attending the property in an emergency, are specifically prohibited by law, are specifically prohibited by the Owner Association's insurer, or which fall into the following categories of specifically prohibited items:
- (a) cannabis plants and/or cannabis products, excepting lawful storage or use of small quantities of cannabis products for approved medicinal use or other lawful use by a Resident which complies with these Bylaws;
 - (b) other controlled substances, except for substances specifically prescribed to a Resident by a physician;
 - (c) fireworks, firearms and/or ammunition, excepting lawful and secure storage of firearms and/or ammunition;

- (d) fuels, combustibles, explosives, corrosives, poisons, noxious substances or other substances or items which are not typically found in a residential development or are likely to create an unreasonable hazard, insurance risk, risk of damage to property, risk of injury or death, nuisance, or which are present in unreasonable form or quantity for a residential development; and
 - (e) any substance or item which is unlawful, unlawfully obtained, unlawfully kept, unlawfully stored or unlawfully used.
- 29.14 Signs, notices, flags, advertising and similar items may not be placed or displayed from within a Unit or the Common Property such that they are visible from outside of a Unit; without the prior written approval of the Board, except that the following signs are permitted without such approval:
 - (a) standard "For Sale" and/or "Open House" signs related to an offering of a Unit within the Leased Premises for sale, only if displayed in a designated area. The Board may designate one or more areas for the display of such signs on Common Property from time to time by passing a rule; and
 - (b) signs posted at the direction of the Board.
- 29.15 Nothing may be used, stored, placed or kept within a Unit or on Common Property in such a manner that it creates a fire hazard, an unreasonable risk of injury or damage to property, or interferes with coverage by any insurance policy held by the Owner Association.
- 29.16 Nothing may be left or stored within Common Property which has not been designated as a Limited Common Area except at the direction of, or with the prior written permission of the Board or as expressly permitted in the Bylaws. For greater clarity, door mats and small pieces of furniture are not permitted in hallways; and plants may not be placed, hung or affixed on ledges or other portions of Common Property.
- 29.17 Except by direction of the Board, no person may unreasonably obstruct any Common Property intended for passage of people or vehicles. No person may create an unsafe or unlawful obstruction to hallways, stairways, elevators, fire exits and other access or emergency exit routes.
- 29.18 An Owner may not allow waste, refuse or debris to accumulate within their Unit, nor shall any person deposit waste, refuse or debris on Common Property. Lawful, sanitary and timely disposal of household garbage and other refuse is the responsibility of each Owner, tenant or occupant. Household garbage and recycling must be placed only in designated receptacles. All cardboard boxes must be flattened before being placed in the receptacles. Any other type of refuse must be removed from the Leased Premises by the Owner for timely and proper disposal.
- 29.19 Each Owner is responsible to ensure that their Unit is at all times outfitted with a properly functioning smoke detector with an audible alarm. Owners must test, maintain and replace smoke detectors in accordance with the manufacturer's recommendations. The Owner Association may conduct periodic testing of smoke detectors. Owners who do not provide access to their Unit when the periodic inspection and testing is scheduled may be required to reimburse the Owner Association for any re-inspection costs.

- 29.20 An Owner, tenant or occupant shall not disable, disconnect, cover or otherwise interfere with fire detection or suppression equipment or alarm systems which were part of the initial construction, or which are located within Common Property. Any modification or replacement of such equipment or systems must be conducted as part of an approved alteration.
- 29.21 No person may allow any item to enter the drainage or sewerage systems other than fluids and materials which each of those systems were specifically designed to handle. Without limiting the generality of the foregoing, no oil, grease, corrosive substance, absorbent material or other substance or object with the potential to cause a blockage or leak may be disposed of down sink, tub or shower drains or toilets.
- 29.22 An outdoor barbecue, grill and/or other outdoor cooking appliance (an “**Appliance**”) as well as propane, kerosene, charcoal or similar fuels used in such Appliances are not permitted to be brought, kept or used within the bounds of the Leased Premises, except to the extent permitted by this Bylaw. Only propane and electric Appliances are permitted with a maximum of one tank size of up to 20lbs capacity, and only on the following conditions:
- (a) storage, maintenance and operation of the Appliance must be strictly compliant with any applicable laws as well as all of the Appliance manufacturer’s applicable recommendations and instructions;
 - (b) an Appliance may only be stored or used on a balcony, patio or deck, along with no more than a single attached propane canister with a maximum 20lb capacity; except that no such Appliance which uses combustible fuel or creates any form of exhaust is permitted within enclosed or closed rail balconies, patios or decks;
 - (c) no more than one Appliance per Unit is permitted;
 - (d) Appliances must be under direct observation at all times while lit, in operation, or hot;
 - (e) Appliance manuals will be reviewed for minimum clearance requirements of any exterior wall during operation or while hot;
 - (f) the Appliance must be CSA Approved; and
 - (g) propane barbecues are not permitted on any balconies that are enclosed ; in such situations, only electric barbecues are to be used.
- 29.23 Each Unit is to be used only as a residence for a number of people which complies with all legal requirements, and which is safe, sanitary and does not cause a disturbance pursuant to these Bylaws.
- 29.24 No commercial, professional or business activities are permitted within a Unit or on Common Property, except for activity within a Unit which is consistent with and secondary to primarily residential use, and which is lawful, not apparent from outside of the Unit, and does not significantly increase liability or vehicle or pedestrian traffic within the development. Nothing in this Bylaw shall be construed to prevent cleaning or other services provided to an Owner or to

the Owner Association, or activities which are normally incidental to typical residential use, including the scope of rentals permitted by Bylaw 32.

29.25 Smoking is only permitted within the bounds of the Leased Premises where there is compliance with the following criteria:

(a) under this Bylaw, smoking shall mean:

- (i) the intentional consumption of tobacco, cannabis, or any other substance by smoke inhalation or similar form of consumption by inhalation, including combustion, spray, and/or vaporization;
- (ii) combustion, spray or vaporization of such substances without inhalation, in a manner which would constitute a breach of this Bylaw if inhaled; and
- (iii) the intentional creation of smoke by open flame or burning of objects or substances, including (without limitation) incense, sage or other matter;

but shall not include:

- (i) consumption of prescription or over-the counter pharmaceuticals by inhaler or similar mechanism which does not cause a disturbance, and which is intended to address, treat or cure a medical condition; and
- (iv) accidental production of typical small amounts of smoke resulting from cooking or barbecuing.

(b) smoking is not permitted:

- (i) anywhere within or on Common Property, whether indoor or outdoor, including balconies, patios and decks;
- (ii) anywhere within 6 meters (or such greater distance as required by law) of windows, doors or air intakes which serve Common Property or other Units;
- (iii) within vehicles which are a Common Asset; and
- (iv) anywhere within a Unit;

For greater clarity, Resident smokers and their guests must not cause a disturbance or nuisance to any other person. The onus is on the smoker to take all steps necessary to ensure that smoke and smoke odors do not disturb others, and to take adequate steps to contain or purify smoke, vapour or smoke odor infused air as necessary to comply with the Bylaws; and

(c) butts, remnants, residue, ashes, contaminated water and other debris, paraphernalia or by-products associated with smoking must not be deposited within Common Property and must not be kept or disposed of in any way which causes a hazard, nuisance or

disturbance. Cigarette and cigar butts are to be extinguished in proper non-flammable containers, must not be discarded onto any part of the Common Property except that they may only be properly disposed of with other household garbage once fully extinguished and cooled.

29.26 A user fee in the amount of \$100 must be paid to the Owner Association for the use of the Common Property for the movement of furnishings related to a change in occupancy or residency for both move in and move out, or for the movement of construction tools, materials and/or debris related to an alteration, to or from a Unit. Payment of the user fee does not limit any claim by the Owner Association damages arising from use.

29.27 In addition, such use must be subject to the following conditions:

- (a) the user must notify the Owner Association's manager no less than 48 hours prior to the use and pay the user fee at that time;
- (b) the elevator service key must be used for moves to floors above the first floor. There is an additional \$50 user fee for the use of the move-in/move-out fob and elevator key, however that \$50 user fee is refundable upon return of the move-in/move-out fob and elevator key;
- (c) elevator doors may not be kept open, except with the use of the elevator service key;
- (d) the user must use the designated moving elevator for moving;
- (e) other Residents must be extended priority of use of Common Property, including the elevator;
- (f) the use is restricted to the hours of 8am to 10pm daily;
- (g) the user is responsible to arrange adequate care as well as protective drop cloths and padding as required to prevent any damage to the elevator and other portions of the Common Property;
- (h) access doors to the building exterior must be supervised during use and can only be propped open when loading and unloading from the outside to inside (or vice versa) of the building with the use of the move-in/move-out fob;
- (i) items in transit between the building exterior and a Unit must not impede passage into or through the Common Property, or cause any risk to safety; and
- (j) the Common Property must be left clean and clear, and any interior Common Property used for this purpose must be vacuumed after use and on a daily basis if use is ongoing.

29.28 Bicycles are to be stored in the bike rooms provided in the parkade or Owner's locker. Bicycles must be carried in hallways, lobbies, elevators, and must not to be stored on balconies.

- 29.29 Window dressings and/or liners must be purpose designed and configured to show only white to the outside of the building. Improvised window coverings such as foil, flags, sheets, towels and/or blankets are not permitted.
- 29.30 Cut holiday trees are not permitted inside units or on balconies due to fire risk. Living/potted trees are permitted.

30. PETS

- 30.1 No person may have any pet or other live animal within a Unit or on Common Property other than as permitted in up to 2 of the following categories:

- (a) one tank of up to 30 gallons total capacity containing aquatic plants, fish and/or turtles;
- (b) up to 4 small caged mammals, excluding rodents;
- (c) up to 2 caged birds; and
- (d) two cats or one dog of a breed not normally known to exceed 18 inches in height at adulthood, measured at the shoulder and licensed and kept in accordance with any applicable Westbank First Nation or regional district requirements as amended from time to time;

For greater clarity, the pet limits indicate the maximum number of pets of each type per Unit, and no animals which are not mentioned are permitted. No rodents, reptiles (excepting turtles), exotic animals or venomous animals are permitted.

- 30.2 A pet which is otherwise permitted within the bounds of the Leased Premises is only allowed on Common Property, subject to the following conditions:

- (a) the pet is properly securely harnessed, hand leashed or secured within an appropriate container, and carried or under the control of a responsible adult while on Common Property;
- (b) the responsible Owner, tenant, occupant or visitor must ensure that the pet does not create a nuisance or disturbance;
- (c) the responsible adult must ensure that the pet does not enter uninvited within a Unit or the Limited Common Area of another Owner;
- (d) the responsible adult must ensure that the animal doesn't relieve itself within, or otherwise soil Common Property; and that any accidental soiling or damage caused to Common Property by the animal is promptly cleaned and remediated at the Resident's or Owner's expense;
- (e) pets are not permitted to urinate or defecate on balconies, decks or patios, or to be housed therein. Kennels, animal containers, cages or crates, litter boxes, pee pads and

similar objects for similar purposes are not permitted to be kept or stored on balconies, decks or patios, whether or not they are in use;

- (f) the animal must not be allowed to behave aggressively, or to come into physical contact with any person without a specific invited interaction initiated by that person;
 - (g) dogs must be trained and kept to the highest standards of conduct in relation to barking and interactions with any person who may be nervous of dogs or allergic to them; and
 - (h) the Owner must fully indemnify the Owner Association for any liability incurred as a result of an animal present within the bounds of the Leased Premises owned by the Owner or owned by a tenant, occupant or visitor of that Owner, including the Owner Association's legal costs on a "solicitor and own client" basis.
- 30.3 Without limiting the generality of the noise restriction Bylaws herein, Owners must not permit their dog to bark to an extent that unreasonably interferes with the peace and enjoyment of other Residents.
- 30.4 It is the responsibility of each Owner to ensure that the pets belonging to or under the control of the Owner or their co-occupants, tenants, agents, invitees, guests and/or visitors shall not cause a nuisance, damage to any Unit, Common Property, or personal property, injury or death to any person, or any liability whatsoever for the Owner Association. The Owner must fully indemnify the Owner Association for any liability incurred as a result of the pet's presence within the bounds of the Leased Premises, including the Owner Association's legal costs on a "solicitor and own client" basis.
- 30.5 If the Board receives a complaint about an Owner or pet breaching any of these pet Bylaws, or a pet posing a risk to person or property, causing a nuisance, or unreasonably interfering with any person's right to use or enjoy portions of the Leased Premises, a Bylaw enforcement hearing will be held in accordance with the provisions of these Bylaws. At the end of the hearing, the Board may take no action, fine the Owner, require the person to pay the costs of remedying the contravention, and/or if authorized by the Bylaws in the manner set out below, order the removal of the pet from the Unit in which case the Owner, tenant or occupant must promptly and permanently remove the pet from the Leased Premises.
- 30.6 In order for the Board to order the removal of a permitted pet from the Leased Premises, the Board must conclude that a Bylaw contravention relating to the pet has occurred, less dramatic steps have no reasonable prospect under the circumstances of resolving the Bylaw contraventions, and any one or more of the following circumstances apply:
- (a) the Board concludes that the Bylaw contravention relating to the pet is serious, and poses a risk to person or property, and/or creates a real and significant risk of liability for the Owner Association;
 - (b) the Board concludes that the pet owner has clearly displayed or expressed inability or unwillingness to prevent further breaches of the Bylaws in relation to the pet; and

- (c) the same or equivalent breaches of Bylaws have occurred in relation to the same pet or a similar pet owned or controlled by the same person in at least two separate prior findings of Bylaw contravention.
- 30.7 Before acting on any order to remove a pet, the Board must notify the Owner and tenant (if any), as well as the Owner of the pet (if a different person) about the outcome of the hearing in writing, and offer the recipients of notice an opportunity to request in writing a further hearing before the Board, at which hearing the Board may in appropriate circumstances decide to:
 - (a) continue with efforts to enforce the order;
 - (b) provide an extension of time to comply with the order; or
 - (c) rescind or modify the order, either with or without conditions.
- 30.8 Notwithstanding the foregoing, it is not the purpose of this Bylaw to encourage or compel any person to disrupt the natural movement or inhabitation of outdoor portions of the Leased Premises by wild animals, however no Owner, tenant or occupant may feed birds or other wild animals from any part of the Leased Premises, or otherwise encourage or discourage their presence, except as permitted by law and with the written permission of the Board.
- 30.9 Pets brought or kept within the bounds of the Leased Premises must not be neglected or mistreated and must be kept in reasonably good health, including being provided timely vaccinations if and as recommended by a veterinarian or as required by law.
- 30.10 Nothing in this Bylaw shall prevent an Owner or Resident from keeping a properly trained animal which is prescribed by a physician in writing to assist an Owner or Resident with a disability. Such an animal and its Owner must comply with the provisions of the Bylaws, except to the minimum extent that the animal and Owner need to be exempted to enable the animal to assist the Owner or Resident as directed by the physician. This Bylaw shall not apply to restrict the presence of a currently certified guide dog or service dog or to a retired guide dog or service dog where a person who is a member of the team is an Owner or Resident. Animals permitted under such an exemption which are not certified guide or service dogs must be the subject of a specific written medical recommendation from a British Columbian physician or psychologist which satisfied the Board, and must not be of a breed which is normally known to exceed 18 inches in height at adulthood, measured at the shoulder.

31. PARKING

- 31.1 Owners, tenants, occupants and visitors may only drive and park vehicles within the bounds of the Leased Premises in compliance with the provisions of this Bylaw.
- 31.2 All vehicles within the bounds of the Leased Premises must be properly licensed, and insured for travel on public roads and/or insured for storage. Any vehicle that appears to be left abandoned, or stored for an extended period without appropriate cleaning or maintenance may be removed at the Owner's risk and expense. Proof of insurance must be provided on request of the Board.

- 31.3 Parking spaces and/or storage lockers may not be rented, leased or otherwise sub-assigned to non-residents.
- 31.4 No vehicle may enter, traverse or park upon any part of Common Property not paved or specifically designated for the purpose. No parking is permitted in laneways or entrances to underground parking.
- 31.5 Notwithstanding any other provision of this Bylaw, driving and/or parking within the bounds of the Leased Premises must not:
- (a) violate the laws of British Columbia with respect to public roads;
 - (b) exceed 15 kilometres per hour;
 - (c) impede the flow of traffic or access by emergency vehicles;
 - (d) obstruct walkways, Common Property or roads, fire lanes, garages, or parking assigned to other Units; and
 - (e) cause a hazard to persons or property.
- 31.6 Designated parking areas within Common Property may only be used for the parking of passenger vehicles and may not be used for the storage of any other items. No mechanical repairs or servicing of motor vehicles may be performed within the bounds of the Leased Premises. Motor vehicles must be maintained in such a manner that they do not leak fluids. Any spill or leak must be cleaned up by the owner of the vehicle immediately.
- 31.7 Yellow curbs are loading zones only. Parking is not permitted in loading zones, except that vehicles being unloaded may park temporarily for unloading purposes but must have a driver in attendance and readily available to move the vehicle in case of emergency. No parking or stopping for more than 10 minutes is permitted in loading zones except while a vehicle is being actively loaded or unloaded.
- 31.8 Recreational vehicles including but not limited to motor homes, campers, trailers, boats, boat trailers, camper trailers, and flatbed trailers as well as commercial vehicles other than cars, motorcycles, passenger vans and light trucks are not permitted to park on Common Property at anytime.
- 31.9 Visitor and Handicap parking spaces are indicated by signage. Handicapped Parking may only be used for the indicated purpose.
- 31.10 Visitor's vehicles which are not parked in an Owner's assigned parking space, must be parked in a designated visitor parking area (if any), and otherwise must park outside the bounds of the Leased Premises.
- 31.11 It is the responsibility of Owners, tenants and occupants to ensure that their visitors' vehicles parked in any visitor parking area overnight, between the hours of 11pm and 7am, display a clearly visible visitor's parking pass indicating the unit number being visited and length of stay.

- 31.12 Overnight guest parking is permitted for up to 3 consecutive days. The Board or a parking committee delegate may provide written permission for a longer stay up to a maximum of 7 days in any calendar month.
- 31.13 Residents must not park in visitor parking at any time.
- 31.14 Vehicle operation and parking is at the sole risk of the vehicle owner, and the Owner Association makes no representation with respect to safety of the vehicle, passengers or contents. The Owner Association shall not be liable for any theft or other injury, loss or damage related to the operation or parking of a vehicle within the bounds of the Leased Premises.
- 31.15 Any Director may order that any vehicle parked within the bounds of the Leased Premises in apparent contravention of the Bylaws be towed at the vehicle owner's expense, if the immediate removal of the vehicle is required to restore access to public roads or lanes, any Unit or any portion of the Common Property including other parking spaces or areas, or to ensure safety or prevent significant loss or damage. This Bylaw shall not restrict the Owner Association from towing a vehicle after any other finding of a Bylaw contravention relating to parking.

32. RENTAL RESTRICTION

- 32.1 Units (or any portion thereof) may not be rented for a term of less than 30 days.
- 32.2 Other than residential tenancy, no license or other grant of occupancy of a Unit (or portion thereof) in exchange for valuable consideration is permitted, whether as a furnished or unfurnished hotel, hostel or motel style suite, vacation rental, house exchange, bed and breakfast accommodation, 'Airbnb' or similar service, rooming house accommodation or any similar grant of tenancy or license of occupation.
- 32.3 Each Owner must ensure that any rental of their Unit is compliant with the registered Bylaws of the Owner Association, the provisions of the Westbank First Nation's zoning bylaws, and all applicable laws, each as amended from time to time, and with the terms of any license or permit required by law.
- 32.4 Prior to occupancy or possession of a Unit by a tenant, an Owner must deliver to the tenant the current Bylaws and Rules of the Owner Association and obtain the signature of the tenant on a "Notice of Tenant's Responsibilities", in a form approved by the Board from time to time. Within 2 weeks after renting all or part of their Unit an Owner must give the Owner Association a copy of the Notice of Tenant's Responsibilities signed by the tenant.
- 32.5 Owners are responsible to ensure that they comply with the provisions of the *Residential Premises Law (Westbank First Nation)* and ensure that terms of any tenancies do not cause or compel the Owner to breach these Bylaws.
- 32.6 An Owner renting their Unit for a period of less than 30 days on the basis of a valid statutory exemption other than hardship must provide the Board with notice that the rental is pursuant to an exemption with the signed copy of the Notice of Tenant's Responsibilities in a form approved by the Board from time to time. The notice must specify the exemption claimed, and the Owner must provide reasonable proof of a valid exemption within 7 days of a request by the Board.

- 32.7 Notwithstanding any provision to the contrary in the Bylaws, an Owner may apply in writing for an exemption to the 30 day minimum rental restriction on the grounds that this Bylaw causes hardship to the Owner. The application must be made in writing and must provide the reason the Owner considers that an exemption should be made, must include proof of hardship, and must also state whether or not the Owner requires a hearing.
- 32.8 Where the Board grants an exemption to an Owner to rent their Unit on the grounds of hardship, the Board can specify the length of time for which the exemption is granted.
- 32.9 Where an Owner rents out his Unit in violation of the Bylaws, the Owner Association may levy against the Owner a fine of up to Five Hundred (\$500.00) Dollars every 7 days during the period of contravention.
- 32.10 Where an Owner rents or licenses the use of his Unit in violation of the Bylaw, the Board may, in addition to assessing fines, take all necessary steps to terminate the noncompliant occupancy, including, but not limited to seeking a declaration of the Court, or injunctive relief to enforce the Bylaw. Any legal costs incurred by the Owner Association in enforcing the Bylaw shall be the responsibility of the contravening Owner, and shall be recoverable from the Owner on a "solicitor and own client" basis by the Owner Association.
- 32.11 Each Owner must advise the Owner Association immediately if a tenancy of their Unit is terminated prior to a full 30 day term. In circumstances where an Owner provides reasonable notice to the Board of early termination of a tenancy prior to a 30 day term, provides the Board with a copy of the lease showing that there was a reasonable effort to comply with Bylaw 32.1, and the Board is satisfied that the Owner intended to comply with Bylaw 32.1, the Board may provide a warning or time to comply with Bylaw 32.1, and is not obliged to take further steps to enforce this Bylaw in that circumstance. This provision shall not be interpreted to limit the ability of the Board to determine the appropriate resolution of any Bylaw complaint, or limit the ability of the Board to otherwise provide a warning or time to comply with respect to other alleged Bylaw infractions.
- 32.12 Any Unit owned by a corporation, and resided in by a shareholder or shareholders owning more than 50% of the voting shares of that corporation shall be deemed, for the purposes of this Bylaw, not to be rented.

33. AGE RESTRICTION

- 33.1 The age of occupants is not restricted.

34. WEBSITE, ELECTRONIC DOCUMENT ACCESS AND EMAIL COMMUNICATION

- 34.1 The Owner Association may establish and maintain a website or other equivalent document retention and distribution system (the "**Website**") or authorize an agent to do so on their behalf. The Owner Association may opt to store its documents and records electronically and make them available for electronic access and/or distribution through password protected secured sections of the Website.

- 34.2 Where the Owner Association is requested to provide documents or records pursuant to these Bylaws or the *Societies Act*, the Owner Association may provide access or copies of the requested documents or records electronically by providing the Website URL and password or by emailing the requested documents or records, unless the person authorized to obtain copies of documents specifically requests physical copies.
- 34.3 The Website is hereby declared to be a location designated by the Owner Association for the distribution of information and for the purpose of distributing minutes of meetings as well as any informal reminders, newsletters, bulletins and other documents which do not require formal notice.
- 34.4 The Owner Association may opt to email or post to the Website electronic copies of notices and other documents. Doing so shall not constitute formal notice, except where a person has provided an email address for the express purpose of receiving notices, records and documents pursuant to these Bylaws.
- 34.5 The Website may include email and telephone contact information of Owners and tenants who consent to having their contact information disclosed.
- 34.6 The Board may use electronic means including email and/or provision of a web interface on a password protected web site to receive notices, records or other documents. Owners must not use that email address or web interface unless:
- (a) the email address or web interface address is reported in the minutes of the Owner Association as an official address of the Owner Association for receiving notices, records and documents;
 - (b) Owners using the email address of the Owner Association request and receive a “read receipt” or send a copy via regular postal mail in addition to the electronically submitted version;
 - (c) the notification clearly indicates the date, the unit number and name of the person providing the notification, along with the details of the request or notification; and
 - (d) in the case of a Bylaw or rule complaint, the notification includes details of the complaint including the dates, times, and associated unit numbers the complaint is made about, and the particulars of the complaint including which Bylaw is alleged to have been contravened.
- 34.7 A personal or professional email address of a Director is not an email address of the Owner Association for the purpose of these Bylaws, even if the Director uses the email for Owner Association business.

35. PRIVACY GUIDELINES

- 35.1 The purpose of this Bylaw is to enable the Owner Association to comply with its statutory obligations under the *Personal Information Protection Act* with respect to “personal information”, defined under that legislation.

- 35.2 The Owner Association will collect, retain, use and/or disclose personal information as required or permitted by these Bylaws, the Sublease, the *Societies Act*, the *Personal Information Protection Act*, any other legislative provision, or these Bylaws, in order to fulfil its legal obligations in the best interests of all of the Owners, including, but not limited to the following purposes:
- (a) to identify and communicate with each Owner and/or Resident;
 - (b) to process payments, and collect amounts owing to the Owner Association;
 - (c) to respond to emergencies;
 - (d) to ensure the orderly management of the Owner Association;
 - (e) to comply with legal requirements and statutory duties; and
 - (f) to enforce the Bylaws and Rules of the Owner Association, and the provisions of the Sublease.
- 35.3 Optionally, the Owner Association may collect, retain, use and/or disclose other personal information from the Owners or Residents with the explicit or implied consent of each Owner or Resident, in which case the Owner Association must disclose the purpose of the collection, retention, use or disclosure, and must not use or disclose the personal information for any other purpose.
- 35.4 If an individual provides reasonable notice to the Owner Association that the individual withdraws consent to the collection, retention, use or disclosure of the individual's personal information, the Owner Association must inform the individual of the likely consequences to the individual, if any, of withdrawing consent, and must securely dispose of the personal information collected by consent, unless continued retention is authorized by law, or would breach an obligation of the Owner Association. Consent may only be withdrawn for information collected pursuant to Bylaw 35.3.
- 35.5 The Owner Association must make every reasonable effort to ensure the accuracy and completeness of any personal information it collects that is likely to be used by the Owner Association to make a decision that directly affects the individual the information is about or to be disclosed to another party.
- 35.6 Within 2 weeks of receiving a written request, the Owner Association must provide an individual with an opportunity to review their personal information as retained by the Owner Association, except that documents and records which contain the personal information of multiple individuals must be redacted unless the consent of the other individuals was obtained for disclosure. A requirement to redact may increase the time required as long as is reasonably required.
- 35.7 Within 30 days of receiving a written direction from the individual to correct their personal information, the Owner Association must correct the information in accordance with the direction if that request is reasonable, and must provide the corrected information to any party to whom the information being corrected was disclosed, within one year prior to the date of the correction.

Whether the Owner Association makes or declines to make a requested correction, the Owner Association must keep a record of the request and whether or not the correction was made to the record in question.

- 35.8 The Owner Association must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure, copying, modification or disposal.
- 35.9 The Owner Association reserves the right to refuse to disclose documents or information, or to redact such information from documents which the Owner Association is obligated to disclose, under the following circumstances:
- (a) where reasonably required to protect particularly sensitive personal information which was provided with a request to keep the information confidential; including but not limited to documents and/or information relating to:
 - (i) a physical or mental disability or a request for accommodation of same; and
 - (ii) personal banking or financial information, or information provided in relation to a request for a hardship exemption;
 - (b) documents and information which are subject to the Owner Association's claim of legal privilege; and
 - (c) documents and/or information which is subject to mandatory confidentiality, an undertaking to maintain confidentiality or arising from participation in mediation, or similar confidential process.
- 35.10 The Owner Association must securely dispose of the personal information collected within 1 year after the requirement or authorization for retention lapses, except that minutes and other official records of the Owner Association which are kept pursuant to these Bylaws or the *Societies Act* may be retained indefinitely. Notwithstanding anything in this provision, the Owner Association may elect not to destroy documents which may be required to support or prove a right or obligation of the Owner Association, or preserve evidence related to the history, governance, or state of the Owner Association.
- 35.11 Where the Owner Association retains another organization such as a strata management company, to do work for it that involves personal information, the Owner Association will ensure that there is an agreement in place that commits the organization providing services to adhere to the Owner Association's privacy policy.
- 35.12 Any concerns with respect to privacy issues may be directed to the Board, and any individual not satisfied with the Owner Association's privacy policy, or the implementation thereof may contact the Office of the Information and Privacy Commissioner for British Columbia.

36. VIDEO SURVEILLANCE AND KEY FOBS

- 36.1 The Common Property of the Owner Association is subject to video surveillance for the purpose of recording the activities of Owners, tenants, occupants, guests, and the general public in public common areas of the building. No audio recording capability is included or implemented with respect to the surveillance equipment.
- 36.2 Notices will be posted advising the public of ongoing video recording. The Owner Association must post clear signage in areas which are subjected to video recording advising that video recording is taking place.
- 36.3 The video surveillance system will operate 24 hours per day, 7 days per week and will be used to record activities in the common areas of the Owner Association for security purposes, including without limitation, the purpose of obtaining usable evidence of illegal acts and/or infractions of the Bylaws of the Owner Association and the cause of any damage to property, or other loss or damages; including verification of identity of persons responsible and potential witnesses, and to deter misconduct.
- 36.4 The recordings may be used as evidence of Bylaw infractions, evidence of criminal acts, or may be used as evidence to determine responsibility for injury, damage to property, or other facts at issue in Court, Arbitration or any other hearing or dispute resolution proceedings.
- 36.5 The video surveillance recording system as outfitted from time to time will include a number of cameras located and a central recording system which will be kept securely locked and password protected for access only by current Directors, security contractors (if any), and the Owner Association's manager.
- 36.6 The recordings will be stored by the digital recording device and may be saved indefinitely, transferred to permanent storage media, or overwritten as new data is stored on the device, all in accordance with the purposes of this Bylaw.
- 36.7 Recorded data which is no longer required for any valid purpose must be securely destroyed after one year unless:
- (a) a copy of the recording was provided to a third party, in which case it must be retained indefinitely; and
 - (b) the Board decides to preserve recordings from a specific incident or series of incidents and that decision is recorded in the minutes. Such a decision must record the period of time for which the recordings will be preserved.
- 36.8 No Owners, third parties or other person will be entitled to view or receive a copy of video surveillance recordings, except as contemplated by the Bylaws or required by law.
- 36.9 Access to the common areas of the Leased Premises is controlled by use of key fobs, which may include the ability to record the time and area accessed by each key fob bearer. All key fobs and garage remote/key fobs remain property of the Owner Association, and must be returned upon request.

- 36.10 The data recorded by the key fob system may be used alone or in conjunction with video recordings (if implemented) as evidence of Bylaw infractions, evidence of criminal acts, or may be used as evidence to determine responsibility for injury, damage to property, or other facts at issue in Court, Arbitration or any other hearing or dispute resolution proceedings.
- 36.11 Each fob is numbered and assigned to a specific unit. Owners must notify the Board of changes in Residents in order for the security database to be updated.
- 36.12 Only Owners and/or documented tenants or Owner agents will be provided with key fobs and garage door openers. The Board may require written approval from the Owner of a Unit to issue an additional or replacement key fob or garage door opener with respect to that Unit. Owners are responsible for developing procedures for their tenants to pass on key fobs/garage remotes, etc. when moving out. Owners are responsible for the cost of having the Owner Association issue new or replacement key fobs and garage door openers. The cost for additional or replacing lost, damaged or stolen key fobs is a non-refundable fee in the amount of \$25.00, and a non-refundable fee of \$125.00 for garage door openers, or such other amounts as set by the Board in a rule from time to time.
- 36.13 Users are responsible for battery replacement and any costs associated with battery replacement. Note: exit/entry door operations do not require a battery, only the garage remote is battery operated.
- 36.14 Lost or stolen fobs must immediately be reported to the Board so they can be de-activated and re-issued if required.
- 36.15 A maximum of 3 active security fobs/garage remotes will be permitted per each Unit, unless permission is obtained from the Board for more security fobs.

37. DISCLOSURE OF RECORDINGS AND ACCESS DATA

- 37.1 Key fob access data, and any video or other recordings on Common Property which is collected or recorded pursuant to this Bylaw may be viewed or disclosed only under the following circumstances:
- (a) review may be conducted at any time by any current Director in furtherance of their legitimate duties to the Owner Association;
 - (b) a copy may be made, retained and used internally with respect to any time period, incident or series of incidents, as directed by majority vote of the Board in furtherance of their legitimate duties to the Owner Association as determined in the sole discretion of the Board;
 - (c) disclosure of a copy must be made pursuant to a Court Order, Subpoena, Warrant or equivalent authorization, including any valid demand for inspection or production of relevant documents pursuant to Court Rules, or Rules of Arbitration or equivalent proceedings, in accordance with the terms of the authorizing document, order or rule;

- (d) by any person making a request to review or obtain a copy of that person's own personal information as recorded, provided that the consent of any other individuals recorded contemporaneously are obtained;
 - (e) a copy may be made, kept, used and/or disclosed to a third party if the Board determines by majority vote that disclosure is consistent with the purpose of this Bylaw, and is in the best interests of the Owner Association or any Owner or Resident;
 - (f) without limiting any of the foregoing, information, data, a recording or a copy of a recording collected pursuant to this Bylaw may be made, retained, used and/or disclosed if the Board determines by majority vote that the copying, retention, use or disclosure is permitted or required by law; and
 - (g) without limiting any of the foregoing, a recording or a copy of information, data or, a recording collected pursuant to this Bylaw may be made, retained, used and/or disclosed if the Board determines by majority vote that the copying, retention, use or disclosure is necessary to preserve the interests of the Owner Association or any Owner or Resident by advancing a criminal or regulatory complaint, a civil claim or an insurance claim.
- 37.2 Recordings or copies of recordings disclosed to a third party pursuant to this Bylaw may be used, retained and disclosed by other parties in accordance with their privacy policies.
- 37.3 Any party requesting an appointment to review or copy any data or recording kept pursuant to this Bylaw for any purpose other than a purpose of the Owner Association is responsible to pay in advance the reasonable expenses of the Owner Association related to that request regardless of whether the review provides the data requested or not. The Owner Association is not required to review or copy the data or recordings if the person making the request refuses to pay the costs as outlined above, absent a Warrant, Court Order Subpoena or similar requirement binding upon the Owner Association.
- 37.4 A log will be kept by the Owner Association to record any person who accesses, reviews or copies any data or recording kept pursuant to this Bylaw, including the date and time of access, the full name of the person accessing the data or recording, the date and time of the data or recording, the purpose of access and whether or not a copy was obtained.

38. EXEMPTIONS

- 38.1 Notwithstanding any Bylaw or Rule of the Owner Association to the contrary, the Board may provide such exemptions to any Bylaw or Rule of the Owner Association to the minimum extent necessary to accommodate a physical or mental disability as defined in the BC Human Rights Code, subject to the following restrictions:
- (a) the exemption requires an application of an Owner or Resident (the "**Applicant**") in which the Applicant provides satisfactory proof of a physical or mental disability as defined under the BC Human Rights Code, including proof in the form of a letter or prescription from a physician qualified to practice medicine in the Province of British Columbia, indicating that a particular Bylaw or rule of the Owner Association is inconsistent with the treatment, management or otherwise provides particulars of how

the Bylaw or rule is problematic for the Applicant as a result of their mental or physical disability;

- (b) the exemption may be on such conditions as the Board feels is appropriate to accommodate the physical or mental disability while respecting to the extent possible, the language and intent of the Bylaws and Rules, including restricting the time for which the exemption exists to the period during which the mental or physical disability persists, requiring that the exemption specifically end upon the Applicant vacating the Unit, requiring that the Applicant participate in reasonable accommodation by taking such steps at their own expense as may be necessary to mitigate the effect of the Bylaw or Rule exemption on other Owners and Residents, or such other conditions as are agreed upon between the Applicant and the Board, or are reasonably imposed by the Board;
- (c) if in the opinion of the Board an application under this Bylaw should not be granted because granting the application would be unreasonable under all of the circumstances; or if the Board is of the view that alternatives are reasonably available which would not require an exemption from a Bylaw or rule; or if the Board is of the view that the exemption, if granted, would contravene some legal duty or obligation or would otherwise be unlawful; then the Board must decline to grant an exemption under this Bylaw;
- (d) upon request, the Applicant must provide further or additional documentation requested by the Board including, but not limited to, reasonable medical records or a letter from a physician which confirms the existence of the physical or mental disability claimed;
- (e) the application and such information and/or documentation which are provided to the Board pursuant to this Bylaw must be kept confidential by the Board, except as between the Board, Owner Association's manager, the Owner Association's lawyer, or as required to defend the decision of the Board in court, arbitration or other dispute resolution process;
- (f) if the Board declines an application for whatever reason, the Applicant may re-apply with additional documentation and/or expanded submissions;
- (g) in the course of any application or re-application, the Applicant may request a hearing before the Board; and
- (h) no application under this Bylaw may be made to exempt an Owner or Resident from any obligation to pay their share of common expenses, to pay any amounts required under the Bylaws or the Sublease, or to comply with their obligations to avoid disturbing or interfere with the property rights of other Owners or Residents. Further, no such application for an exemption will be granted if granting the exemption would be significantly unfair to any other Owner or Owners, or would breach any obligation of the Owner Association, or any Owner under the Sublease.

SCHEDULE D – RULES

Abode Owner Association

Common Property Rules

1. USE OF PROPERTY

- 1.1** Children must be supervised when on common property and are not to run freely through common areas.
- 1.2** For safety reasons, children are only permitted in the Amenities Room when accompanied by an adult resident.
- 1.3** There shall be no skateboard or rollerblade use on the property at any time.
- 1.4** Soliciting or canvassing door-to-door is prohibited.
- 1.5** The use of any and all common rooms/amenities is at the user's risk.
- 1.6** Owners are responsible for the actions of their tenants and their visitors. Owners and tenants are held responsible for the security of the building at all times. Noise and activities that unduly disturb other residents are not permitted.

2. GENERAL

- 2.1** Recycling is to be sorted as per instructions on the bin and placed in appropriate containers. Refuse is never to be left on the ground. Please ensure all cardboard boxes have been flattened.
- 2.2** Smoking is not permitted in any common areas at any time. This includes hallways, stairways, elevators, lobbies, Guest Suite, parkade, bike storage room, Exercise Room and Amenities Room. Also, no smoking is permitted within 6 meters of all entrances into the building.
- 2.3** Living in such close proximity to others means we must all be aware that noise does travel between Units and between floors. It is especially important that we respect others' rights to peace and quiet, requiring quiet from 11 p.m. to 7 a.m.
- 2.4** A move-in/move-out fee of \$100 will be assessed to help off-set costs of high-turnover wear and tear on the facilities.

3. STORAGE ROOMS

- 3.1** Bicycles are to be stored in the bike rooms provided in the parkade.
- 3.2** Bicycles are not permitted in hallways, lobbies, elevators, and they are not to be stored on balconies.

4. BALCONIES

- 4.1** Hanging laundry or airing articles on balconies or patios, including on balcony/patio railings or on clothes racks, is not permitted.

- 4.2 Residents are asked to refrain from using the balconies to shake rugs, dusters, mops, etc.
- 4.3 Propane barbeques are only permitted on balconies, patios or decks. The maximum propane barbeque tank size is 20lbs.
- 4.4 Outdoor Christmas decorations are only permitted during the period from November 15 to January 31 of the following year.
- 4.5 Cut Christmas trees are not permitted inside Units or on balconies due to fire risk. Living/potted trees are permitted.
- 4.6 Satellite dishes are not permitted to be affixed to the building or deck (tripods are permitted).
- 4.7 No objects may project out from the balcony or building.

5. HALLWAYS/STAIRWAYS/ELEVATORS/FIRE EXITS

- 5.1 Fire regulations require that these areas be kept clear and unimpeded at all times. Door mats and small pieces of furniture are not permitted in hallways in front of Units.

6. WINDOWS/DRAPERIES

- 6.1 Window dressings must show white to the outside (anything seen from the street must be white).

7. PETS

- 7.1 Pet owners are responsible for their pets' actions, which include pets defecating and urinating on common property.
- 7.2 An owner or visitor must ensure that all pets are leashed or otherwise secured when on common property or on land that is a common asset.
- 7.3 All pets must be carried in the hallways.
- 7.4 Pets are not permitted to be housed on decks/patio nor shall pets be permitted to urinate and/or defecate on a deck/patio.
- 7.5 The pet owner shall immediately dispose of any excrement on a Unit, common property or land that is a common asset.

8. PARKING

- 8.1 The Owner Association will have full control over all parking spaces and each Unit will have one assigned parking stall, except for a single Unit which has two parking stalls.
- 8.2 A parking pass must be surrendered if the Unit is sold.
- 8.3 All visitors' vehicles staying overnight must display parking pass to avoid being towed or fined.

- 8.4** A replacement parking pass will cost \$25 (note: the old parking pass number becomes invalid and any vehicle displaying that pass number will be subject to towing).
- 8.5** Vehicles found in contravention of parking rules will be subject to the following penalties:
- (a) Parking on roadway is subject to a \$50 fine and/or towing at owner's risk and expense;
 - (b) Owner/resident parking in visitor parking is subject to \$50 for first offence and/or towing at owner's risk and expense;
 - (c) Parking in yellow-curbed areas (i.e.: not unloading) is subject to towing at owner's risk and expense; and
 - (d) Vehicle parked in Visitor's parking between 11pm and 7am without a "Guest Parking Pass" that has been dated is subject to towing at owner's risk and expense.
- 8.6** No vehicle that is inoperable or uninsured may be parked or stored on common property, limited common property or in open parking spaces. Fine and/or subject to towing at owner's risk and expense.
- 8.7** Speed limit underground is 10 km/hour or less, depending on conditions and pedestrian congestion. Speed limit on common property roadways is 10 km/hour or less depending on road conditions or pedestrian/traffic congestion.
- 8.8** Parking stalls are for vehicles only. No storage of furniture, boxes, appliances, miscellaneous storage containers, etc. is permitted. The Owner Association may issue a fine of \$50, plus cost of clean-up will be assessed to the Unit as a special levy.
- 8.9** Vehicles parked or stored in contravention of bylaws or rules of the Owner Association may be towed without notice at the resident or visitor's risk and expense.
- 8.10** An owner or resident shall not use any parking space except for that assigned as the parking space of his or her Unit.
- 8.11** Visitor parking is to be used by visitors only, subject to the following rules:
- (a) Any visitor parking in a Visitor parking stall overnight or between the hours of 11pm and 7am must have a visitor parking pass that has been dated and has the Unit number filled in, displayed on the dash of their vehicle;
 - (b) Overnight visitor parking is permitted for up to 3 days. Parking for extended stays should be approved by a Director or a parking committee delegate; and
 - (c) A visitor's vehicle using the visitor parking stalls at any time of the day or night for a total of 10 days or more in a calendar month shall be deemed a "resident" vehicle and be subject to rules for residents.
- 8.12** There is no parking permitted at any time in laneways or entrances to underground parking.

- 8.13** Yellow curbs are unloading zones. Vehicles being unloaded may park temporarily for unloading purposes but should have a driver readily available to move the vehicle in case of emergency. No extended parking (i.e. greater than 10 minutes, except moving vehicles being actively loaded or unloaded) is permitted in loading zones.
- 8.14** All owners are responsible for the clean-up of oil spills in their assigned parking space. If clean-up is not done by the owner within 10 days after receiving notice from the Board of Directors, the Owner Association will arrange to complete the clean-up. Costs associated with the clean-up shall stand as a special levy against the Unit.
- 8.15** No owner, resident or visitor shall carry out repairs on a vehicle on the common property or limited common property, except for bikes in the bike storage room repair station area.
- 8.16** An owner shall not allow his/her assigned parking space to be rented or leased to non-residents except as approved by the Board of Directors.
- 8.17** Vehicles are to be parked in a manner that does not block or impede traffic.
- 8.18** Recreational vehicles such as motor homes, campers, trailers, boats, boat trailers, camper trailers, flat bed trailers, etc. are not permitted to park on common property or limited common property at any time. Over-size commercial vehicles are also not permitted.
- 8.19** Any vehicle that appears to be left abandoned or stored for an extended period without appropriate cleaning or maintenance may be removed at the owner's risk and expense.
- 8.20** Residents are permitted a maximum of 2 visitor parking passes.

9. AMENITIES ROOM AND EXERCISE ROOM

- 9.1** The Amenities Room is intended to provide facilities for the enjoyment and use of the owners/tenants of Abode. The following categories of person are entitled to use the Amenities Room and its facilities:
 - (a) Owners/tenants at least 19 years of age;
 - (b) Children of owners/tenants under 19 years of age only when accompanied by owner/tenant;
 - (c) Guests invited and accompanied by owners/tenants;
 - (d) Registered long-term visitors (issued with appropriate "guest identification passes" as approved by the Board of Directors); and
 - (e) Registered "house sitters" (issued with appropriate "guest identification passes" as approved by the Board of Directors).

9.2 Visitors to Amenities Room.

- (a) Owners/tenants may bring visitors to the Amenities Room but must accompany them for the duration of the time they are on the premises. It is the responsibility of the owner/tenant to ensure that visitors adhere to all the Rules and Bylaws.
- (b) Owners, tenants, children or other visitors are not permitted to bring visitors to the Amenities Room unless accompanied by an owner/tenant of legal age (19 years or older).
- (c) Visitors using all facilities within the Amenities Room are subject to the rules governing that area.

9.3 Security and Control.

- (a) In the interest of security and to ensure that access to the Amenities Room is restricted to owners/tenants, all doors to the Amenities Room are secured so that access is only possible with a keyless fob.
- (b) All owners/tenants share the responsibility of ensuring that ALL doors, windows are locked and lights, TV/radio, appliances, etc. are turned off upon departure.
- (c) All owners/tenants share the responsibility of ensuring that the privacy of all individuals is protected.

9.4 Pets and Animals. Pets, animals (other than Seeing Eye dogs) etc. are **NOT** allowed in the Amenities Room or the Exercise Room under any circumstances.

9.5 Maintenance and Cleaning. The Amenities Room and Exercise Room are maintained and cleaned under service contracts. However, users of the premises and facilities are expected to do their share to keep the Amenities Room and Exercise Room clean and in good order.

9.6 Smoking. Smoking is not permitted in the Amenities Room. This restriction also applies to outside patio areas.

9.7 Exercise Room.

- (a) Clean running shoes or fitness shoes and shirts must be worn at all times. Bare feet, stocking feet or street shoes are not permitted for use in the Exercise Room or on fitness equipment. Safety and health concerns and the proper maintenance of the equipment demand the observance of these rules by all users.
- (b) Use of Exercise Room is at user's own risk.
- (c) Persons using the equipment must wipe and clean machines after each use — no exceptions. Cleaning products are provided for that purpose.
- (d) The use of any lubricant on any of the machines or equipment is forbidden. Damage to equipment or equipment not functioning properly should be reported to the management company immediately.

- (e) Children under the age of 19 are not permitted to use the Exercise Room or any equipment unless accompanied and supervised by an owner/tenant of legal age.

9.8 Restrictions/Out of Bounds.

- (a) Access to electrical rooms, thermostats and janitor storage areas is restricted to authorized personnel only.
- (b) All owners/tenants and visitors are required to obey the posted rules of the Amenities Room. Any person violating these rules may, at the discretion of the Board of Directors, have their privileges withdrawn for a reasonable time, and be liable for a fine. Once privileges have been withdrawn, reinstatement must be applied for in writing to the Board of Directors.

9.9 Premises, Furniture and Fixtures.

- (a) Board of Directors approval must be obtained before the purchase or inclusion of any major equipment, furniture or appliances to the Amenities Room or Exercise Room. Building insurance does not provide for this.
- (b) The Amenities Room and Exercise Room are not places to drop off for unwanted household items. Furniture and furnishings are not to be added nor removed without Board of Directors permission.

9.10 Notices and Signs.

- (a) Any notices or signs placed on the Amenities Room notice board or on outside notice boards must be signed and dated by the owner/tenant and removed after 4 weeks. Please refrain from posting notices in space reserved for the Board of Directors and use only the designated sections of the notice board.
- (b) Appropriateness of notices will be at the sole discretion of the Board of Directors and may be removed if deemed inappropriate.

9.11 Rental of Amenities Room.

- (a) Board of Directors will, as required, use their discretion in limiting the number of times per week that the Amenities Room can be rented for functions so as to ensure reasonable access to the facilities for all owners/tenants of Abode.
- (b) The Amenities Room may be rented for private functions such as anniversaries, weddings, birthdays, memorial services or other similar functions. Owners/tenants must apply to the Board of Directors' sub-committee for booking the Amenities Room by completing the appropriate booking form for functions requesting use of the Amenities Room. Forms are available in the Amenities Room. There will be no 24-hour bookings of Amenities Room facilities allowed. Closing time for an evening event, including clean-up is 11pm, with the exception of New Year's Eve which is 1:30am.

- (c) The owner/tenant booking the Amenities Room must ensure that all rules pertaining to the facilities are strictly enforced. An owner/tenant booking and renting the Amenities Room must sign the booking/rental agreement in force.
- (d) Owners'/tenants' visitors using the Amenities Room for booked events will be required to park on the street as visitor parking must remain available for visitors of other owner/tenant visiting the complex.
- (e) The owner/tenant renting the Amenities Room is responsible for leaving it clean with floors swept and vacuumed, tables, chairs and equipment in their appropriate locations, and the counters and floors free from spills. Garbage and recycling is to be bagged and removed and placed in the appropriate bin.
- (f) The Amenities Room can be used for the activities of Abode social groups and Board of Directors providing the facility remains accessible to all owners/tenants and with the approval of the Board of Directors.

9.12 Alcohol.

- (a) Alcohol may only be consumed in the Amenities Room during private functions that have been booked by an owner/tenant.
- (b) No alcohol may be consumed at any other time when using the Amenities Room.
- (c) Owner Association insurance does not allow for cash bars of any kind during Amenities Room functions.

9.13 Rental Rates.

- (a) The fee for rental of the Amenities Room is \$50 (to cover administrative costs) and the rental will be for 4 hours maximum.
- (b) A damage deposit is required to confirm a booking. The owner/tenant requesting the booking will provide a \$250 deposit to the Amenities Room committee. The deposit will be refundable in full after the event when both parties confirm that the Amenities Room is in good order.
- (c) The damage deposit money will be used, if needed, for small breakages, repairs, extra cleaning costs etc. required to return the Amenities Room to original condition. Minor difficulties should be resolved with the owner/tenant renting the Amenities Room. Any damages to Amenities Room premises, furniture or fittings must be immediately reported to the Amenities Room committee and prior to the return of any deposit monies.

10. GUEST SUITE

- 10.1** The Guest Suite is available for all resident owners/tenants to rent for their visitors for overnight stays. Unless written approval from the Board of directors is received in advance rentals are restricted to a maximum of 7 consecutive nights. Owners/tenants renting the Guest Suite are responsible for their visitors while on common property.

- 10.2** A member of the Amenities Room committee will be responsible for administration of the Guest Suite with duties to book the suite, collect the rental monies and ensure the suite is in suitable condition for use. The room key can be obtained from this member.
- 10.3** Rental of the Guest Suite is \$75 per night payable in advance. Forty-eight hours' notice of booking is required plus a 48 hour notice of cancellation. NSF cheques will result in service charges and the loss of right to rent the suite again. It is intended that the Guest Suite will be self-supporting. A pre-paid \$250 damage deposit will be levied (in addition to the daily rental charge) refundable within 7 days if all is in order.
- 10.4** Check-in time is 1 p.m. and check-out time is 11 a.m.
- 10.5** The Guest Suite when rented is to be treated like an extension of the owner's/tenants' own Unit. The owner/tenant will be responsible for providing bed linens and towels and cleaning the Guest Suite.
- 10.6** Cooking and preparation of food is not permitted in the Guest Suite.
- 10.7** The Owner Association is not responsible for lost or stolen property of visitors using the Guest Suite.
- 10.8** The Guest Suite is intended for sleeping purposes only, not as an entertainment room for resident's visitors.
- 10.9** Only resident owners or tenants may reserve the Guest Suite. The visitors are subject to all rules and bylaws of the Owner Association.
- 10.10** Board of Directors approval must be obtained before the purchase or inclusion of any major equipment, furniture or appliances to the Guest Suite. Building insurance does not provide for this. The Guest Suite is not a place to drop off for unwanted household items. Furniture and furnishings are not to be added nor removed without Board of Directors permission.
- 10.11** Pets, animals (other than Seeing Eye dogs) etc. are **NOT** allowed in the Guest Suite under any circumstances.
- 10.12** Smoking is not permitted in the Guest Suite. This restriction also applies to outside patio areas.
- 11. SECURITY FOBS**
 - 11.1** All keyless fobs and garage remote/keyless fobs are the property of the Owner Association.
 - 11.2** Each fob is numbered and assigned to a specific Unit. Changes in residents need to be passed on to the Board of directors (via notices for tenants/landlords) in order for the security database to be updated.
 - 11.3** Owners are responsible for developing procedures for their tenants to pass on keyless fobs/garage remotes, etc. when moving out. If a new tenant(s) request new security fob(s) from the Owner Association management company, a fee of \$100 per fob will be assessed to the owner, and all previous keyless fobs for that Unit will be deactivated.

- 11.4** Users are responsible for battery replacement and any costs associated with battery replacement. Note: exit/entry door operations do not require a battery, only the garage remote is battery operated.
- 11.5** Report any lost or stolen fobs immediately so they can be de-activated. Replacement or additional fobs cost \$100.
- 11.6** A maximum of 3 active security fobs/garage remotes will be permitted per each Unit, unless permission is obtained from the Board of Directors for more security fobs.

ABODE AMENITIES ROOM RENTAL AGREEMENT

_____, of Unit _____ request the use of the Amenities Room facility for my private and personal function (not for commercial use) on:

Date: _____

Beginning Time: _____

End Time: _____

Upon signing this agreement, I, the resident requesting the use of the Amenities Room, agree to pay for any damage or cleaning costs incurred by my use of the Amenities Room. I have also read and agree to abide by all Amenities Room rules and general bylaws.

Signed: Resident _____ Date: _____ Contact Number(s): home _____
other _____

Rental fee for Amenity Room (including dishes and cutlery if available) for 4 hours maximum: \$50.00.

No. of hours: _____ Amount received: _____ Date: _____

Signed: Director _____

Damage deposit fee (250.00) is required. This is fully refunded if no damage or cleaning costs are incurred. Please make this cheque payable to Abode Owner Association.

Received: _____
(Resident) (Director)

Returned: _____

Note: Please submit this form to _____, Unit # _____
2 weeks prior to the event to confirm the booking.

CARE AND MAINTENANCE OF THE AMENITIES ROOM

Listed below is a list of items to be checked before and after the booking by a Director. It is the responsibility of the resident who does the booking to leave the facility in the condition it was in prior to its use. The Board of Directors reserves the right to have it cleaned and/or repaired at the resident's expense if it is not left in good condition.

In ____ Out ____ Dishes if available are washed and are put away
In ____ Out ____ The fridge, microwave and sink are clean
In ____ Out ____ All counters and tables are washed and cleaned
In ____ Out ____ All floors are clean and any spots removed(acknowledged)
In ____ Out ____ All tables and chairs in their place
In ____ Out ____ All garbage is removed and items recycled properly
In ____ Out ____ Air conditioner, appliances, TV, fireplace and lights are turned off
In ____ Out ____ Entrance door is locked
In ____ Out ____ Pool table (cues, balls) in good condition
In ____ Out ____ All furniture and fixtures are in good condition
In ____ Out ____ TV and remotes are in good condition and TV is off
In ____ Out ____ All small appliances are in good working condition and put away

Note: Report on the condition of the Amenities Room and any recommendations

Signed:

(Director)

Date:

**APPLICATION AND PET AGREEMENT
ABODE OWNER ASSOCIATION**

NAME: _____

ADDRESS: _____

OWNER: _____ RENTER OR OWNER: _____

PET TYPE: _____

NAME OF PET: _____

And if a second pet:

PET TYPE: _____

NAME OF PET: _____

I _____ by signing this agreement have read the
Bylaws of Abode Owner Association and agree to abide by them. I clearly
understand Bylaw #30 and Rule #7.

Signed: _____ Date: _____

Signed: _____ Date: _____

Please complete and return to the office of Central City Management & Developments, located
at 170-1715 Dickson Ave, Kelowna BC V1Y 9G6.

SCHEDULE E – HEAD LEASE



WESTBANK FIRST NATION

Westbank Lands Register

Form No. WFN-02

APPROVED AS TO THE FORM BY THE
DIRECTOR OF LANDS PURSUANT TO THE
WESTBANK FIRST NATION LAND RULES

Signature:

Date:

[Signature]
Nov 9 2013

GENERAL INSTRUMENT - PART 1

(This area for Westbank Lands Office use)

Page 1 of 24 Pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

PUSHOR MITCHELL LLP, Lawyers, 301 - 1665
Ellis Street, Kelowna, British Columbia V1Y 2B3,
Phone (250) 762-2108 AME/64206.1-kew

[Signature]
Signature of Applicant, Applicant's Solicitor or Agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:

PIN
902524406

LEGAL DESCRIPTION
LOT 364-1 CLSR PLAN 95079, TIR #9

3. NATURE OF INTEREST:

DESCRIPTION
Lease

DOCUMENT REFERENCE

(page and paragraph)

ENTIRE INSTRUMENT

PERSON ENTITLED TO INTEREST

1136560 B.C. LTD.

4. TERMS: Part 2 of this instrument consists of (select one only)

☒ Lease
☐ Sublease
☐ Assignment of Lease
☐ Assignment of Sublease

☐ Agreement for Sale
☐ Assignment of Mortgage
☐ Discharge of Mortgage
☐ Permit

☐ Licence
☐ Easement
☐ Release
☐ Other

Part 2 includes any additional or modified terms referred to in Item 7 or in a schedule attached to this instrument. If discharge of mortgage or release is selected, the interest described in Item 3 is released or discharged from the land described in Item 2.

5. TRANSFEROR(S): **RONALD MICHAEL DERRICKSON**, and **KELLY MARGARET DERRICKSON**, both of 3561 Carrington Road, Westbank, BC V4T 3L8, Joint Tenants

6. TRANSFEREE(S): including occupation(s), postal address(es) and postal code(s)

1136560 B.C. LTD., (Inc. No. BC1136560), 301 - 1665 Ellis Street, Kelowna, BC V1Y 2B3

7. ADDITIONAL OR MODIFIED TERMS: SEE TERMS OF INSTRUMENT – PART 2

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument and acknowledge(s) receipt of a true copy of the instrument described in Item 4.

Officer Signature(s)

EXECUTION DATE

Y	M	D
17	11	03

Party(ies) Signature(s)

[Signature]
RONALD MICHAEL DERRICKSON

[Signature]
KELLY MARGARET DERRICKSON

BY *[Signature]*
RONALD MICHAEL DERRICKSON

MURRAY D. GLAZIER

BARRISTER & SOLICITOR

2nd Floor - 1674 Bertram Street

Kelowna, B.C. V1Y 9G4

Ph(250) 763-3343 Fax(250) 763-9524

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia.



WESTBANK FIRST NATION

Westbank Lands Register

Form No. WFN-02

APPROVED AS TO THE FORM BY THE
DIRECTOR OF LANDS PURSUANT TO THE
WESTBANK FIRST NATION LAND RULES

Signature:

Date:

GENERAL INSTRUMENT - PART 1

(This area for Westbank Lands Office use)

Page 1 of 24 Pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

PUSHOR MITCHELL LLP, Lawyers, 301 - 1665
Ellis Street, Kelowna, British Columbia V1Y 2B3,
Phone (250) 762-2108 AME/64206.1-kew

Signature of Applicant, Applicant's Solicitor or Agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:

PIN
902524406

LEGAL DESCRIPTION
LOT 364-1 CLSR PLAN 95079, TIR #9

3. NATURE OF INTEREST: DOCUMENT REFERENCE PERSON ENTITLED TO INTEREST
- | DESCRIPTION | (page and paragraph) | |
|-------------|----------------------|-------------------|
| Lease | ENTIRE INSTRUMENT | 1136560 B.C. LTD. |

4. TERMS: Part 2 of this instrument consists of (select one only)

☒ Lease
☐ Sublease
☐ Assignment of Lease
☐ Assignment of Sublease

☐ Agreement for Sale
☐ Assignment of Mortgage
☐ Discharge of Mortgage
☐ Permit

☐ Licence
☐ Easement
☐ Release
☐ Other

Part 2 includes any additional or modified terms referred to in Item 7 or in a schedule attached to this instrument. If discharge of mortgage or release is selected, the interest described in Item 3 is released or discharged from the land described in Item 2.

5. TRANSFEROR(S): **RONALD MICHAEL DERRICKSON**, and **KELLY MARGARET DERRICKSON**, both of 3561 Carrington Road, Westbank, BC V4T 3L8, Joint Tenants

6. TRANSFEREE(S): including occupation(s), postal address(es) and postal code(s)

1136560 B.C. LTD., (Inc. No. BC1136560), 301 - 1665 Ellis Street, Kelowna, BC V1Y 2B3

7. ADDITIONAL OR MODIFIED TERMS: SEE TERMS OF INSTRUMENT - PART 2

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument and acknowledge(s) receipt of a true copy of the instrument described in Item 4.

Officer Signature(s)

MURRAY D. GLAZIER

BARRISTER & SOLICITOR

2nd Floor - 1674 Bertram Street

as to both signatures C. V1Y 9G4

Ph(250) 763-3343 Fax(250) 763-9524

EXECUTION DATE

Y	M	D
17	11	03

Party(ies) Signature(s)

RONALD MICHAEL DERRICKSON

KELLY MARGARET DERRICKSON

IS Y ATTORNEY

RONALD MICHAEL DERRICKSON

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia.



WESTBANK FIRST NATION

Westbank Lands Register

Form No. WFN-05

EXECUTIONS CONTINUED

Page 2 of 24 Pages

Officer Signature(s)

ANDREA EAST
BARRISTER & SOLICITOR
3RD FLOOR - 1665 ELLIS STREET
KELOWNA, BC V1Y 2B3
PHONE: (250) 762-2108

EXECUTION DATE

Y	M	D
2017	11	06

Party(ies) Signature(s)

1136560 B.C. LTD. by its authorized signatory:

Name: Hans Berger

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act, R.S.B.C. 1996, c. 124*, to take affidavits for use in British Columbia.



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[ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON FORMS WFN-01, WFN-02, WFN-03, WFN-04.]

TERMS OF INSTRUMENT -- PART 2

LEASE

THIS LEASE dated for reference the 7th day of November, 2017 is made

BETWEEN:

RONALD MICHAEL DERRICKSON

of 3561 Carrington Road
Westbank, British Columbia V4T 3L8

- and -

KELLY MARGARET DERRICKSON

of 3561 Carrington Road
Westbank, British Columbia V4T 3L8

(collectively called the "**Lessors**")

AND:

1136560 B.C. LTD.

of 301 – 1665 Ellis Street
Kelowna, British Columbia V1Y 2B3

(the "**Lessee**")

RECITALS:

- A. The Lands leased under this Lease are part of Tsinstikeptum Indian Reserve No. 9;
- B. The Lessors are in lawful possession of the Lands under a Certificate of Possession;
- C. The Lessors are authorized to grant this Lease pursuant to Part XI (the "**Land Rules**") of the Westbank First Nation Constitution proclaimed effective April 1, 2005 (the "**Constitution**") which sets out the principles, rules and administrative structures pursuant to which the First Nation will exercise authority and jurisdiction over the Westbank Lands.



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In consideration of the rents, covenants and agreements reserved and contained in this Lease, the Parties agree as follows:

1. DEFINITIONS

- (a) **“Applicable Laws”** means, in respect of the Lands, the Land Rules and any other applicable law, statute, by-law, ordinance, regulation or lawful requirement of the federal, provincial or municipal government or authority, the First Nation or First Nation Council or any public utility lawfully acting under statutory power.
- (b) **“Bank of Canada Review”** means the publication so titled that is published by the Bank of Canada on a monthly basis or any similar publication that is published by the Bank of Canada on at least a monthly basis as a replacement for the Bank of Canada Review and in which the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers from time to time are published.
- (c) **“Environment”** means the air, land, water and all other external conditions or influences under which humans, animals and plants live or are developed.
- (d) **“First Nation”** means the Westbank First Nation or any successor to the First Nation pursuant to a federal statute.
- (e) **“First Nation Council”** means the governing body of the First Nation, elected under the Constitution or otherwise in accordance with Applicable Laws.
- (f) **“Hazardous Substances”** means:
 - (i) explosives;
 - (ii) inflammable oils and materials; and
 - (iii) any substance which when discharged into the Environment is or is likely to injure, damage, or endanger land, water, property, animal or plant life or human health or safety.
- (g) **“Improvements”** means all buildings, structures, works, facilities, services, landscaping and other improvements by whomsoever made and which are at any time and from time to time situate on, under or above the Lands, including all equipment, machinery, apparatus and fixtures (other than trade fixtures) forming part of or attached to the Improvements and all alterations, removal, additions to, replacements and substitutions of the Improvements.
- (h) **“Lands”** means Lot 364-1 CLSR Plan 95079, Tsinstikeptum IR No. 9.
- (i) **“Lease”** means this Indenture of Lease.



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- (j) **“Minerals”** means ore of metal and every natural substance that can be mined and that:
 - (i) occurs in fragments or particles lying on or above or adjacent to the bedrock source from which it is derived, and commonly described as talus; or
 - (ii) is in the place or position in which it was originally formed or deposited, as distinguished from loose, fragmentary or broken rock or float which by decomposition or erosion of rock, is found in wash, loose earth, gravel or sand, and includes coal, petroleum and all other hydrocarbons; regardless of gravity and howsoever and wheresoever recovered, natural gas, building and construction stone, limestone, dolomite, marble, shale, clay, sand and gravel.
- (k) **“Mortgagee”** means any mortgagee of the leasehold interest herein granted or granted by a Sublessee or the Lessee and whose mortgages have been registered in the Registry.
- (l) **“Nutrient”** means any substance or combination of substances defined as a nutrient under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (m) **“Owner Association”** means a society or a corporation incorporated by or on behalf of the Lessee or Sublessees, of which all of the members or shareholders, as applicable, are comprised of the Lessee or Sublessees or their respective nominees or a combination of them.
- (n) **“Party”** means a party to this Lease and “Parties” means all of them.
- (o) **“Permitted Encumbrance”** means Easements SG04483 and SG04484.
- (p) **“Person”** includes any individual, partnership, association or corporation.
- (q) **“Premises”** means and includes the Lands and the improvements and every reference in this Lease to the “Premises” includes a reference to every part of the Lands or the Premises, as the context may require.
- (r) **“Prime Rate”** means, for any particular calendar month the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers in effect upon the last Wednesday of the month as the rate is ascertained and published for the month in the Bank of Canada Review, or if more than one such rate is published for the last Wednesday of the month, the average of all such rates or if another day or other days are substituted for the last Wednesday of the month in the Bank of Canada Review, the rate or the average of all rates published for the day or days substituted for the last Wednesday of the month.
- (s) **“Registry”** means the Register of Westbank Lands established by Canada and held in Ottawa, Ontario, or the successor registry for the Westbank Lands established in accordance with Applicable Laws.



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- (t) **“Rent”** means the rent described in Article 5 hereof.
- (u) **“Sublessee”** means any sublessee of a portion of the Lands whose sublease has been registered in the Registry.
- (v) **“Term”** means the 99 year period commencing on the date on which the Lease is registered at the Registry.
- (w) **“Toxic Substance”** means any substance defined as a toxic substance under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (x) **“Westbank Lands”** has the meaning ascribed to it in the Westbank First Nation Constitution.

2. THE DEMISE

2.1 The Lessors hereby lease to the Lessee the Lands, excepting and reserving unto the Lessors all Minerals upon or under the Lands, and except as otherwise provided herein, free and clear of all liens, charges and encumbrances, except the Permitted Encumbrance, TO HAVE AND TO HOLD the Lands unto the Lessee for the Term, yielding and paying the Rent as hereinafter provided, and subject to the terms, conditions, provisos, exceptions and reservations contained in this Lease.

2.2 The Lessee acknowledges that this Lease is subject to the Applicable Laws.

3. MINERALS

3.1 The granting of this Lease does not grant any interest in the Minerals or natural resources under the Lands.

4. USE OF LANDS

4.1 The Lands may be used for any lawful purpose in accordance with Applicable Laws as amended from time to time.

5. RENT

5.1 The Lessee has paid as Rent for the entire Term, the sum of \$1,250,000.00 and other good and valuable consideration, the receipt of which is acknowledged by the Lessors.

5.2 The Lessors acknowledge receipt of payment of the Rent in accordance with Section 5.1, and confirm that no other rent of any kind will be payable by the Lessee for the Lands during the Term. The Lessee acknowledges that other monies which may become payable by the Lessee to the Lessors hereunder, if any, while not constituting Rent, will be collectable by the Lessors with all remedies available for the collection of Rent, including remedies available to the Lessors in the event of the Lessee's default herein.



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6. ASSIGNMENT

6.1 The Lessee may assign this Lease or any portion thereof without the consent of the Lessors.

6.2 The Lessee will obtain from any proposed assignee a written agreement whereby the assignee covenants and agrees that it will observe and perform all of the covenants and agreements to be observed or performed by the Lessee under this Lease.

6.3 The assignment of this Lease by the Lessee will not relieve and discharge the Lessee from its obligations or liabilities under this Lease except to the extent such obligations are assumed in writing by the assignee.

6.4 The Lessee may subdivide the Lands or assign leasehold interests in portions of the Lands without the consent of the Lessors. The Lessors will, without payment of further rent or other consideration, promptly and without delay, sign such modifications of lease and replacement leases as are required to facilitate the Lessee effecting any subdivision or making an assignment. The Lessee will reimburse the Lessors for any reasonable expenses required by the Lessors to comply with his obligation pursuant to this Section 6.4.

6.5 No assignment will be valid unless it includes the following provisions:

- (a) the assignee is bound by all terms of this Lease;
- (b) in the event of conflict between the terms of this Lease and the assignment, the terms of this Lease will govern; and
- (c) the assignment must be registered in the Registry.

7. SUBLETTING

7.1 The Lessee may sublet any part of the Premises without the consent of the Lessors.

7.2 Any sublease of the Premises will include the following provisions:

- (a) may be for any period up to one day before the expiration of the Term of this Lease, and not beyond;
- (b) will be expressly subject and subordinate to this Lease and to the rights of the Lessors hereunder and will terminate upon termination of this Lease;
- (c) will oblige the Sublessee not to do anything in contravention of this Lease; and
- (d) must be registered in the Registry.

7.3 Sublessees may assign and sublet all or portions of the Premises and mortgage their respective subleases without the consent of the Lessors.



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7.4 The sublease of the Lessee's interest in this Lease by the Lessee will not relieve or discharge the Lessee from any of its obligations or liabilities under this Lease.

8. NON-DISTURBANCE

8.1 The Lessors hereby covenant to and in favour of the Lessee and to and in favour of and for the benefit of every Sublessee, Owner Association, mortgagee, licensee, permittee or holder of any other interest in the Lessee's leasehold estate hereunder or in any interest derived therefrom (each of which Parties is herein called an "**Interested Party**"), that if this Lease is cancelled for any reason whatsoever prior to the expiration of the Term or if any rights of the Lessee hereunder are cancelled, suspended or interfered with for any reason whatsoever, the Lessors will not disturb or interfere with the possession, interest or rights of any such Interested Party in respect of the Lands during the Term provided that such Interested Party observes and performs for and in favour of the Lessors, its covenants and obligations contained in its sublease, mortgage, licence, permit, concession or other instrument under which such Interested Party's interest in respect of the Lands arises subject to the proviso that the covenants and obligations cannot be inconsistent with the covenants and obligations of the Lessee herein to the Lessors or which create a liability or payment obligation (i.e. property taxes, utilities, insurance) on the Lessors. The Lessors will sign such non-disturbance agreements as may be reasonably requested, but subject always to payment of the Lessors' reasonable legal and consulting costs without delay, to confirm the Lessors' agreements relating hereto.

8.2 If the Lessors are in a position to declare the Term herein ended and cancel this Lease pursuant to the provisions of Article 34 the Lessee shall, upon written request of the Owner Association, execute an assignment of the Lease for the unexpired Term to the Owner Association prior to any such declaration or cancellation and the Lessors shall execute any documentation necessary to give effect to such assignment of the Lease despite any act, omission or default of the Lessee under this Lease, subject to the following conditions:

- (a) the Owner Association is in good standing with the Registrar of Companies;
- (b) if a Mortgagee is owner of a mortgage registered against inter alia the Lands, the assignment shall be subject to such mortgage;
- (c) all other monies due and payable pursuant to this Lease are paid in full to the date of the assignment of this Lease to the Owner Association; and
- (d) upon an assignment of the Lease, the Lessee, and any nominees of the Lessee, will automatically and without further action on their behalf or by the Owners Association cease to be members of the Owner Association.

For clarity, the Owner Association can be created by the Sublessees at a later date and need not be in existence at the time the Lessors are in a position to declare the Term ended.

8.3 Notwithstanding anything to the contrary herein, if the Lessors are in a position to declare the Term herein ended and cancel this Lease pursuant to the provisions of Article 34, and the Owner Association is not in



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a position to take an assignment of the Lease, the Lessee shall, upon the written request of the Mortgagee of the Lease, execute an assignment of the Lease for the unexpired Term of the Lease to a Mortgagee of the Lease or its assignee, and the Lessors shall execute any documentation to give effect to such assignment of the Lease and further shall attend to the immediate registration of the assignment of the Lease despite any act, omission or default of the Lessee under this Lease, subject to the following conditions:

- (a) the Owner Association shall not have elected, within 30 days of receipt of notice under Article 34, to take an assignment of the Lease subject to the mortgage of the Mortgagee of the Lease;
- (b) the Mortgagee of the Lease is the owner of a mortgage registered against the Lands; and
- (c) all the monies due and payable pursuant to this Lease are paid in full to the date of the assignment of this Lease to a Mortgagee of the Lease.
- (d) payment of all reasonable legal and consulting costs of the Lessors by the Mortgagee or its assignee with respect to the Lessors' obligations pursuant to this Section 8.3.

8.4 Notwithstanding anything to the contrary herein, the Lessors hereby covenant to and in favour of and for the benefit of every Sublessee that should for any reason this Lease not be assigned to the Owner Association pursuant to Section 8.2 or a Mortgagee of the Lease pursuant to Section 8.3 or the Owner Association has ceased to exist after taking an assignment of this Lease, at the time this Lease is declared cancelled, any Sublessee may require a new lease directly from the Lessors upon the cancellation of this Lease for any reason prior to the expiry of the Term and the Lessors will grant to such Sublessee a new lease on the same terms as contained in any sublease held by such Sublessee in the Lands, provided:

- (a) that such new lease shall be for nominal consideration only not exceeding the sum of \$10.00;
- (b) that the default in respect of which the Lease is cancelled has been cured in relation to that part of the Lands comprised by the sublease held by such Sublessee;
- (c) that the covenants and obligations contained in the new lease to be issued shall not be inconsistent with the covenants and obligations of the Lessee herein to the Lessors as they relate to the subleased premises;
- (d) that the terms of the said new leases shall contain such arrangements as are reasonably required to ensure that the new leases make appropriate arrangements for the use, maintenance and payment for all common parts and facilities or infrastructure required for the use and occupation of the Lands demised by the said new leases;
- (e) any new lease granted shall be granted subject to the interests of any Mortgagee of such sublease to reflect the interests, and rights of the Mortgagee of such sublease prior to the termination of the Lease or the request for the grant of the new lease as appropriate;



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- (f) the reasonable legal and consulting costs of the Lessors required to issue such lease shall be payable by the Party to whom the new lease is to be granted.

8.5 The Lessors hereby covenant and agree with the intention that such covenant and agreement shall be enforceable by any Interested Party that the provision of the Lease expressed to be for the benefit of any Interested Party shall be and enure for the benefit of any Interested Party and shall be fully enforceable by any Interested Party notwithstanding that such Interested Party is not a party to the terms of the Lease and the Lessors shall not do anything or make any argument to prevent or obstruct whether directly or indirectly any Interested Party in taking the benefit of and enforcing the provisions of the Lease expressed to be for the benefit of any Interested Party based upon the fact that such Interested Party is not a party to the terms of the Lease.

9. MORTGAGE

9.1 The Lessee may mortgage the whole or any part of its interest in this Lease by any means without the consent of the Lessors. The Lessors confirm that any Mortgagee of any interest in the Lease may enforce its security to the fullest extent and acquire the Lease in any lawful way and, by its representative or a receiver, as the case may be, and subject to Section 9.2, take possession of and manage the Lands and sell or assign or sublet the Premises without notice to the Lessors and without the necessity of obtaining any consent from the Lessors.

9.2 Notwithstanding anything else in this Lease, any mortgage will be subject to the following conditions:

- (a) if the Mortgagee of the Lease takes possession of the Premises or acquires the Lessee's equity of redemption then the Mortgagee of the Lease will perform and observe all the Lessee's covenants and agreements under the Lease while in possession of the Premises and until the Lease is duly assigned to an assignee as provided in Section 9.2(b) below;
- (b) the Mortgagee of the Lease will cause any assignee of the leasehold interest under an assignment to agree in writing to assume, perform and observe all the Lessee's covenants and agreements under the Lease, and upon registration of the assumption agreement in the Registry and upon delivery of the assumption agreement to the Lessors, the Mortgagee of the Lease will be deemed to be released from any and all obligations hereunder; and
- (c) The Mortgagee of the Lessee's interest (excluding a Mortgagee of a Sublessee's interest) shall covenant not to disturb the Sublessee's rights once the Sublease is registered in the Registry.

9.3 The mortgage of the Lessee's interest in this Lease by the Lessee will not relieve or discharge the Lessee from any of its obligations or liabilities under this Lease.

10. REGISTRATION

10.1 The Lessee will provide the Registry with the appropriate number of copies of every document to be registered with respect to a disposition of the leasehold estate referred to in Articles 6 or 9. These copies will be originally executed copies and must be in a form acceptable for registration in the Registry.



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10.2 Neither the granting of this Lease nor anything contained in it will be construed as an agreement or assurance that this Lease or any assignment, sublease mortgage or other disposition of the leasehold estate can or may be registered in a provincial land title or registry office.

11. UTILITIES

11.1 The Lessee is responsible for providing at its expense all services and facilities required by it for use of the Premises.

11.2 Without limiting the generality of the foregoing the Lessee and/or the Sublessees will pay for all water, gas, telephone, light, power, heat, air-conditioning, sewer and garbage disposal services and facilities for use of the Premises.

11.3 No interruption of any service or facility provided to the Premises will be deemed to be a disturbance of the Lessee's enjoyment of the Premises or render the Lessors liable for injury to or in damages to the Lessee or relieve the Parties from their obligations under this Lease.

12. TAXES

12.1 The Lessee will pay on or before the due date in each and every year during the Term all applicable taxes, trade licences, rates, levies, duties and assessments of any kind lawfully imposed by any competent authority, whether in respect of the Premises, fixtures, machinery, equipment or business relating to the Premises or in respect of occupation of the Premises by anyone.

12.2 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 12.1, the Lessee may at its expense, contest or appeal the validity or amount of any tax, trade licence, rate, levy, duty or assessment, provided that the Lessee commences any proceedings to contest or appeal the validity or amount forthwith and continues with the proceedings with reasonable diligence.

12.3 The Lessee will, upon written request by the Lessors, provide the Lessors with copies of official receipts of the competent authority or other proof satisfactory to the Lessors, acting reasonably, evidencing payment of taxes, trade licences, rates, levies, duties or assessments payable with respect to the Premises.

13. COMPLIANCE WITH LAWS

13.1 The Lessee, acting reasonably and at its expense, will observe and perform all of its obligations and all matters and things necessary or expedient to be observed or performed by it in connection with the Premises in accordance with Applicable Laws.

13.2 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 13.1, the Lessee may at its expense, contest or appeal the enforceability or validity of any of the Applicable Laws, provided that the Lessee commences any proceedings to contest or appeal the enforceability or validity thereof or any cost associated therewith forthwith and continues with the proceedings with reasonable diligence.



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14. NUISANCE

14.1 The Lessee will not cause, permit or suffer any nuisance at the Premises.

14.2 Without limiting Section 14.1, the Lessee will, upon written notice from the Lessors or the First Nation Council, use reasonable commercial efforts to abate any nuisance within its control and arising directly or indirectly out of the use or occupation of the Premises by the Lessee or someone else for whom the Lessee is responsible in law.

14.3 The normal carrying on at any time by the Lessee of a lawful use as contemplated in Section 4.1 to the standards required of it under any provision of this Lease will not be considered a nuisance for the purposes of this Article 14.

15. WASTE

15.1 The Lessee will not cause, permit or suffer the commission of any waste on the Lands.

15.2 The Lessee will not cause, permit or suffer the removal of any sand, gravel, topsoil, or other material constituting part of the Lands except as required by construction and installations permitted by this Lease and otherwise except in compliance with Applicable Laws, in which case, removal will not constitute waste.

16. RUBBISH

16.1 Without limiting Article 13, the Lessee will not cause, permit or suffer any rubbish or debris to be placed or left at the Premises except as is reasonably necessary in accordance with the uses permitted by Article 4, by construction or installations permitted by this Lease or as permitted in writing by the Lessors acting reasonably.

17. ENVIRONMENTAL STANDARDS

17.1 Without limiting the generality of Article 13, the Lessee will at all times conduct all business or activities on the Premises in compliance with all Applicable Laws.

18. NO CONTAMINANTS

18.1 Without limiting the generality of Article 13, no Hazardous Substances, Toxic Substances or Nutrients will be used, emitted, discharged or stored on the Premises or any adjacent land by the Lessee, its officers, directors, invitees, agents, employees or Sublessee except in strict compliance with all Applicable Laws. The Lessee will immediately give written notice to the Lessors and First Nation Council of the occurrence of any event in or on the Premises constituting an offence thereunder or being in breach thereof and, if the Lessee will, alone or with others, cause or permit the happening of such event, the Lessee will, at its own expense:

- (a) promptly remove the Hazardous Substances, Toxic Substances or Nutrients from the Premises in a manner which conforms with all such applicable environmental laws, permits, by-laws,



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ordinances, regulations, notices and orders governing the removal, movement and disposal of, Hazardous Substances, Toxic Substances or Nutrients; and

- (b) provide all bonds or securities reasonably required by the Lessors or government authority having jurisdiction; and
- (c) if requested, obtain at the Lessee's expense, from an independent consultant designated or approved by the Lessors acting reasonably, verification of the complete and proper removal of the Hazardous Substances, Toxic Substances or Nutrients from the Premises or, if such is not the case, reporting as to the extent of any failure of this Article 18; and
- (d) assume full responsibility for all damages to adjacent land and water caused by any such discharge of Hazardous Substances, Toxic Substances or Nutrients which originated on and whose source is the Premises.

19. COSTS ASSOCIATED WITH MITIGATION OF ENVIRONMENTAL IMPACTS

19.1 The Lessee will, at its own expense, remedy any damage to the Lands caused by the performance of the Lessee's obligations under Article 18.

19.2 The Lessee will implement the appropriate technology, design or repair to mitigate anticipated or remediate actual adverse environmental impacts attributable to the Lessee's use of the Premises immediately following discovery or notice thereof by the Lessee. Further, the Lessee will permit the Lessors' representatives and the representatives of the First Nation Council to enter onto the Premises at all reasonable times and on reasonable prior written notice, to inspect and monitor the Lessee's activities in the course of mitigation and to ensure that the Lessee has taken reasonable steps to mitigate any reasonably anticipated or actual adverse impacts attributable to the Lessee on the Environment to the satisfaction of the Lessors. The Lessee may require that a representative of the Lessee be present.

20. POSSESSION OF HAZARDOUS SUBSTANCES, TOXIC SUBSTANCES AND NUTRIENTS

20.1 If the Lessee brings or creates upon the Premises or permits the bringing or creating thereon any Hazardous Substance, Toxic Substances, or Nutrients, or if the conduct of the Lessee's business will cause there to be any Hazardous Substances, Toxic Substances, or Nutrients, upon the Lands or the Premises notwithstanding any rule of law to the contrary, such Hazardous Substance, Toxic Substances, or Nutrients, will be and remain the sole and exclusive property of the Lessee and will not become the property of the Lessors or the First Nation notwithstanding the degree of fixation of the Hazardous Substance, Toxic Substances, or Nutrients, or the goods containing the Hazardous Substance, Toxic Substances or Nutrients, to the Premises and notwithstanding the expiry or earlier termination of this Lease. Nothing in this Article shall be construed as permitting the Lessee to bring or create upon the Premises or permit the bringing or creating thereon any Hazardous Substance, Toxic Substances, or Nutrients.



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21. SURVIVAL OF OBLIGATIONS

21.1 The obligations of the Lessee pursuant to Articles 17, 18 and 19 will survive the expiry or earlier termination of this Lease, save only that, to the extent that the performance of these obligations requires access to or entry upon the Premises or any part thereof after the expiration or earlier termination of this Lease, the Lessee will be afforded reasonable entry and access for purposes at such times and upon such terms and conditions as the First Nation Council or the Lessors may from time to time reasonably specify in writing. If the Lessee, despite being afforded reasonable opportunities to perform such obligations, fails to do so, the Lessors may, at the Lessee's expense, by the Lessors' officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessors will have no obligation to the Lessee to complete such work.

22. ALTERATIONS AND ADDITIONS

22.1 The Lessee will not erect Improvements, alter, remove, add to, replace, or make substitutions for the Improvements except in compliance with Applicable Laws.

23. NEW IMPROVEMENTS

23.1 The Lessee will not construct any new buildings, structures or other Improvements on, under or above the Lands except in compliance with Applicable Laws.

24. REPAIR OF PREMISES

24.1 The Lessee will be solely responsible, in compliance with Applicable Laws, for the erection of any Improvements on the Lands and for the condition, operation, repair, replacement, maintenance and management of the Premises, subject to reasonable wear and tear.

25. SIGNS

25.1 The Lessee will have the right, without the consent of the Lessors, to erect or exhibit signage, in accordance with Applicable Laws, in and about any portion of the Premises in conjunction with any lawful purpose described or contemplated in Article 4.

26. LIABILITY INSURANCE

26.1 The Lessee will forthwith effect and maintain at its expense, comprehensive general liability insurance (the "**Liability Insurance**") with the Lessors as an additional insured against claims for personal injury, death or property damage or loss occurring at or about the Premises.

26.2 The Liability Insurance will provide protection in an amount of not less than Five Million (\$5,000,000.00) Dollars for any one occurrence.

26.3 The Liability Insurance will contain a provision for cross liability.



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27. PROPERTY INSURANCE

27.1 If applicable the Lessee, acting reasonably, will effect and maintain at its expense property insurance insuring the Improvements against loss or damage by fire and other perils under supplementary coverage.

28. INSURANCE PROVISIONS

28.1 Every insurance policy required under this Lease will to the extent that it is obtainable contain an agreement by the insurer that it will not cancel or substantially alter the policy without first giving each of the insureds at least 15 days prior written notice.

28.2 Notwithstanding the foregoing all insurance obligations of the Lessee shall be waived during such time as title to the Lands is held by Canada Mortgage and Housing Corporation in the event that it has granted or insured a mortgage and subsequently acquired title to the Lands by reason of the default of the Lessee.

29. INSURANCE VALIDATION

29.1 The Lessee will not do, permit or suffer anything to be done at the Premises which might cause any policy of insurance required by this Lease to be invalidated or cancelled, and the Lessee will comply forthwith with every lawful notice in writing from the Lessors or any insurer requiring the execution of works or discontinuance of any use of the Premises in order to avoid invalidation or cancellation of any insurance.

29.2 The Lessee releases the Lessors, their respective officers, employees, agents or contractors from all liability for loss or damage caused by or resulting from any of the perils or injury against which it has covenanted in this Lease to insure, except if the loss, damage or injury may arise out of the negligence or omission of the Lessors, their officers, employees, agents or contractors, and even though the Lessee has failed to so insure.

29.3 The Lessee will, upon request, deliver certificates of the insurance evidencing every policy of insurance that is required by this Lease immediately after the insurance is effected and will, upon request, deliver a certificate of renewal that the insurance has been renewed or replaced at least ten (10) days before the expiry of any policy of insurance in force.

29.4 The Lessee will, upon written request, deliver a certified copy of every insurance policy taken out by the Lessee with respect to the Premises.

30. REINSTATEMENT OF DAMAGED PREMISES

30.1 Where the Lessee determines to restore or repair damage to the Premises, such restoration or repair will be carried out in good and workmanlike manner and with reasonable diligence and in compliance with Applicable Laws.

30.2 The Lessee, prior to commencing any work of restoring, rebuilding or replacing the Improvements, in whole or in part, will remove or screen unsightly rubble and debris resulting from damage or destruction and



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will keep the Lands in safe and secure condition. If the Lessee fails to perform such obligations in any material respect, the Lessors may, at the Lessee's expense, by the Lessors' officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessors will have no obligation to the Lessee to complete such work.

31. BUILDINGS, FIXTURES AND CHATTELS

31.1 Ownership of any Improvements made upon or to the Lands by or for the Lessee will vest in the Lessee or any Sublessee, licensee, permittee or franchisee of the Lessee, as the case may be, for and during the Term, notwithstanding any rule or law to the contrary. Notwithstanding the foregoing, the Lessee, at its expense, upon written notice from the Lessors, given on or before the 90th day prior to the expiration or earlier termination of the Term of this Lease, will expeditiously remove from the Premises any or all of the Improvements as the Lessors requires and leave the remainder of the Premises in good and substantial repair and condition and free from all debris to the reasonable satisfaction of the Lessors. This section will survive the expiration or earlier termination of this Lease.

31.2 The Lessee will pay all costs and expenses incurred in the removal and disposal of the Improvements and in making good all damage caused to the Lands by the removal thereof forthwith upon demand. The Lessors will not be responsible to the Lessee or Sublessee for any loss suffered by the Lessee or Sublessee as a result of the removal or the disposal of any Improvements, moveable goods, chattels or tenant's fixtures and Improvements which the Lessee fails to remove in accordance herewith.

32. INDEMNITY

32.1 The Lessee will indemnify and save harmless the Lessors, their officers, employees, agents or contractors, against and from all liability, loss, costs, claims, demands, expenses, actions, damages, suits and other proceedings, whatsoever, including consequential, howsoever arising out of or related to any breach of a Lessee's covenant or for personal injury, death or property damage or loss arising out of or related to any act or omission of the Lessee, its officers, employees or agents or any Person for whom the Lessee is responsible in law.

33. QUIET ENJOYMENT

33.1 The Lessee, by paying the Rent and observing and performing its covenants in this Lease, may peaceably and quietly possess, hold and enjoy the Lands during the Term without any interruption or disturbance by the Lessors or anyone claiming by or through either of them.

34. FORFEITURE

34.1 If the Lessee:

- (a) fails to pay the Rent when due under this Lease; or



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(b) is in default of a material obligation hereunder;

then the Lessors may give the Lessee notice of such default.

34.2 If the Lessors give the Lessee notice of default under Section 34.1 and either:

- (a) the default is a default mentioned in Section 34.1(a) or is reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to cure the default within the sixty (60) days; or
- (b) the default is not a default mentioned in Section 34.1(a) and is not reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to commence to cure the default with reasonable diligence upon receipt of the notice and to proceed to cure it with reasonable diligence to completion;

then, subject to the provisions of this Article 34 and to the rights of the Parties under Article 8 and 47, the Lessors may by notice to the Lessee declare the Term ended.

34.3 If the Lessors declare the Term ended as provided in Section 34.2, then except as otherwise expressly provided in this Lease, and subject to the rights of the Parties under Article 8 and 47, or otherwise at law, this Lease and everything contained in it and the leasehold estate and Term will thereupon terminate without re-entry or any other act or legal proceedings, and the Lessors may re-enter the Lands and possess and enjoy them as if the Lease had not been made.

34.4 Notwithstanding a declaration by the Lessors that the Term has ended, the Lessors will be entitled to recover from the Lessee the Rent then accrued or accruing, and enforce any right of action against the Lessee in respect of any antecedent breach of any of the Lessee's covenants including a right of action under Article 32, subject always to the rights of the Parties in Article 8.

34.5 No notice to the Lessee hereunder will be valid for any purpose unless and until a copy of such notice is also given to each Mortgagee, the Owner Association and Sublessee. The copy of such notice may be given to the Mortgagee, Owner Association and Sublessee at the address specified by the Mortgagee, Owner Association and Sublessee and otherwise on the same terms and conditions as applicable to notices referred to in Article 48.

34.6 Any curing of a default by a Mortgagee, the Owner Association or any Sublessee will be construed as curing of that default by the Lessee. The Lessors hereby grant the Mortgagee and any Sublessee access to the Premises for the purpose of curing any defaults under the Lease.

34.7 If any disagreement arises as to the occurrence or subsistence of a material default hereunder or whether the curing of any such default is promptly commenced, has been substantially completed or is proceeding with reasonable diligence, and without limiting any other remedies or relief that might be available to the Lessee, a Mortgagee, Owner Association or Sublessee in accordance herewith or at law, the question may be dealt with in accordance with Article 47 of this Lease.



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34.8 The Lessors acknowledge that in consideration of the Rent, the Lessors will, to the fullest extent reasonably possible, seek recourse in respect of alleged material default by the Lessee hereunder by way of a claim in law against the Lessee for debt or damages, as the case may be, recoverable against the Lands or the rents derived therefrom by the Lessee, or seek an order of a court of competent jurisdiction restraining continuing breach, and will not resort to exercising a right to cancel this Lease and forfeit the leasehold estate except in respect of a serious or continuing breach of a material covenant hereunder for which a reasonable and adequate alternate remedy has not been or cannot reasonably be obtained.

35. PERFORMANCE OF COVENANTS

35.1 All agreements, terms, conditions, provisos, duties and obligations to be performed or observed by the Lessee under this Lease will be deemed to be the Lessee's covenants and all the Lessee's covenants in this Lease are made with the Lessors for the Lessee and for its successors and assigns. Without limiting any other remedy of the Lessors under this Lease, the Lessors may request the Lessee in writing to perform the covenant, and if the Lessee does not perform it within thirty (30) days of such order the Lessors may but will not be obligated to do whatever is reasonably necessary to perform it. The Lessee will pay to the Lessors any cost or expense reasonably incurred by the Lessors in performing the covenant forthwith upon demand by the Lessors.

35.2 The Lessee will provide the Lessors, their officers, employees, agents, contractors and subcontractors, with and without vehicles and equipment, convenient access to the Premises at all reasonable times on reasonable prior written notice, except in the case of an emergency, for the purposes of viewing the Premises and otherwise determining that the Lessee's covenants are being duly observed and performed. The Lessee may require that a representative of the Lessee be present.

35.3 The Lessee will also provide the Lessors, their officers, employees, agents, contractors and subcontractors with and without vehicles and equipment all reasonable and necessary access to the Premises for the purpose of performing the Lessee's covenants pursuant to Section 35.1.

36. PAYMENTS PAID BY LESSOR COLLECTABLE AS RENT

36.1 If at any time before or after the expiration or earlier termination of the Lease the Lessors suffer or incur any damage, loss or expense by reason of any failure of the Lessee to perform or observe any of the Lessee's covenants or makes any payment for which the Lessee is liable under this Lease, or if the Lessors are compelled or, acting reasonably, elects to incur any expense including legal fees in instituting, prosecuting or defending any action or proceeding instituted by reason of any default of the Lessee under this Lease (including any action or proceeding against the Lessee) and succeeds in establishing such default, then in every such case the amount of damage, loss, expense or payment (including legal fees on a solicitor-client basis), together with interest as provided in Section 37.1, will be paid by the Lessee to the Lessors forthwith on demand.

36.2 The amount of any damage, loss, expense or payment referred to in Section 36.1 will be recoverable in the manner provided by law for the recovery of Rent in arrears.



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37. ARREARS TO BEAR INTEREST

37.1 If the Rent or any other sum owing by the Lessee to the Lessors under this Lease is not paid within thirty (30) days from the date on which it is due then it will bear interest at the Prime Rate in effect from time to time plus four percent (4%) per annum from the date the Rent or the sum is due until the date of the payment by the Lessee, but this stipulation for interest will not prejudice or affect any other remedies of the Lessors under this Lease or otherwise, or be construed to relieve the Lessee from any default in making the Rent payment at the time and in the manner specified in this Lease.

38. REMEDIES CUMULATIVE

38.1 All rights and remedies of the Lessors are cumulative and are in addition to and do not exclude any other right or remedy provided in this Lease or otherwise allowed by law.

38.2 All rights and remedies of the Lessors may be exercised concurrently.

39. SURRENDER OF POSSESSION

39.1 Subject to Article 31, when the Term expires or otherwise ends, the Lessee will peaceably surrender the Lands and the Improvements, as applicable, as provided in this Lease.

40. HOLDING OVER

40.1 If the Lessee continues in possession of the Premises after the expiry of the full Term, notwithstanding any payment of Rent, the Lessee will be considered a tenant from month to month, with rent due and payable on the first day after the end of the Term and on the first day of each subsequent month, which rent shall be the fair market value.

40.2 The month to month tenancy referred to in Section 40.1 will be subject to all the terms and conditions of this Lease except as they are inapplicable to the tenancy from month to month.

41. NET LEASE

41.1 This Lease is to be a completely carefree net lease and except as otherwise set out herein the Lessors are not to be responsible during the Term for any costs, charges, expenses or outlays of any nature in respect of the Premises.

41.2 The Lessee will be responsible for prompt payment of the Lessors' reasonable direct out of pocket expenses, including legal expenses, incurred in connection with execution and delivery of further and other documents when required hereunder or in connection herewith.



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42. WARRANTIES

42.1 Except as otherwise set out herein, no representations, warranties or conditions have been made to the Lessee in respect of the Lands by the Lessors, the First Nation, its officials, servants and agents.

42.2 The Lessors warrant that there is legal access to the Premises by public or private road or right of way and the Lessee's obligations hereunder are subject to such access remaining available during the Term.

42.3 To the best of the Lessors' knowledge there are no environmental, heritage or cultural prohibitions to such development.

43. CERTIFICATE OF STATUS

43.1 The Lessors will from time to time, upon not less than 30 days prior request by the Lessee, execute and deliver to the Lessee or to any other addressee as requested by the Lessee, a statement in writing prepared by the Lessee and certifying:

- (a) that this Lease is unmodified and in full force and effect or if modified, identifying such modifications and confirming that the Lease is in full force and effect as modified;
- (b) that the Lessee is not in default of any provision of this Lease, or if in default, the particulars thereof; and
- (c) any other matters related to this Lease as may be reasonably requested;

43.2 The Lessee will reimburse the Lessors for any reasonable legal or consulting costs required for the Lessors to issue the statement required pursuant to Section 43.1.

43.3 If the Lessors shall fail or refuse to deliver such statements within the time provided herein, the Lessors will be deemed to have covenanted to each addressee named in such statement, that the Lessee is not in default of any provision of this Lease.

44. OTHER ENCUMBRANCES

44.1 The Lessors will authorize the granting of and will execute and deliver any easement, right of way or similar charge over the Lands as may be reasonably required by the First Nation or any public utility or approving authority to enable the Lessee to develop or redevelop the Lands for any lawful purpose, provided the Lessors will not be obliged to incur any costs in connection therewith.

45. HEADINGS

45.1 All headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, enlarge, modify or explain the scope or meaning of the Lease or any of its provisions.



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45.2 Any reference in this Lease to an Article or Section will mean an Article or Section of this Lease unless otherwise expressly provided.

45.3 Any reference in this Lease to Lessee's covenants will be deemed to include all terms and conditions to be performed or observed by the Lessee under this Lease.

46. AMENDMENTS

46.1 This Lease constitutes the entire agreement between the Parties with respect to the subject matter of this Lease and no modification, or waiver of any provision of the Lease will be inferred from anything done or omitted by either of the Parties except by an express waiver in writing duly executed by the respective Party.

46.2 No condoning, excusing or overlooking by the Lessors of any default by the Lessee at any time or times in performing or observing any of the Lessee's covenants will operate as a waiver of or otherwise affect the rights of the Lessors in respect of any continuing or subsequent default and no waiver of these rights will be inferred from anything done or omitted by the Lessors except by an express waiver in writing.

47. ARBITRATION

47.1 Should there be a disagreement or dispute between the Parties with respect to any matter under this Lease or the interpretation thereof, the same may be referred jointly by the Parties to a single arbitrator pursuant to the Commercial Arbitration Act of British Columbia and any amendments thereto and the determination of such arbitrator will be final and binding upon the Parties.

47.2 Any Mortgagee, including those of subleases, must be given the opportunity to participate in any arbitration, the subject-matter of which could, in the opinion of such Mortgagee, impact on its security.

48. NOTICE

48.1 All notices under this Lease must be given in writing and delivered in accordance with this Article 48.

48.2 All notices will be delivered to the other Party and no notice will be effective until such delivery has been made.

48.3 The addresses for delivery are:

To the Lessors:

Ronald Michael Derrickson
3561 Carrington Road
Westbank, B.C. V4T 3L8

and:



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Kelly Margaret Derrickson
3561 Carrington Road
Westbank, B.C. V4T 3L8

To the Lessee:

1136560 B.C. Ltd.
301 – 1665 Ellis Street
Kelowna, British Columbia V1Y 2B3

48.4 Notice will be deemed to have been delivered:

- (a) if delivered by hand, upon receipt;
- (b) if sent by electronic transmission, the next business day after the day of transmission, excluding from the calculation weekends and holidays; or
- (c) if sent by registered mail, four (4) days after the mailing thereof.

48.5 Either Party may change the address shown in this agreement by informing the other Party of the new address, and such change will take effect fifteen (15) days after the notice is received.

49. TIME OF THE ESSENCE

49.1 Time is of the essence in this Lease.

50. SEVERABILITY

50.1 If any part of this Lease is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Lease had been executed without the invalid portion.

51. ENUREMENT, PLURALITY AND GENDER

51.1 This Lease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each of the Parties. Every reference in this Lease to any Party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the Party.

51.2 Reference to a Party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made.



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51.3 If a Party is comprised of more than one Person then all covenants and agreements of that Party will be deemed joint and several.

52. NO SHARE TO MEMBERS OF PARLIAMENT

52.1 No member of the House of Commons or the Senate will be admitted to any share or part of this Lease or to any benefit to arise from this Lease.

53. NOT A JOINT VENTURE

53.1 Nothing in this Lease will be construed as making the Lessors agents, partners or joint venturers with the Lessee nor as creating any relationship between the Parties other than the relationship of lessors and lessee.

53.2 The Parties acknowledge that this Lease does not constitute an association for the purpose of establishing a partnership or joint venture and does not create an agency relationship between the Lessors and the Lessee.

54. APPLICABLE LAWS

54.1 This Lease is subject to and governed by the Land Rules and all other Applicable Laws.

55. OTHER ASSURANCES

55.1 Each of the Parties will execute and deliver such further and other documents and assurances as another Party hereto may reasonably request to better carry out or document the intentions herein expressed.

56. NO OTHER AGREEMENTS BIND THE LANDS

56.1 The Lessors covenant with the Lessee that he is the sole lawful possessor of the Lands and that this Lease will not violate any agreement with any Person who has, or will have, an interest in the Lands or any portion thereof.

57. AUTHORITY TO LEASE

57.1 The Lessors represent and warrant that they have good right, full power and authority to lease the Lands to the Lessee and grant the leasehold estate in the manner and according to the true intent of this Lease.

58. CORPORATE AUTHORITY

If the Lessee is a corporation or society, then the Lessee warrants and represents to the Lessors that:

- (a) the Lessee has the corporate authority pursuant to its documents of incorporation to enter into this Lease and to perform all of the covenants and agreements contained herein; and



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- (b) the Lessee is a Corporation duly registered under the laws of the Province of British Columbia, is not a reporting company and is a valid and subsisting company currently registered within the provincial corporate registry; and
- (c) without limiting Section 13, the Lessee will remain in good standing with respect to the filing of annual reports with the provincial corporate registry.

59. EXECUTION OF PART 1 BINDING

59.1 By signing Part 1 of this Lease, the Parties agree to be bound by its terms.

END OF DOCUMENT

ENTERED AND RECORDED IN THE SELF GOVERNMENT
FIRST NATIONS LANDS REGISTER, DEPARTMENT OF
INDIAN AND NORTHERN AFFAIRS CANADA, AT OTTAWA
ON THE 08 DAY OF November 20 17
UNDER REG# 5022897
FOR TRINISTIKETUM I.P. NO. 9