

## BY-LAW NUMBER 1

A By-Law relating generally to the conduct of the affairs of the Kenron Residents Association

WHEREAS the Kenron Residents Association was incorporated by Letters Patent issued under the Corporations Act, R.S.O. 1980, c. 95 by the Minister of Consumer and Commercial Relations of Ontario on the 18<sup>th</sup> day of September, 1991;

AND WHEREAS the Kenron Residents Association has the following objects and powers:

- (a) to unite, promote and administer the interests of the exclusive tenants from time to time of Kenron Estates mobile home park situated in the Township of Sidney, now in the City of Quinte West, in the County of Hastings, in the Province of Ontario;
- (b) to own, maintain, manage and administer the real property on which the Kenron Estates mobile home park is situated and to furnish appropriate accounts to the exclusive tenants thereof; and
- (c) for such other purposes that are not inconsistent with these objects.

NOW THEREFORE BE IT ENACTED as a By-Law of the Kenron Residents Association as follows:

### ARTICLE 1.00 DEFINITIONS AND INTERPRETATION

1.01 Definitions: In this By-Law and all other By-Laws and resolutions of the Association unless the context otherwise requires:

- (a) **"Act"** means the Corporations Act, R.S.O. 1980, c. 95 as from time to time amended, and every statute that may be substituted therefor and, in the case of such amendment or substitution, any references in the By-Laws of the Association shall be read as referring to the amended or substituted provision therefor;
- (b) **"Annual Meeting"** means the annual meeting of Members required by section 293 of the Act;
- (c) **"Approved Annual Budget"** means the budget for the operation of Kenron Estates which is prepared annually by the Board and approved by the Members in accordance with section 7.01 hereof;
- (d) **"Association"** means the Kenron Residents Association;
- (e) **"Auditor"** means a person or firm appointed from time to time under section 16.01 hereof;
- (f) **"Board"** means the Board of Directors of the Association;
- (g) **"By-Law"** means any By-Law of the Association from time to time in force and effect;
- (h) **"Common Areas"** means all of Kenron Estates save and except the Mobile Home Sites all as more particularly described in Schedule "A" annexed hereto;
- (i) **"Common Expenses"** means those expenses of the Association incurred in the performance of its duties and obligations as more particularly set forth in Schedule "B" annexed hereto;
- (j) **"Lease Agreement"** means a lease agreement between Kenron Estates Limited and their sublet tenant;
- (k) **"General Meeting"** means a meeting of Members as provided for by section 294 of the Act;
- (l) **"Kenron Estates"** means that certain mobile home park situated on The King's Highway #2 in the Township of Sidney, now in the City of Quinte West, County of Hastings comprising 259 acres more or less of land and all improvements on the Common Areas thereof, all as more particularly described in Schedule "A" annexed hereto;
- (m) **"Kenron"** means Kenron Estates Limited, a corporation incorporated under the laws of the Province of Ontario;

- (n) "Member" or "Resident" means any Person described in section 6.01 hereof; and
- (o) "Mobile Home Site" means an area within Kenron Estates which has been designated for the exclusive use and occupation of a Resident under an Exclusive Tenancy Agreement or a tenant or tenants of Kenron under an existing lease agreement, and "Mobile Home Sites" means all such designated areas within Kenron Estates;
- (p) "Mobile Home Unit" means an approved dwelling unit on a Mobile Home Site;
- (q) "Person" means any individual, corporation, partnership, trustee or trust and pronouns have a similar extended meaning;
- (r) "Proportionate Share" means a one four hundred and fiftieth (1/450<sup>th</sup>) share;
- (s) "Exclusive Tenancy Agreement" means a lease agreement between the Association and a member setting forth the respective covenants and obligations of all parties with respect to the management and operation of Kenron Estates and the cost of preserving, maintaining and repairing the Common Areas thereof; and
- (t) "Resident Ownership Program" means that program established by Kenron and pursuant to which it agreed to enter into Lease Agreements with the Residents and sell the residual interest in Kenron Estates to the Association for the sum of One Dollar (\$1.00); the transfer of the deed having occurred on December 1, 1995.

1.02 Extended Definitions:

All terms contained in the By-Laws which are defined in the Act shall have the meanings given to such terms in the Act.

1.03 Terminology:

Words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders.

1.04 Headings:

The headings used herein are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions hereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

**ARTICLE 2.00  
HEAD OFFICE**

2.01 Head Office:

The head office of the Association shall be in the Township of Sidney, now in the City of Quinte West, County of Hastings, in the Province of Ontario, and at such place therein as the Board may from time to time determine.

**ARTICLE 3.00  
SEAL**

3.01 Seal:

The seal which is impressed hereon shall be the corporate seal of the Association.

**ARTICLE 4.00  
DUTIES OF THE ASSOCIATION**

4.01 Duties:

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

- (a) management, operation, care and maintenance of the common areas of Kenron Estates;
- (b) collection of annual fees, special assessments and common expenses from the Members;

- (c) ensuring the provision of all services and the performance of all duties to be provided to the Residents under either a Lease Agreement or an Exclusive Tenancy Agreement;
- (d) obtaining and maintaining insurance for the Common Areas and common buildings as may be required;
- (e) repairing and restoring of the Common Areas;
- (f) obtaining and maintaining fidelity bonds where obtainable, in such amounts as the Board may deem reasonable, for such officers and directors or employees as are authorized to receive or disburse any funds on behalf of the Association; and
- (g) causing audits to be made after every year end, and making auditors' statements available to the Members.

It is understood and agreed that the Association may enter into contracts to have all or a portion of the above duties completed at any time, however the ability of the Association to perform its duties and obligations will be subject to the terms and provisions of the Exclusive Tenancy Agreements.

## ARTICLE 5.00 POWERS OF THE ASSOCIATION

### 5.01 General Powers:

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

- (a) employment and dismissal of personnel necessary for the performance of its duties and the fulfillment of its obligations;
- (b) adoption and amendment of rules and regulations concerning the operation and use of Kenron Estates;
- (c) the employment of a manager or the engagement of a management company to perform such duties and services as the Board shall authorize. Provided, however, if such services cannot be performed at a level of compensation which is within the Approved Annual Budget, then the length of any such employment or engagement and the level of such compensation shall only be binding on the Association until the next succeeding Annual or General Meeting of the Members at which meeting the employment or the engagement and the level of compensation shall be subject to ratification by resolution of the Association;
- (d) obtaining and maintaining fidelity bonds for any manager where deemed necessary by the Board, and in such a manner as the Board may deem reasonable;
- (e) Provided the reserve fund is at a minimum of one hundred thousand dollars (\$100,000), up to fifty percent (50%) of the reserve fund may be invested for a longer term and other secure investment vehicles may be used. The Board cannot spend more than \$20,000 on any one transaction in any fiscal year without the approval of the membership.
- (f) settling, adjusting, compromising or referring to arbitration any claim or claims which may be made upon, or which may be asserted on behalf of the Association pursuant to the Arbitrations Act, R.S.O., 1980, c. 25 and amendments thereto;
- (g) retaining and holding any securities or other property, whether real or personal, which shall be received by the Association, whether or not the same is authorized by any law, present or future, relating to or restricting the investment of trust funds;
- (h) subject to the Letters Patent and the Act, selling, conveying, exchanging, assigning or otherwise dealing with, any real or personal property at any such time owned by the Association at such price, on such terms, and in such manner as the Association in its sole discretion deems advisable; and
- (i) leasing any part or parts of the Common Areas, provided any such lease is properly authorized by the Members at a meeting duly called for the purpose.
- (j) No person or entity shall be permitted to purchase more than one mobile home in Kenron Estates for the sole purpose of renting the home. A \$200 administration fee will be levied by the

Association for every newly approved sublet tenancy in Kenron Estates effective October 26, 2012. The fee will be charged to the sublet landlord and levied against the lot lease.

- (k) The Kenron Residents Association wishes to encourage owner occupied properties and discourage absentee landlords;
- (l) The responsibility will be on the owner of the mobile home to ensure that the tenant will abide by all rules and regulations of Kenron Estates and that he/she will sign an agreement taking full responsibility for the tenant who resides in his/her home.
- (m) All persons wanting to rent a home in Kenron Estates must be approved by a member of the Board of Directors or the Manager.
- (n) All individual site survey stakes will be located by the Property Management Company free of charge prior to all home sales in Kenron Estates or for the purpose of establishing compliance with an alteration request form submission by a homeowner. If an Ontario Land Surveyor is required to install or relocate the stakes on the residential lot the costs will be borne by the homeowner and or levied against the lot lease.

#### 5.02 Powers Re: Exclusive Tenancy Agreements:

Except as provided for in this section, all Exclusive Tenancy Agreements are to expire not earlier than July 31, 2033.

Except as hereinafter provided, any decision respecting the renewal of the Exclusive Tenancy Agreements must be made at a General Meeting of the Members duly called for such propose at least three (3) months prior to the expiration thereof. Any resolution passed at such meeting must be applicable to all Exclusive Tenancy Agreements.

Notwithstanding the foregoing, the Board shall have the authority to extend or renew the Exclusive Tenancy Agreements from time to time for periods of time not to exceed twenty-one (21) years less one (1) day; provided, however, that the base rental provided for any renewal of the Exclusive Tenancy Agreements shall not exceed the sum of One Dollar (\$1.00) per year.

### **ARTICLE 6.00 MEMBERSHIP**

#### 6.01 Members:

The Association shall consist of the applicants for the incorporation of the Association and such other Persons participating in the Resident Ownership Program as are admitted as Members by the Board and who:

- (a)
  - (i) have entered into a valid and subsisting Exclusive Tenancy Agreement approved by the Association or any renewal thereof; or
  - (ii) have entered into an assumption agreement approved by the Association to assume a Resident's obligations under a valid and subsisting Exclusive Tenancy Agreement or any renewal thereof; and
- (b) have entered into such further and other agreements, acknowledgements and covenants as may be required by the Association from time to time.

#### 6.02 Limited Number of Members:

The number of Members shall be limited from time to time to the same number of Residents of Kenron Estates pursuant to Exclusive Tenancy Agreements and in no event shall the number of Members exceed four hundred and fifty (450).

6.03 Enforcement of Agreements:

No Exclusive Tenancy Agreement is enforceable against the Association unless the Resident named therein or his/her assignee is a Member of the Association.

6.04 Termination of Membership by Member:

Any Member wishing to terminate his/her membership and dispose of his/her interest under and Exclusive Tenancy Agreement may do so in accordance with the provisions of the Exclusive Tenancy Agreement.

6.05 Termination of Membership by Board: If a Member of the Association:

- (a) purports to terminate or causes his/her membership to be terminated in any manner other than as provided in section 6.04 hereof;
  - (b) continues in default for a period in excess of fifteen (15) days, after having received notice of a default from the Association, with respect to any terms of his/her Exclusive Tenancy Agreement, or the By-Laws, Resolutions or Rules & Regulations of the Association; or
  - (c) has been found by the Board and confirmed at any meeting of the members to have conducted himself and continues to do so in a manner which is not conducive to the general well-being of the Association or Kenron Estates;
- the Board may terminate the membership of such a Member.

6.06 Liability of Members:

Members shall not, as such, be held answerable or responsible for any act, default, obligation or liability of the Association or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the Association.

**ARTICLE 7.00  
MEMBERSHIP FEES, COMMON EXPENSE  
AND SPECIAL ASSESSMENTS**

7.01 Determination of Common Expenses:

The Board shall annually, on or before the fifteenth (15<sup>th</sup>) of October in each year, prepare an annual budget for the operation of Kenron Estates and determine by estimate, the amount of Common Expenses for the next ensuing financial year of the Association. The Board shall call a General Meeting of the Members, to be held on or before the first (1<sup>st</sup>) day of December in each year, to approve the annual budget and the estimated Common Expenses. The question of the approval of the annual budget shall be determined by a majority of the votes cast by or on behalf of the Members. In case the annual budget is not approved, the Members present at the meeting shall determine the amount of Common Expenses for the next ensuing fiscal year.

7.02 Payment of Annual Fees:

Each member shall be obligated to pay to the Association, or as the Association may direct the following:

- (a) Common Expenses; and
- (b) Special Assessments;

which amounts are herein sometimes collectively referred to as "annual fees". The Common Expenses shall be determined for each financial year of the Association, in the manner set forth in section 7.01 and each Member shall pay one-twelfth (1/12<sup>th</sup>) of his/her Proportionate Share thereof, monthly in advance on the first day of each and every month of such year unless notified by the Board of any increase required as a result of a special assessment or any reduction available as a result of a project decrease in the estimated Common Expenses for such financial year.

7.03 Special Assessments:

Extraordinary expenditures not contemplated in the estimated annual Common Expenses for any year and for which the Association shall not have sufficient funds, may be assessed at any time during the financial year in addition to the Common Expenses, by the Board serving notice of such special assessment on all Members. Any such notice shall include a written statement setting out the reasons for the special assessment, and such assessment shall be payable by each Member within ten (10) days after the delivery thereof to such Member, or within such further period of time and in such installments as the Board may determine.

7.04 Default in Payment:

Arrears of any payments of annual fees shall bear interest at the rate of eighteen per cent (18%) per annum until paid and shall be collectible as Ancillary Charges under the Exclusive Tenancy Agreement and shall constitute a lien against the Member's Mobile Home Site under the Exclusive Tenancy Agreement. In addition to the liabilities incurred by any Member resulting from default in payment of such annual fees, a member who is in default shall cease to have any voting rights as a Member of the Association until such default is remedied.

**ARTICLE 8.00  
ANNUAL MEETINGS**

8.01 Annual Meetings:

The Annual Meeting shall be held at the head office of the Association, or at such other place in the Province of Ontario, on such day in each year and at such time as the Board may by resolution determine, for the purposes of receiving the reports and statements required by the Act to be placed before the Annual Meeting, electing directors, appointing Auditors and authorizing the Board to fix their remuneration, and transacting such other business as may properly be brought before the meetings.

8.02 General Meetings:

The Board may at any time call a General Meeting for the transaction of any business, the general nature of which is specified in the members notice calling the meeting. A General Meeting may also be requested by the Members in the manner provided in the Act.

8.03 Notice of Meetings:

Notice of the time, place and date of any meeting of Members and general nature of the business to be transacted shall be given at least ten (10) days before the date of the meeting to each Member (and in the case of an Annual Meeting to the Auditor of the Association) by hand delivering the notice to the Mobile Home Unit of the Member or by sending the notice by prepaid mail to the last address of the addressee shown on the Association's records. The date of receipt of such notice shall be deemed to be the third (3<sup>rd</sup>) day of business following the date of such mailing. The non-receipt of such notice by any Member shall not invalidate the proceedings at the meeting.

8.04 Persons Entitled to be Present:

The only persons entitled to attend a meeting of Members shall be those entitled to vote thereat, the directors and the Auditor of the Association and others who although not entitled to vote are entitled or required under any provision of the Act or By-Laws of the Association to be present at the meeting. Any other persons may be admitted only on the invitation of the Chairman of the meeting or with the consent of the meeting.

8.05 Quorum:

The presence of two (2) Members, in person or by proxy, shall constitute a quorum of a meeting of Members for the limited purposes of choosing a Chairman and adjourning the meeting; for all other purposes the presence of not less than one-third (1/3) of the Members from time to time, in person or by proxy, shall be necessary to constitute a quorum. No business shall be transacted at any meeting unless the requisite quorum shall be present at the commencement of such business. If thirty (30) minutes after the time appointed for the holding of any meeting of Members, a quorum is not present, the meeting shall be dissolved and shall stand adjourned to the same time on the corresponding day of the next week, at such place as may be determined by the Board.

Notice of the time and place of the convening of the adjourned meeting shall be given not less than three (3) days prior to the convening of such meeting and if thirty (30) minutes after the convening of such meeting a quorum is not present then those Members who are present in person or by proxy entitled to vote shall be deemed to be a quorum and may transact all business properly brought before the meeting.

#### 8.06 Voting by Members:

Subject to the provisions, if any, contained in the Letters Patent of the Association, or as may be contained herein and subject to the restriction that no Member shall be entitled to vote more than twenty five percent (25%) of the voting rights outstanding from time to time, each member of the Association shall be entitled to one vote for each time such Member is entered on the Association's register as a Member for a Mobile Home Site, and determination of who is the Member for such Mobile Home Site will be made on the basis hereinafter set out.

In the event that an Exclusive Tenancy Agreement has more than one Person named as the Resident, then subject to written direction of the Association, either one of the persons so named as Resident, present or in person or by proxy may, in the absence of the other, vote at any meeting of Members. In the event of any disagreement, the person whose name appears first on the Exclusive Tenancy Agreement shall be the Member; but if more than one of them are present or represented by proxy, they shall vote in the same way and be counted as one vote, failing which the vote shall not be counted.

No member shall be entitled, either in person or by proxy, to vote at meetings of the Association unless they have paid all annual fees levied against them.

A proxy shall be in writing, shall be executed by the Member or his/her attorney authorized in writing, or, if the Member is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized, and ceases to be valid at the conclusion of such meeting. Subject to the requirements of the Act, a proxy may be in such form as the Board from time to time prescribes or in such other form as the Chairman of the meeting may accept as sufficient. The proxy shall be deposited with the Secretary of the meeting before any vote is taken under its authority, or at such earlier time and in such manner as the Board by resolution prescribes. All questions proposed for consideration at any meeting of Members shall be determined by a majority of the votes cast by or on behalf of the Members. In the case of an equality of votes on any question at a meeting of members, the Chairman of the meeting shall not be entitled to a second or casting vote.

#### 8.07 Scrutineers:

At each meeting of Members, one or more scrutineers may be appointed by resolution of the meeting or by the Chairman with the consent of the meeting to serve the meeting. Such scrutineers need not be Members of the Association.

#### 8.08 Show of Hands:

At any meeting of Members every question shall be decided by a show of hands unless otherwise required by a By-Law of the Association or unless a poll is required by the Chairman or requested by any Member. Whenever a vote by show of hands has been taken upon a question, unless a poll is requested, a declaration by the Chairman that a resolution has been carried or lost by a particular majority and an entry to that effect in the minutes of the meeting is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

8.09 Chairman:

In the absence of the President or the Vice-President, the Members at any meeting of Members shall choose another director as Chairman and if no director is present or if all the directors present decline to act as Chairman, the Members present shall choose a representative from one of their number to be Chairman.

8.10 Polls:

If at any meeting, a poll is requested on the election of a Chairman or on the question of adjournment, it must be taken forthwith without adjournment. If a poll is requested on any other question, it shall be taken in the manner and either at once or later at the meeting or after adjournment as the Chairman directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was requested. A request for a poll may be withdrawn at any time prior to the taking of the poll.

8.11 Adjournments:

Any meeting of Members may be adjourned to any time and from time to time, and any business may be transacted at any adjourned meeting that might have been transacted at the original meeting from which the adjournment took place. Notice of the time and place of the convening of the adjourned meeting shall be given not less than three (3) day prior to the convening of such meeting and if thirty (30) minutes after the convening of such meeting a quorum is not present then those Members who are present in person or by proxy entitled to vote shall be deemed to be a quorum and may transact all business properly brought before the meeting.

**ARTICLE 9.00  
BOARD OF DIRECTORS**

9.01 Directors:

The affairs of the Association shall be managed by a Board composed of seven (7) directors, each of whom at the time of his/her election, or within ten (10) days thereafter, and throughout his/her term of office, shall be a Member of the Association.

9.02 Qualifications:

Each director shall:

- (a) be at the date of his/her election, and thereafter remain throughout his/her term a Member;
- (b) be at least eighteen (18) years of age
- (c) not be an undischarged bankrupt nor a mentally incompetent person, and;
- (d) be a resident for at least two years prior to submitting their name for consideration as a Director.

9.03 Election of Board:

The Directors of the Association shall be elected annually at the annual meeting on a show of hands unless a poll is demanded and if a poll is demanded such election shall be by ballot. Directors shall hold office for staggered terms of one, two or three years provided that no less than two Directors are elected at each annual meeting. Subject to Article 9.05 directors shall hold office until the expiration of their term after their election or until their successors shall have been duly elected.



9.04 Re-Election:

Those directors whose term of office expires shall be retired at the Annual Meeting, but shall be eligible for re-election if otherwise qualified. Nominations for vacant directors' offices will be received by the members of the Association as the final item on the agenda of the annual meeting.

9.05 Vacation of Office:

The office of a director of the Association shall be vacated upon the occurrence of any of the following events:

- (a) if he/she becomes bankrupt or a receiving order is made against him/her or he/she makes an assignment under the Bankruptcy Act (Canada);
- (b) if any order is made declaring him/her to be a mentally incompetent person or incapable of managing his/her own affairs;
- (c) if he/she ceases to be a Member;
- (d) on death; or
- (e) if by notice in writing to the Secretary of the Association he/she resigns his/her office and such resignation, if not effective immediately, becomes effective in accordance with its terms;
- (f) if he/she decides to list their home for sale.

The vacancy so created may be filled in the manner prescribed by section 9.06 hereof.

9.06 Vacancies:

So long as a quorum of the directors remains in office, any vacancy on the Board may be filled by the directors of the Association. If no quorum of directors exists, the remaining directors shall forthwith call a General Meeting of Members to fill the vacancies on the Board.

9.07 Removal of Directors:

The Members of the Association may, by resolution passed by at least two-thirds (2/3) of the votes cast at a General Meeting of which notice specifying the intention to pass the resolution has been given, remove any director before the expiration of his/her term of office, and may, by a majority of the votes cast at that meeting, elect any person in his/her stead for the remainder of his/her term.

9.08 Quorum:

A quorum for the transaction of business at meetings of the Board shall be two-fifths (2/5) of the members of the Board.

9.09 Meetings:

Meetings of the Board may be held at any place within or outside Ontario, as designated in the notice calling the meeting. The board shall meet at the call of the President or any two (2) directors.

9.10 Notice:

Subject to the provisions of section 9.11 hereof, notice of Board meetings shall be delivered, mailed, sent by facsimile transmission or telephoned to each director not less than forty-eight (48) hours before the meeting is to take place. The time of receipt of such notice shall be deemed to be the time of delivery of such notice if served personally, sent by facsimile transmission or telephoned, or if mailed as aforesaid, the third (3<sup>rd</sup>) day of business at 9:00am (Belleville Time) following the date of such mailing. The statutory declaration of the Secretary or the President that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the directors are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

9.11 Regular Meetings:

The Board may appoint one or more days in each year for regular meetings of the Board at a place and time named; no further notice of the regular meetings need be given. The Board shall hold a meeting within seven (7) days following the Annual Meeting of the Association for the purpose of the election and appointment of officers and the transaction of any other business that may properly come before such meeting.

9.12 Voting:

Questions arising at any meeting of the Board shall be decided by a majority vote. In the case of an equality of votes on any question at a meeting of the Board, the Chairman of the meeting shall not be entitled to a second or casting vote. At all the meetings of the Board, every question shall be decided by a show of hands unless a poll on the question is required by the Chairman or requested by any director. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes of the meeting is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

9.13 Attendance:

Any director who fails without acceptable excuse to attend three consecutive meetings of the Board to which that director was given proper notice, shall be deemed to have resigned and may be replaced at a subsequent meeting of the Board in the manner prescribed by section 9.06 hereof.

9.14 Remuneration of Directors:

The directors of the Association shall serve without remuneration.

9.15 Expenses:

A director shall be paid reasonable expenses incurred by him/her in the performance of his/her duties in accordance with the Association's policy as amended from time to time.

9.16 Interest of Directors in Contract:

No director shall be disqualified by his/her office from contracting with the Association, nor shall any contract or arrangement entered into by or on behalf of the Association with any director or any firm or corporation in which any director is in any way interested be avoided, nor shall any director so contracting, or being so interested, be liable to account to the Association for any profit realized by any such contract or arrangement by reason of such director holding such office or of the fiduciary relationship thereby established, provided that the provisions of section 9.17 hereof are complied with.

9.17 Declaration of Interest:

It shall be the duty of every director of the Association who is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Association to declare such interest and to refrain from voting in respect thereof.

9.18 Indemnities to Directors:

Every director and officer of the Association and his/her heirs, executors and administrators, and estate and effects, respectively, shall from time to time and at all times, be indemnified and saved harmless, out of the funds of the Association, from and against:

- (a) all costs, charges and expenses whatsoever which the director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or persecuted against him/her

for or in respect of any act, deed, matter or thing whatsoever made, done or permitted by him/her or in or about the execution of the duties of his/her office; and

- (b) all other costs, charges and expenses which he/she sustains or incurs in or about or in relation to the affairs thereof, except the costs, charges or expenses occasioned by his/her own willful neglect or default.

9.19 Protection of Directors and Officers:

No directors or officers of the Association shall be liable for the acts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for an loss, damage or expense happening to the Association through the insufficiency or deficiency of title to any property acquired by the Association or for or on behalf of the Association or for the insufficiency of any security in or upon which any of the money of or belonging to the Association shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his/her respective office or trust or in relation thereto unless the same shall happen by or through his/her own wrongful and willful act or through his/her own wrongful and willful neglect or default.

9.20 Insurance:

The Association shall purchase and maintain such insurance for the benefit of its directors and officers, as the Board may from time to time determine.

9.21 Others Present:

Such others as the Board may from time to time by resolution determine, shall be entitled, in the same manner and to the same extent as a director, to notice of, and personally or by his/her delegate to attend and to speak at meetings of the Board, but shall not be entitled to vote thereat.

## ARTICLE 10.0 OFFICERS

10.01 Officers:

There shall be a President, Vice-President, a Secretary and a Treasurer, or in lieu of a Secretary and a Treasurer, a Secretary-Treasurer and such other officers as the Board may determine by By-Law from time to time. One person may hold more than one office except for the offices of President and Vice-President. The President and Vice-President shall be elected, for a term of one (1) year, by the Board from among their number at the first meeting of the newly constituted board in each year.

10.02 President:

The President shall, when present, preside at all meetings of the Association, the Board, and the Executive Committee, and shall exercise such powers and perform such other duties as are generally incidental to the office of the President of the Association, or are vested in or required of the President by the Board, including and without limiting the generality of the foregoing, the general management and supervision of the affairs and operations of the Association.

10.03 Vice-President:

The Vice-President shall, in the absence or disability of the President, exercise all the duties and powers vested in the President. In the absence of the President and Vice-President, any director, as the Board may from time to time appoint for the purpose, shall exercise the aforementioned duties.

10.04 Secretary:

The Secretary or a designate shall attend all meetings of the directors, Members and Committees of the Board and shall enter or cause to be entered in books kept for that purpose, minutes of all proceedings at such meetings; he/she shall give, or cause to be given, when instructed, notices required to be given to Members, directors, Auditors and members of the Committees; he/she shall be custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Association and of all books, paper records, documents and other instruments belonging to the Association; and he/she shall perform such other duties as may from time to time be prescribed by the Board.

10.05 Treasurer:

The Treasurer, or person performing the usual duties of a Treasurer, shall keep, or cause to be kept proper accounting records as required by the Act; he/she shall deposit or cause to be deposited all monies received by the Association in the Association's bank account; he/she shall, under the direction of the Board, supervise the safekeeping of securities and the disbursement of the funds of the Association; he/she shall render to the Board, whenever required, an account of all his/her transactions as Treasurer and of the financial position of the Association; and he/she shall perform such other duties as may from time to time be prescribed by the Board.

10.06 Duties of Other Officers:

The duties of all other officers of the Association shall be such as the terms of their engagement call for or the Board requires of them.

**ARTICLE 11.00  
COMMITTEES**

11.01 Executive Committee:

There shall be an Executive Committee of the Board which shall consist of the President, Vice-President and two directors, from the newly constituted Board in each year, appointed by the President and such other person or persons as the Board may from time to time appoint. The Executive Committee shall have such powers of the Board as may, from time to time be delegated to it by the Board. The Executive Committee shall report all its acts and proceedings from time to time, to the next meeting of the Board of confirmation. Meetings of the Executive Committee may be held at any place within or outside Ontario, as designated in the notice calling the meeting. The Executive Committee shall meet at the call of the President or any two (2) members of the Executive Committee. A quorum of the Executive Committee shall consist of not less than a majority of the members of the Executive Committee.

11.02 Other Committees:

There shall be, as deemed necessary by the Board, other Committees established to accomplish the business of the Association, consisting of such directors as may be appointed by the President. The said Committees shall have such powers of the Board as may, from time to time, be delegated to it by the Board. Each Committee shall report all their acts and proceedings from time to time to the next meeting of the Board for confirmation. A quorum of any Committee shall consist of not less than a majority of the members of such Committee which may include the President.

11.03 Notice of Committee Meetings:

Subject to the provisions of section 11.04 hereof, notice of Committee meetings shall be delivered, mailed, sent by facsimile transmission or telephoned to each member of the Committee not less than forty-eight (48) hours before the meeting is to take place. The time of receipt of such notice shall be deemed to be the time of delivery of such notice if served personally, sent by facsimile transmission or telephoned, or if mailed as aforesaid, the third (3<sup>rd</sup>) day of business at 9:00am (Belleville Time) following the date of such

mailing. The statutory declaration of the Secretary or the President that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all the members of the Committee are present or if those absent have signified their consent to the meeting being held without notice and are in their absence.

11.04 Regular Meetings:

Any Committee may appoint one or more days in each year for regular meetings of such Committee at a place and time named; no further notice of the regular meetings need be given.

**ARTICLE 12.00  
EXECUTION OF DOCUMENTS**

12.01 Execution of Documents:

Documents requiring execution by the Association may be signed by the Secretary together with one of the President, Vice-President, or any other director. All documents so signed are binding upon the Association without any further authorization or formality. The Board may from time to time appoint any officer or officers or any person or persons on behalf of the Association, either to sign documents generally or to sign specific documents. The corporate seal of the Association shall, when required, be affixed to documents executed in accordance with the foregoing.

12.02 Books & Records:

The Board shall see that all necessary books and records of the Association required by the By-Laws of the Association or by any applicable statute are regularly and property kept.

**ARTICLE 13.00  
BANKING ARRANGEMENTS**

13.01 Bank Accounts:

The bank account or accounts of the Association shall be kept in such bank, banks, trust company or any other financial institution (hereinafter referred to as "Financial Institution") as the Board may from time to time determine. The Treasurer together with one of the President, Vice-President or any other director shall have the authority and power to:

- (a) operate the Association's accounts with such Financial Institution;
- (b) make, sign, draw, accept, endorse, negotiate, lodge, deposit or transfer any of the cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money;
- (c) issue receipts for and orders relating to any property of the Association;
- (d) execute any agreement relating to any banking business and defining the rights and powers of the parties hereto; and
- (e) authorize any officer of the Financial Institution to do any act or thing on the Association's behalf to facilitate the banking business.

In the absence or inability of any of the officers above named, such signatures or endorsements may be made by such other officers and/or directors of the Association as the Board may from time to time by resolution designate.

**ARTICLE 14.00  
BORROWING BY THE ASSOCIATION**

14.01 Borrowing By The Association:

The Board may from time to time, in such amounts and on such terms as it deems expedient:

- (a) borrow money on the credit of the Association;
- (b) issue, sell or pledge securities of the Association;

- (c) charge, mortgage, hypothecate or pledge all or any of the real or personal property of the Association, including book debts, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Association.

**ARTICLE 15.00  
FINANCIAL YEAR**

15.01 Financial Year:

The financial year of the Association shall terminate on the 30th<sup>+</sup> day of November of each year or on such other date as the Board may from time to time by resolution determine.

**ARTICLE 16.00  
AUDITORS**

16.01 Auditors:

The Members shall at each Annual Meeting appoint an Auditor to audit the accounts of the Association and to hold office until the next Annual Meeting, provided that the directors may fill any casual vacancy in the office of Auditor. The remuneration of the Auditor shall be fixed by the Board.

**ARTICLE 17.00  
NOTICE**

17.01 Computation of Time:

In computing the date when notice must be given under any provision of the By-Laws requiring a specified number of days' notice of any meeting or event, the date of giving the notice is, unless otherwise provided, included.

17.02 Omissions & Errors:

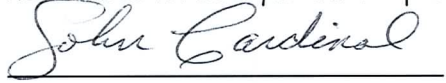
The accidental omission to give notice of any meeting of the Board or Members or the non-receipt of any notice by any director or Member or by the Auditor of the Association or any error in any notice not affecting its substance does not invalidate any resolution passed or any proceedings taken at the meeting. Any director, Member or the Auditor of the Association may at any time waive notice of any meeting and may ratify and approve any or all proceedings taken thereat.

ARTICLE 18.00  
BY-LAWS AND AMENDMENTS, ETC.

18.01 Enactment:

By-Laws of the Association may be enacted, repealed, amended, altered, added to or re-enacted in the manner contemplated in, and subject to the provisions of, the Act.

Updated as By-Law Number 1 by the directors of the Association at a Meeting duly called and regularly held and at which a quorum was present on the 25<sup>th</sup> day of October, 2012.



John Cardinal - President



Carolyn Fretz - Vice President



Patricia Gilmour - Treasurer



Amber Darling - Secretary



Rick May - Director



Dennis Tripp - Director



Patty Kellar - Director

## SCHEDULE "A" DESCRIPTIONS

For the purpose of this Agreement, the following legal descriptions are included in the definitions of:

### KENRON ESTATES

Part of Lot 15, Concession 1, and Parts of Lots 15 and 16, in the Broken Front Concession, of the Township of Sidney, in the County of Hastings more particularly described as follows:

Firstly: Parts 1, 2, 3, 4, 5 and 6 on Plan 21R-14822 together with a right in the nature of an easement over Part 2 on Plan 21R-11904 for the purposes set out in Instrument Number 407659, subject to a right in the nature of an easement in favour of the Bell Telephone Company of Canada over Part 4 on Plan 21R-14822 for the purposes set out in Instrument Number P-9664 and P-9665 subject to an easement in favour of Bell Canada over Part 1 on Plan 21R-10021 for the purposes set out in Instrument Number 391744; and

Secondly: Part 1 and 2 on Plan 21R-14832 together with a right in nature of an easement over Part 3 on Plan 21R-1478 for the purposes set out in Instrument Number 296441, subject to a right in the nature of an easement in favour of The Municipal Corporation of the Township of Sidney over Part 1 on Plan 21R-4277 for the purposes set out in Instrument Number 272505.

### Common Areas:

Parts 3, 4, 5 and 6 on Plan 21R14822.

Parts 18, 154, 155, 156, 157, 158, 159, 160, 161, 162 and 163 on Plan 21R-14823.

Parts 5, 88, 89, 90, 91, 92, 93, 94, 95, 96 and 97 on Plan 21R-14824.

Parts 102, 105, 106, 107, 108, 109, 110, 111, 112, 113 and 114 on Plan 21R-14828.

Parts 33, 64, 65, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89 and 90 on Plan 21R-14828.

Parts 2, 27 and 38 on Plan 21R-14831.

Parts 1 & 2 on Plan 21R-14832.

### Mobile Home Sites:

Firstly: Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152 and 153 on Plan 21R-14823.

Secondly: Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86 and 87 on Plan 21R-14824.

Thirdly: Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103 and 104 on Plan 21R-14825.



Fourthly: Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76 and 77 on Plan 21R-14828.

Fifthly: Parts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 and 37 on Plan 21R-14831.

**SCHEDULE "B"**  
**COMMON EXPENSES**

- (a) All expenses of the Association incurred by it in the performance of its objects and duties whether such objects and duties are imposed under the provisions of The Corporation's Act, R.S.O. 1980, c. 95, as amended, contracts entered into by the Association or its by-laws, resolutions, rules and regulations;
- (b) All sums of money payable by or on behalf of the Association for the obtaining and maintenance of any insurance coverage required under the Exclusive Tenancy Agreements;
- (c) All sums of money payable for the Management and Maintenance Services;
- (d) All sums of money required by the Association for the acquisition, repair, maintenance or replacement of personal property situate on the Common Areas and acquired for the general use and enjoyment of the Members;
- (e) All sums of money paid or payable directly by the Association for legal, engineering, accounting, auditing, appraising, maintenance, managerial and secretarial advice and services required by the Association in the performance of its objects and duties;
- (f) All sums of money paid or payable by the Association to any and all persons, firms or companies engaged or retained by it, its duly authorized agents, servants and employees for the purpose of performing any or all of the duties of the Association;
- (g) All sums of money assessed by the Association as contributions for the reserve fund to be used for the major repair and replacement of the Common Areas and assets of the Association;
- (h) All sums of money paid by the Association for additions, alterations and improvements to the Common Areas or other assets of the Association to the extent that such sums are not included in amounts payable for Management and Maintenance Services;
- (i) All sums of money payable on account of realty taxes (including local improvement charges) levied against the Common Areas or the Mobile Home Sites until such time as taxes are levied against individual Mobile Home Sites, except to the extent that such taxes may be collected under the Lease Agreements and Exclusive Tenancy Agreements;
- (j) The cost of any borrowing of money to carry out the objects and duties of the Association;
- (k) The cost of obtaining and maintaining any fidelity bonds that may be required under the By-Laws of the Association.