

Sonoma Pines Homeowners Management Ltd.
SPECIAL GENERAL MEETING by Restricted Proxy
Sonoma Pines Clubhouse, West Kelowna, BC
January 28, 2021 @ 11:00AM

MINUTES

Present: Malcolm Metcalfe, Dave Reid, Lloyd Searcy, Gary Sears,
Charlie Milazzo, Ex-Officio
Absent: Terry Cross, Tom McEwan, Murray Reiter,
Bob Bassett, Ex-Officio

The meeting was conducted by restricted proxy due to COVID-19 health restrictions for public gatherings.

1. Certify Restricted Proxies and establish a quorum.

There were 492 plus 9 spoiled restricted proxies issued. On Wednesday January 27, 2021 at 9:00 a.m. SPHM residents Deborah Cook, Susan Hutton and Sheila Cole counted the proxies in the presence of the present SPHM Board members. Also present was Katelyn Peters representing Coldwell Banker Property Management Ltd who certified the results of the vote.

2. Call the meeting to order.

Meeting called to Order at 11:05 AM

3. Confirm that the Chairperson, Vice-Chair or individual elected from the floor will chair the meeting.

Lloyd Searcy, Vice-Chair, chaired the meeting.

4. Present proof of Meeting Notice.

Notice of meeting was issued by email and posted on or before January 7, 2021. The SGM package was sent to residents by email on January 7, 2021

5. Approval of the Agenda

The proxies have granted Lloyd Searcy the authority to approve the agenda.
Motion carried by majority vote.

6. Approval of the Minutes from the last Special General Meeting

The proxies have granted Lloyd Searcy the authority to approve the Minutes of the July 30, 2020 Special General Meeting. Motion carried by majority vote.

7. Unfinished Business

There was no unfinished business.

8. New Business:

Entrance Gate:

Special Resolution SGM 2021– C

BE IT RESOLVED by a 2/3 vote of the shareholders of SPHM Ltd. that due to concerns related to safety and security, the shareholders direct the Corporation to:

1. Install electronic gates at the Carrington Road entrance to Sonoma Pines at an estimated cost of Forty-five Thousand Dollars (\$45,000) plus applicable taxes; and
2. Designate the lower gates as the Main Entrance to Sonoma Pines and;
3. Upgrade the software functionality of the lower gates to the Community with the software and related costs estimated at Seventy-five Hundred Dollars (\$7,500) plus taxes to be funded from the Common Operating Fund; and
4. To revise the allocations, as required, within the Common Operating Fund to fund this installation while staying within the total Operating Budget for Sonoma Pines approved at the Special General Meeting on July 31, 2020; and
5. If necessary, to borrow any shortfall required for this installation from the Multifamily Operating Fund to be repaid from the Common Operating Budget in 2021/2022.

Proxy instructions & votes: 454 Approved, 38 Opposed. 91.1% Carried.

Lower RV Lot:

Three Quarter Vote Special Resolution SGM 2021 – D

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that the Board be directed to purchase the lower RV lot from the Rykon Group in an amount not to exceed of Two Hundred and Sixty- two Thousand Five Hundred Dollars (\$262,500) including the GST and to undertake site improvements to the lower RV lot to increase the number of rental stalls at an additional cost of Ten Thousand Dollars (\$10,000) with the total cost funded from the Common Contingency Reserve Fund.

Proxy instructions & votes: 436 Approved, 56 Opposed. 88.6% Carried.

Articles of Incorporation Amendments:

a) Three Quarter Vote Special Resolution SGM 2021- E

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that Articles 1, 10, 11, 12 and 27 of the Articles of Incorporation for Sonoma Pines Homeowners Management Ltd. be revised and amended as attached in Appendix A.

Proxy instructions & votes 446 Approved, 24 Opposed. 94.9% Carried



b) Three Quarter Vote Special Resolution SGM 2021- F

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that Schedule E (Bylaws) be revised and amended as attached in Appendix B.

Proxy instructions & votes 443 Approved, 47 Opposed 90.4% Carried

9. Adjournment:

Meeting adjourned at 11:12 a.m.

Recorded by Sheila Cole, SPHM Administrator

Date Approved: _____ **Name:** _____ **Initials:** _____



January 7, 2021

Dear Shareholder:

Your Board has called a Special General Meeting for 11:00 on Thursday, January 28, 2021 to address a number of urgent issues. Due to Covid-19 restrictions this meeting will be held by Restricted Proxy and attendance to the meeting will be restricted to the Board and two observers.

In advance of this Special General Meeting the Board held a series of information sessions on Thursday, December 17th and on Friday, December 18th to allow our homeowners to ask any questions or make any suggestions regarding the items scheduled for the Special General Meeting.

Please note that there is a change in the voting procedure from past meetings. Rather than have each home submit two separate proxies, we have combined the proxy votes on a single document. **Each address is allowed to submit two votes which are provided on the single proxy form.** Duplicate proxies will be disregarded.

The issues that need to be addressed are as follows:

Installation of Electronic Gates on the Carrington Road Entrance

a) Special Majority Vote Resolution SGM 2021– C

BE IT RESOLVED by a 2/3 vote of the shareholders of SPHM Ltd. that due to concerns related to safety and security, the shareholders direct the Corporation to:

- 1) *Install electronic gates at the Carrington Road entrance to Sonoma Pines at an estimated cost of Forty-five Thousand Dollars (\$45,000) plus applicable taxes;*
- 2) *Designate the lower gates as the Main Entrance to Sonoma Pines and;*
- 3) *Upgrade the software functionality of the lower gates to the Community with the software and related costs estimated at Seventy-five Hundred Dollars (\$7,500) plus taxes to be funded from the Common Operating Fund.*
- 4) *To revise the allocations, as required, within the Common Operating Fund to fund this installation while staying within the total Operating Budget for Sonoma Pines approved at the Special General Meeting on July 31, 2020;*
- 5) *If necessary, to borrow any shortfall required for this installation from the Multifamily Operating Fund to be repaid from the Common Operating Budget in 2021/2022;*

Over the past several years there has been considerable discussion regarding options for the Carrington Road Entrance due to increased concerns respecting the security and safety of our community. With the Broadstreet Development at the Carrington Road entrance, homeowners have become concerned about the potential impact of that development on Sonoma Pines.

In response to these concerns, your Board requested quotes from several companies for the installation of the gates. While the cost of the gates themselves are approximately \$20,000, there is some variance for the motors and controls available. Based upon the information that the Board has received, the estimated cost for the gates on Carrington are estimated to be \$45,000 plus applicable taxes. We estimate that the lower gates will require an upgrade in the \$7,500 range as well plus applicable taxes.

In October and November the Board requested feedback from our shareholders regarding the gate proposal. We received a total of 271 responses, with 83.5% indicating a desire to have the gates installed. The vast majority of that 83.5% also felt that they are concerned about security in the community and want the gates installed immediately.

What is proposed for the gates in our community is the following:

- The gates at Carrington Road will be closed 24 hours per day
- The gates on Carrington Road will be operated from your existing garage door opener or your cell phone
- A visitor approaching the front gate will dial your house code on the intercom at the gate and the intercom will call one of the telephone numbers that you have provided
- When your telephone rings, you will be able to open the gate from anywhere in the world simply by pressing a single digit on the telephone
- The Carrington Road exit gate will not open upon approach and will require you to use your garage door opener to exit the community, this will prevent or reduce through traffic from the lower gate
- The Main Entrance to our community will now be at the lower gates on Boucherie Road
- The controls on the lower gates will be upgraded to include an intercom which has the same functionality as the Carrington Road entrance
- The lower gates will remain open from 7AM to 6PM
- The lower gates will be fitted with a device that opens the exit gate automatically upon approach so guests can leave after hours without your assistance

The Board forecasts that there will be a surplus in the Common Operating Budget that will pay for a significant portion of the cost of this project. Any funding shortfall will be covered from a loan from the Multifamily Operating Budget and would be repaid in 2021/2022.

The Board anticipates, that if a fee increase is required to cover the cost of the gates next year, it will be approximately fifty dollars per owner or four dollars per month on your homeowner's fees for 2021/2022 only.

If this resolution is passed, the Board's goal would be to have the gates installed and operational by the end of March 2021.

Acquisition of the Lower RV Lot

b) Three Quarter Vote Resolution SGM 2021 – D

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that the Board be directed to purchase the lower RV lot from the Rykon Group in an amount not to exceed of Two Hundred and Sixty-two Thousand Five Hundred Dollars (\$262,500) including the GST and to undertake site improvements to the lower RV lot to increase the number of rental stalls at an additional cost of Ten Thousand Dollars (\$10,000) with the total cost funded from the Common Contingency Reserve Fund.

The Board has been presented with an investment opportunity from Rykon respecting the lower RV lot.

The Rykon Group has advised that it wishes to end its involvement in the lower RV lot. They have offered the lot to the shareholders of Sonoma Pines for \$250,000 plus the Goods and Services Tax.

The lower RV lot is actually two buildable lots upon which two side by side duplex homes could be constructed. Rykon has placed the value of those lots at \$348,000 based upon a value of \$87,000 for each of the four sites (two per lot).

The Board has made a conditional offer to Rykon for \$250,000 plus the GST which is approximately \$100,000 below the market value of the land.

In the event that Sonoma Pines does not purchase the property, Rykon has indicated their intention to build on those lots.

The current gross revenue from the RV rentals on this property is \$23,790. The Board has determined that with \$10,000 of site improvements, that the number of RV stalls on the property can be increased from twenty-five to thirty, increasing the gross revenue from \$23,790 to \$29,190 annually at the current rates. Taxes on the property are \$1,400 per year and there has been little or no maintenance required.

Rykon has agreed to a purchase price of \$250,000 plus the GST and the required site improvements will bring the total cost of the project to \$272,500 inclusive of all taxes. The Board has requested that the funding for this purchase come from a loan from the Common Contingency Reserve Fund which will be repaid from 100% of the net revenue from the RV rentals.

To put it plainly, those homeowners that rent stalls in the lower RV lot will pay the total cost of acquiring the land over the next 10 years at the end of which, the shareholders in Sonoma Pines Homeowners Management Ltd. will own an asset valued at more than \$250,000. No homeowner's fees will go towards the purchase of this property.

The rental fees from the lower RV lot will pay for the lot purchase in its entirety.

Based upon current rates, it is forecasted that the loan will be repaid in 10 years.

**Lower RV Lot Repayment
Schedule**

<i>Year¹</i>	<i>Balance Brought Forward</i>	<i>Annual Repayment²</i>	<i>Outstanding Balance</i>
2021	\$272,500.00	\$23,150.00	\$249,350.00
2022	\$249,350.00	\$27,790.00	\$221,560.00
2023	\$221,560.00	\$27,790.00	\$193,770.00
2024	\$193,770.00	\$27,790.00	\$165,980.00
2025	\$165,980.00	\$27,790.00	\$138,190.00
2026	\$138,190.00	\$27,790.00	\$110,400.00
2027	\$110,400.00	\$27,790.00	\$82,610.00
2028	\$82,610.00	\$27,790.00	\$54,820.00
2029	\$54,820.00	\$27,790.00	\$27,030.00
2030	\$27,030.00	\$27,790.00	-\$760.00

Note 1:
Repayment will commence in March of 2021 with the final payment in March of 2030

Note 2:
This repayment schedule is based upon net projected 2021 income of \$27,790 after taxes of \$1,400 per year

Conservative Rate of Return is 80%

The Finance Committee has been investing the funds from the Common Contingency Reserve Fund in investments such as CDs (Certificates of Deposits) as required under our Articles and the Strata Property Act. The current returns on CD investments is less than 1% and the Finance Committee does not anticipate that these rates will improve in the foreseeable future. The anticipated return over the next ten years is expected to be under 15%.

**Projected
Interest**

<i>Year¹</i>	<i>Balance Brought Forward</i>	<i>Projected Interest Rate</i>	<i>Annual Interest²</i>	<i>Balance</i>
2021	\$272,500.00	1.10%	\$2,997.50	\$275,497.50
2022	\$275,497.50	1.10%	\$3,030.47	\$278,527.97
2023	\$278,527.97	1.25%	\$3,481.60	\$282,009.57
2024	\$282,009.57	1.50%	\$4,230.14	\$286,239.72
2025	\$286,239.72	1.50%	\$4,293.60	\$290,533.31
2026	\$290,533.31	1.75%	\$5,084.33	\$295,617.64
2027	\$295,617.64	1.75%	\$5,173.31	\$300,790.95
2028	\$300,790.95	2.00%	\$6,015.82	\$306,806.77
2029	\$306,806.77	2.25%	\$6,903.15	\$313,709.92
2030	\$313,709.92	2.50%	\$7,842.75	\$321,552.67

Optimistic Rate of Return on Investment is \$49,052.67 or 18%

The repayment of the \$272,500 loan from the Common CRF will produce a return on investment in excess of 80% over ten years (calculated using today's value of the property) with no further investment required by the shareholders.

At the end of the repayment period, the Company will own real property valued at more than \$250,000 which it can continue to rent out as an RV lot or consider it for other purposes. Assuming that the property continues as an RV lot, it will produce a revenue stream in excess of \$28,000 annually in today's dollars.

The Board believes that this is an excellent investment and believes that is our last opportunity to buy this property and, therefore, recommends its purchase.

Amendment of the Articles of Incorporation

c) Three Quarter Vote Resolution SGM 2021- E

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that Articles 1, 10, 11, 12 and 27 of the Articles of Incorporation for Sonoma Pines Homeowners Management Ltd. be revised and amended as attached in Appendix A.

Over the past number of years, the Board has relied upon the Articles of Incorporation as well as the Strata Property Act for guidance in the management of our community. This has lead to some confusion since the Strata Property Act does not apply on First Nation Land and Sonoma Pines does not have a strata number. To clarify responsibilities your Board is proposing that the Articles

of Incorporation (and Schedule E) be revised to incorporate those sections of the Strata Property Act that have relevance to us.

In a nutshell the changes that are proposed in Articles 10 and 12 relate to the ability to vote by restricted proxy and to hold electronic meetings in the event that Covid-19 continues or we are faced with another similar concern.

The change proposed in Article 11.3 increases the requirement for a quorum from 5% of the shareholders to 10% or 99 votes.

The most significant changes are to Article 27 of the document. Some of the proposed changes relate to strengthening and clarifying financial management while others incorporate the exact wording from the Strata Property Act. The Article respecting implied easements is a good example.

With these changes the Company will no longer look to guidance from the Strata Property Act but will be managed only upon those directives contained in the Articles of Incorporation.

Your Board feels that these changes represent a very positive step forward in the governance of our community.

Amendments to Schedule E

d) Three Quarter Vote Resolution SGM 2021- F

Be it RESOLVED by a $\frac{3}{4}$ vote of the shareholders that Schedule E (Bylaws) be revised and amended as attached in Appendix B.

As part of clarifying roles and responsibilities in our community, your Board has prepared amendments to Schedule E (Bylaws) that support the revisions to the Articles of Incorporation. Together these changes will dramatically strengthen governance in our community.

Some highlights of these changes include:

- A requirement that all owners maintain their property. The most significant change in the bylaw is that single family homeowners will be required to maintain the exterior of their home to community standards. The Company will continue to maintain the exterior of the multifamily homes.
- There is a new bylaw dealing with dangerous animals on the property as well as the keeping of snakes.
- There is a new bylaw respecting appropriate behaviour in our community.
- There is a new bylaw defining the personal use space of each owner.
- There is a change to 60 days in the rental restriction Bylaw. This bylaw was changed several years ago based on legal advice that the provincial Landlord and Tenant Act

applied to Sonoma Pines, which it does not since we are on Westbank First Nation land. WFN laws allow for us to restrict short term rentals to 60 days or more. There are also stronger bylaws respecting the renting of property within our community.

- Fines have been changed from a maximum of \$200 to a maximum of \$500.
- There is a new Bylaw that allows the Board to hold restricted proxy meetings under exceptional circumstances such as the Covid-19 restrictions.
- The amendments incorporate the Video Security Monitoring Bylaw that the Board passed at its November meeting.
- There is clarification regarding insurance requirements.
- Lastly, the Rules respecting Alteration and Landscaping Requests will be incorporated into Schedule E.

Your support and co-operation in passing these important Resolutions would be greatly appreciated.

The proposed revisions to the Articles of Incorporation and Schedule E are attached to the SGM Agenda as Appendices A and B.

Sincerely,

SPHM Ltd Board

SONOMA PINES HOMEOWNERS MANAGEMENT LTD.
(the "Company")
ARTICLES

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SONOMA PINES HOMEOWNERS MANAGEMENT LTD.

(the "Company")

Incorporation No. BC0710228

ARTICLES

The Company has as its articles the following articles:

1. INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (a) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;
- (b) "*Business Corporations Act*" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (c) "legal personal representative" means the personal or other legal representative of the shareholder;
- (d) "registered address" of a shareholder means the shareholder's address as recorded in the central securities register;
- (e) "seal" means the seal of the Company, if any;
- (f) Sonoma Pines Homeowners Management Ltd. is a non-profit company responsible for the management of a residential development. *New 2021*

1.2 *Business Corporations Act and Interpretation Act Definitions Applicable*

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgement

Each shareholder is entitled, without charge, to:

- (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name, or
- (b) a non-transferable written acknowledgement of the shareholder's right to obtain such a share certificate;

provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgement of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgement, as the case may be, and on such other terms, if any, as they think fit:

- (a) order the share certificate or acknowledgement, as the case may be, to be cancelled; and
- (b) issue a replacement share certificate or acknowledgement, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement

If a share certificate or a non-transferable written acknowledgement of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (a) proof satisfactory to them that the share certificate or acknowledgement is lost, stolen or destroyed; and
- (b) any indemnity the directors consider adequate.

2.7 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, and upon payment of the Certificate Fee, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.9 Recognition of Trusts

Except as required by law or statute or these Articles, no person may compel the Company to recognize such person as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

3. ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (a) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (i) past services performed for the Company;
 - (ii) property;
 - (iii) money; and
- (b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

3.6 Allotting Shares

Unless the members decide by ordinary resolution to waive this clause for the Company, before allotting any shares the directors shall first offer those shares pro rata to the members; but if there are classes of shares, the directors shall first offer the shares to be allotted pro rata to the members holding shares of the class proposed to be allotted, and if any shares remain, the directors shall then offer the remaining shares pro rata to the other members. The offer shall be made by notice specifying the number of shares offered and limiting a time for acceptance. After the expiration of the time for acceptance or on receipt of written confirmation from the person to whom the offer is made that he declines to accept the offer, and if there are no other members holding shares who should first receive an offer, the directors may for three months thereafter offer the shares to such persons and in such manner as they think most beneficial to the Company; but the offer to those persons shall not be at a price less than or on terms more favourable than the offer to the members.

4. SHARE REGISTERS

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series

of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

5. SHARE TRANSFERS

5.1 Registering Transfers

A transfer of a share of the Company must not be registered unless:

- (a) a duly signed instrument of transfer in respect of the share has been received by the Company;
- (b) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate has been surrendered to the Company; and
- (c) if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgement has been surrendered to the Company.

5.2 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

5.3 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 Signing of Instrument of Transfer

If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgements deposited with the instrument of transfer:

- (a) in the name of the person named as transferee in that instrument of transfer; or

- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgement of a right to obtain a share certificate for such shares.

5.6 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative

The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company.

7. PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares

Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase When Insolvent

The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that;

- (a) the Company is insolvent; or
- (b) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (a) is not entitled to vote the share at a meeting of its shareholders;
- (b) must not pay a dividend in respect of the share; and
- (c) must not make any other distribution in respect of the share.

8. BORROWING POWERS

The Company, if authorized by the directors, may:

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (d) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by special resolution:

- (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum

number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

- (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (d) if the Company is authorized to issue shares of a class of shares with par value:
 - (i) decrease the par value of those shares; or
 - (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (t) alter the identifying name of any of its shares; or
- (g) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Company may by special resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued

9.3 Change of Name

The Company may by special resolution authorize an alteration of its Notice of Articles in order to change its name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by special resolution alter these Articles.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months

after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

10.5 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.6 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned

by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 pm on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.8 Notice of Special Business at Meetings of Shareholders

- (a) If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:
- (b) state the general nature of the special business; and
- (c) if the special business includes considering, approving, ratifying, adopting, or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
- (d) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
- (e) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

10.9 Meetings May be Held Electronically *New 2021*

- (a) At the discretion of the Board of Directors, an annual General Meeting and any Special General Meeting may be held electronically, by any means which:
- (b) Is approved by the Board of Directors;
 - (i) Permits each shareholder to review the proposed agenda, and any proposed resolutions not less than 10 days prior to the date of the meeting.
 - (ii) Permits each eligible shareholder to communicate with other shareholders participating in the meeting; and
 - (iii) Permits a method, electronic or otherwise, of recording the votes of each shareholder;

10.10 Meetings May be Held by Restricted Proxy *New 2021*

At the discretion of the Board of Directors, an annual General Meeting and any Special General Meeting may be held by way of a Restricted Proxy instead of an in-person or electronic meeting, provided that:

- (a) The Board of Directors reasonably believes that an in-person or electronic meeting would not be in the best interests of the safety and security of the Shareholders;
- (b) The Board of Directors delivers to the Shareholders a Notice of Meeting in accordance with these Articles, containing:
 - (i) The Agenda for the Meeting;
 - (ii) A list of the Proposed Resolutions to be decided, and any background material the Board considers necessary for the proper determination of the Resolution.
 - (iii) The Restricted Proxy form.
 - (iv) Instructions for completing and returning the Restricted Proxy to the Board.
- (c) The Restricted Proxies must appoint a nominee appointed by the Board of Directors as the Proxyholder;
- (d) The Restricted Proxies must contain:
 - (i) The name of the Shareholder;
 - (ii) The signature of the Shareholder;
 - (iii) The address of the residential unit;
 - (iv) The Date the proxy is signed;
 - (v) A list of the resolutions for voting that require a decision and instruction.
 - (vi) A restriction on the proxy form that the votes must be counted as instructed;
 - (vii) A restriction on the proxy that it may not be used for amendments, and that it does not permit discretionary voting;
 - (viii) A requirement that the exact numbers and result of each vote will be recorded in the minutes of the meeting;
 - (ix) A requirement that the restricted proxies will be retained for a period of 2 years and may be inspected on request;
 - (x) Instructions for how a Shareholder may deliver the proxy, which may include:
 - (xi) By mail; or
 - (xii) By scanned or photographed email that may be printed and reproduced
- (e) The procedure for a Restricted Proxy Meeting shall be as follows:
 - (i) Meeting is called to order, Proof of Notice of Meeting is provided, Proxies are certified, Chairperson is appointed, and reports received.
 - (ii) Each resolution is called and proxy vote plus the in-person votes is tallied. Result is recorded.

- (iii) No amendments to proposed resolutions are permitted.
- (iv) Proxies are retained for a period of two years after the meeting date.
- (v) Shareholders, other than selected members of the Board of Directors, shall not be permitted to attend the Restricted Proxy Meeting.
- (vi) A Restricted Proxy Meeting shall be attended only by the minimum number of Board Members required to carry out the meeting.
- (vii) The minutes of a Restricted Proxy Meeting shall be provided to the shareholders in accordance with these Articles.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
 - (i) business relating to the conduct of or voting at the meeting;
 - (ii) consideration of any financial statements of the Company presented to the meeting;
 - (iii) consideration of any reports of the directors or auditor;
 - (iv) the setting or changing of the number of directors;
 - (v) the election or appointment of directors;
 - (vi) the appointment of an auditor;
 - (vii) the setting of the remuneration of an auditor;
 - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
 - (ix) any other business which under these Articles or the *Business Corporations Act*. may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum Amended 2021

Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 10% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend

The directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(b) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any; or
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so, directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution

is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.3 conclusive evidence without proof of the number or proportion of the votes in favour or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
 - (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 Demand for Poll

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three-month period, the Company may destroy such ballots and proxies.

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (b) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting, personally or by

proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 Representative of a Corporate Shareholder

If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing a representative must:
 - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
 - (ii) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of meeting;
- (b) if a representative is appointed under this Article 12.5:
 - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax, or any other method of transmitting legibly recorded messages.

12.6 Proxy Provisions Do Not Apply to All Companies

Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a

subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.9 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
- (b) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or

(b) by the chair of the meeting, before the vote is taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[Name of Company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, a proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder):

Signed: _____
(month/day/year)

(Signature of shareholder)

(Name of shareholder-printed)

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is:

- (a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) provided, at the meeting, to the chair of the meeting.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

12.16 Some Provisions Hereof Do Not Apply to a Restricted Proxy

The provisions set out in Paragraphs 12.7, 12.8, 12.10, 12.12, 12.13 (b) and 12.15 herein shall not apply to a Restricted Proxy.

13. DIRECTORS

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;
- (b) if the Company is a public company, the greater of three and the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors set under Article 14.4;
- (c) if the Company is not a public company, the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(b)(i) or 13.1(c)(i):

- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;
- (b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of

directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either :in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and

- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment

14.2 Consent to be a Director

No election, appointment, or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (b) that individual is elected or appointed at a meeting at which the individual is present, and the individual does not refuse, at the meeting, to be a director; or
- (c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

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14.3 Failure to Elect or Appoint Directors

If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*, or
- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (c) the date on which his or her successor is elected or appointed; and
- (d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(a), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

15. ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (a) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (b) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (c) will be counted in determining the quorum for a meeting of a committee of

directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;

- (d) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6 Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (a) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (b) the alternate director dies;
- (c) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (d) the alternate director ceases to be qualified to act as a director; or
- (e) his or her appointor revokes the appointment of the alternate director.

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

16. POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

17. DISCLOSURE OF INTEREST OF DIRECTORS

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act* the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

18. PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in

the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (a) the chair of the board, if any;
- (b) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (c) any other director chosen by the directors if:
 - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate

director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (b) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

18.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors consented to in writing by all of the directors entitled to vote on it, whether by signed document, fax, email or any other method of transmitting legibly recorded messages, is as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors duly called and held. Such resolution may be in two or more counterparts which together are deemed to constitute one resolution in writing. A resolution passed in that manner is effective on the date stated in the resolution or on the latest date stated on any counterpart. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as

valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (a) the power to fill vacancies in the board of directors;
- (b) the power to remove a director;
- (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (d) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:
 - (i) the power to fill vacancies in the board of directors;
 - (ii) the power to remove a director;
 - (iii) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (iv) the power to appoint or remove officers appointed by the directors; and
- (c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (a) conform to any rules that may from time to time be imposed on it by the directors;

and

- (b) report every act or thing done in exercise of those powers at such times as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (a) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (b) terminate the appointment of, or change the membership of, the committee; and
- (c) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (a) the committee may meet and adjourn as it thinks proper;
- (b) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (c) a majority of the members of the committee constitutes a quorum of the committee; and
- (d.) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. OFFICERS

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (a) determine the functions and duties of the officer;

- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) revoke, withdraw, alter, or vary all or any of the functions, duties, and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

21. INDEMNIFICATION

21.1 Definitions

In this Article 21:

- (a) "eligible penalty" means a judgement, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (b) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending, or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:
 - (i) is or may be joined as a party;
 - (ii) is or may be liable for or in respect of a judgement, penalty or fine in, or expenses related to, the proceeding;
 - (iii) unless in the proceeding the director shall have been found guilty of fraud, gross negligence, or breach of his fiduciary duty to the Company;
- (c) "expenses" has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Directors and Former Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director, or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be

liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Indemnification of Other Persons

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

21.4 Non-Compliance with *Business Corporations Act*

The failure of a director, alternate director, or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (a) is or was a director, alternate director, officer, employee or agent of the Company;
- (b) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (c) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;
- (d) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

22. DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

The provisions of this Article 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (a) set the value for distribution of specific assets;
- (b) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (c) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend

22.12 Payment of Dividends

Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company *as* a dividend representing the surplus or any part of the surplus.

23. DOCUMENTS, RECORDS AND REPORTS

23.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

24. NOTICES

24.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (a) mail addressed to the person at the applicable address for that person as follows:
 - (i) for a record mailed to a shareholder, the shareholder's registered address;

- (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
 - (i) for a record delivered to a shareholder, the shareholder's registered address;
 - (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
 - (iii) in any other case, the delivery address of the intended recipient;
- (c) sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (d) sending the record by email to the email address provided by the intended recipient for the sending of that record or records of that class;
- (e) physical delivery to the intended recipient.

24.2 Deemed Receipt of Mailing

A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays, and holidays excepted, following the date of mailing.

24.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
 - (i) by name, by the title of the legal personal representative of the deceased or

incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and

- (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in paragraph (a)(i) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred

25. SEAL

25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (a) any two directors;
- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by the directors.

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures, or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures, or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them

26. PROHIBITIONS

26.1 Definitions

In this Article 26:

- (a) "designated security" means:
 - (i) a voting security of the Company;
 - (ii) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
 - (iii) a security of the Company convertible, directly or indirectly, into a security described in paragraph (a) or (b);
- (b) "security" has the meaning assigned in the *Securities Act* (British Columbia);
- (c) "voting security" means a security of the Company that:
 - (i) is not a debt security, and
 - (ii) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

26.2 Application

Article 26.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

26.3 Consent Required for Transfer of Shares or Designated Securities

No share or designated security may be sold, transferred, or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

27. SPECIAL RIGHTS AND RESTRICTIONS ATTACHING TO CLASSES OF SHARES

In the event of a conflict between these special rights and restrictions and the other Articles of the Company the provisions of these special rights and restrictions shall prevail.

27.1 Class "A" Common Voting Shares

- (a) The Class "A" Common Voting Shares shall be issued only to owners of subleasehold interests in the Sonoma Pines real estate development at Vintage Hills.
- (b) Each Class "A" Common Voting Share shall be issued for \$1.00 per share.
- (c) Each subleasehold lot shall qualify for 2 Class "A" Common Voting Shares which

shall be issued to the owners of the subleasehold interest upon their entering into a Subscription Agreement and paying the subscription price of \$1.00 per share.

- (d) The Class "N" Common Voting Shares shall not be entitled to receive any dividend out of income or capital of the Company or any other distribution of the Company prior to the winding up of the Company.
- (e) Upon the winding up or dissolution of the Company any assets owned by the Company will be distributed equally among the shareholders of Class "A" Common Voting Shares in the Company.

27.2 Class "B" Common Voting Shares

- (a) The holders of Class "B" Common Voting Shares shall be entitled to 1 vote for each share held by them
- (b) The Class "B" Common Voting Shares shall not be entitled to receive any dividend out of income or capital of the Company or otherwise participate in the assets of the Company in any manner whatsoever beyond the amount of their initial paid up capital.
- (c) The Class "B" Common Voting Shares shall be issued for the price of \$0.01 per share.
- (d) The Class "B" Common Voting Shares will lose their entitlement to vote and will become redeemable at the option of the Company upon completion of all phases of the Sonoma Pines development at Vintage Hills.

27.3 Transfer of Class "N" Common Voting Shares

- (a) Notwithstanding anything to the contrary provided in these Articles an owner of a Class "A" Common Voting Share must be an owner at all times of a subleasehold interest in the Sonoma Pines development at Vintage Hills.
- (b) Upon a sale of a subleasehold interest the owner of Class "A" Common Voting Shares shall cease to be a member of the Company and the Company shall have the absolute right to repurchase the Class "A" Common Voting Shares owned by such party for the price of \$1.00 per share.
- (c) Upon assignment of a subleasehold interest to a purchaser thereof the Company will issue Class "A" Common Voting Shares to the purchaser in the manner provided herein.

27.4 Restrictions on Business

- (a) The Company shall not be permitted to carry on any business other than the management and operation of the common property and common assets of the Sonoma Pines development at Vintage Hills.
- (b) The Company's mandate is to carry on its sole business on a not-for-profit basis.

27.5 Harmonization with Strata Property Act

27.5.1 Directors

(a) Election of Directors

At each annual general meeting, the eligible voters who are present in person or by proxy at the meeting must determine the number of and must elect the directors.

- (i) If a secret ballot is required, the ballot shall only list the names of the nominees in alphabetical order as required by the BC Elections Act *New 2021*
- (ii) The Board shall appoint an impartial owner to act as the Electoral Officer who shall supervise the process for the elections of the Board and shall arrange for the production of the ballot; arrange for two deputies to count the ballots and arrange for the ballots to be retained for a period of no less than six months following any election or vote. *New 2021*
- (iii) The candidates shall not be present during the count of the ballots, but each candidate may have the count witnessed by a single scrutineer. *New 2021*

(b) Directors Exercise Powers and Perform Duties of Company.

The Directors must exercise the powers and perform the duties of the Company, including the prudent financial management of the Corporation and the enforcement of bylaws and rules.

(c) Control of Directors

- (i) The Company may direct or restrict the directors in their exercise of powers and performance of duties by a resolution passed by a majority vote at an annual or special general meeting.
- (ii) The Company may not direct or restrict the directors under subsection (a) if the direction or restriction interferes with discretion to determine, based on the facts of a particular case,
 - (A) whether a person has contravened a bylaw or rule,
 - (B) whether a person should be fined, and the amount of the fine, or
 - (C) whether a person should be denied access to a recreational facility.

(d) Eligibility for Directors

Notwithstanding section 13.4 no person shall be a director of the Company unless that person is:

- (i) a holder of Class "A" Common Voting Shares, or
- (ii) *Deleted 2021*

(e) Directors Standard of Care

In exercising the powers and performing the duties of the Company, each director must:

- (i) act honestly and in good faith with a view to the best interests of the Company; and
- (ii) exercise the care, diligence, and skill of a reasonably prudent person in comparable circumstances.

27.5.2 Operating Fund and Contingency Reserve Fund

The corporation must retain the services of a professional property manager, fully licensed under the Real Estate Services Act (RESA) of BC, to manage the Corporation's finances, including all receipts and disbursements of funds. *New 2021* To meet its expenses the Company must establish, and the owners must contribute, by means of assessment, to:

- (a) an operating fund for common expenses that usually occur either once a year or more often than once a year, and
- (b) a contingency reserve fund for common expenses that usually occur less often than once a year or that do not usually occur and *Amended 2021*
- (c) a separate contingency reserve fund for the common expenses of the multi-family development that usually occur less often than once a year or that do not usually occur which will only require a $\frac{3}{4}$ vote of the shareholders in the multifamily development for withdrawals from such fund. *New 2021*

27.5.3 Management of Contingency Reserve Fund

- (a) The Company must account for money in the contingency reserve fund separately from other money of the Company.
- (b) The Company must invest all of the money in the contingency reserve fund in one or the other or a combination of the following:
 - (i) those investments permitted by the regulations under the Strata Property Act;
 - (iii) insured accounts with savings institutions in British Columbia;
- (c) Any interest or income earned on the money in the contingency reserve fund becomes part of the fund.
- (d) Despite subsection (2), the company may lend money in the contingency reserve fund to the operating fund.

27.5.4 Restrictions on Expenditures

- (a) Expenditures from contingency reserve fund

The Company must not spend money from the common contingency reserve funds unless the expenditures is:

- (i) consistent with the purposes of the fund; and
- (ii) first approved by a resolution passed by 3/4 vote at an annual or special general meeting or authorized as an unapproved expenditure as herein provided

The Company must not spend money from the separate Multi Family contingency reserve fund unless the expenditures is:

- (i) consistent with the purposes of the fund; and
- (ii) first approved by a resolution passed by a 3/4 vote of the Multi Family shareholders at an annual or special general meeting or authorized as an unapproved expenditure as herein provided.

(b) Expenditures from operating fund

The Company must not spend money from the operating fund unless the expenditure is:

- (i) consistent with the purposes of the fund; and
- (ii) first approved by a resolution passed by a 3/4 vote at an annual or special general meeting, or authorized:
- (iii) in the budget; or
- (iv) as provided in these Articles.

(c) Unapproved expenditures

- (i) If a proposed expenditure has not been put forward for approval in the budget or at an annual or special general meeting, the Company may only make the expenditure in accordance with this section.
- (ii) Subject to subsection (c), the expenditure may be made out of the operating fund if the expenditure, together with all other unapproved expenditures, whether of the same type or not, that were made under this section in the same fiscal year, is:
 - (A) less than the amount set out in the bylaws, or
 - (B) if the bylaws are silent as to the amount, less than \$10,000 or 5% of the total contribution to the operating fund for the current year, whichever is less.
- (iii) The expenditure may be made out of the operating fund or contingency reserve 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.

- (iv) ***Repealed 2021***
- (v) The Company must inform owners as soon as feasible about any expenditure made under subsection 27.5.4 (c) (iii).

27.5.5 Assessments

- (a) Calculating Assessments
 - i) For the expenses related to, but not limited to, insuring the common property, the operation and maintenance of the common property and clubhouse and the Common Contingency Reserve Fund, all owners of subleasehold interests shall contribute an equal share based upon the total number of homes within the community (495 homes as of 2020); ***Amended 2021***
 - ii) In addition to costs related to Article 27.5.5. (a) (i) noted above the owners of a single family leasehold interest shall also contribute an equal share to the costs of the landscaping contract specific to the single family homes based upon total number of single family homes (154 in 2020); ***Amended 2021***
 - iii) In addition to costs related to Article 27.5.5. (a) (i) noted above the owners of a multifamily leasehold interest shall also contribute to the following: ***Amended 2021***
 - (A) A contribution to the the annual maintenance costs of the multifamily development as determined by the Board of Directors recognizing that the allocations to the walk-up and walk-out homes shall be fifty-five percent (55%) more than homes without a basement and;
 - (B) A contribution to the Multifamily Contingency Reserve Fund (Roof Cover Fund) based upon the total adjusted square footage for the multifamily development calculated as follows:
 - (1) Up/down homes shall have the chargeable square footage calculated at seventy (70%) percent of the first floor square footage as determined by BC Assessment;
 - (2) All other multifamily homes shall have the charegable square footage calculated at one hundred (100%) percent of the first floor square footage as determined by BC Assessment
- (b) Change to base for calculation of contributions
 - (i) The owner of Class "B" Common Voting Shares shall pay the assessment calculated as above for all subleasehold lots which have not been sold to sublessees.
 - (ii) At an annual or special general meeting held after the first annual general meeting, the Company may, by a resolution passed by a unanimous vote, agree to use one or more different formulas, other than the formulas set out

above for the calculation of a subleasehold lot's share of the contribution to the operating fund and contingency reserve fund. *Amended 2006*

- (iii) An agreement under subsection (a) may be revoked or changed by a resolution passed by a 3/4 vote at an annual or special general meeting. *Amended March 30, 2006*

(c) No return of contributions on sale of subleasehold lot.

On the assignment of a subleasehold lot, the assignor is not entitled to a return of contributions to the contingency reserve fund

27.5.6 Budget Requirements

(a) The Company must prepare a budget for the coming fiscal year for approval by a resolution to be passed by a majority vote at each annual general meeting and may contain items that are specific to the multi-family development. *Amended 2021*

- (i) The proposed budget must be distributed with the notice of the annual general meeting and must be accompanied by a financial statement.
- (ii) The proposed budget may be amended by a majority vote at the annual general meeting before the budget itself is put to a vote.

(b) Failure to approve budget

- (i) If a budget is not approved at an annual general meeting, the Company must within 30 days, or such longer period as approved by a resolution passed by a 3/4 vote at the meeting, prepare a new budget and place it before a special general meeting for approval by a resolution passed by a majority vote.
- (ii) If a fiscal year to which a budget relates ends before a new budget is approved, the owners must, until the new budget is approved, continue to pay to the Company the same monthly assessment that they were required to pay under the previous budget.
- (iii) Until a new budget is approved, the Company may spend money out of the operating fund only:
 - (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;
 - (B) up to the maximum amount set out in the previous budget for each category of expense; and
 - (C) on an emergency basis as provided for unapproved expenditure.

- (c) Budget surpluses and deficits
 - (i) Contributions to the operating fund which are not required to meet operating expenses accruing during the fiscal year to which the budget relates must be dealt with in one or more of the following ways:
 - (A) transferred into the contingency reserve fund;
 - (B) carried forward as part of the operating fund, as a surplus;
 - (C) used to reduce the total assessment to the next fiscal year's operating fund
 - (ii) If operating expenses exceed the total contribution to the operating fund, the deficit must be eliminated during the next fiscal year.

27.5.7 Special Levies *New 2021*

- (a) The Company may raise money from the owners by means of a special levy.
 - (i) The Company must calculate each owner's share of a special levy
 - (A) in accordance with Section 27.5.5.(a) of these Articles in which case the levy must be approved by a resolution passed by a 3/4 vote at an annual or special general meeting, or
 - (B) in another way that establishes a fair division of expenses for that particular levy, in which case the levy must be approved by a resolution passed by a 3/4 vote at an annual or special general meeting.
 - (ii) The resolution to approve a special levy must set out all of the following:
 - (A) the purpose of the levy;
 - (B) the total amount of the levy;
 - (C) the method used to determine each owner's share of the levy;
 - (D) the amount of each owner's share of the levy;
 - (E) the date by which the levy is to be paid or, if the levy is payable in instalments, the dates by which the instalments are to be paid.
 - (iii) The Company must
 - (A) account for the money collected separately from other money of the Company,
 - (B) invest all of the money collected in accordance with Article 27.5.3(b)
- (b) The Company may, by bylaw or by a resolution approving a special levy, establish a rate of interest, not to exceed 10% per annum, to be paid if an owner is late in paying his or her lot's share of the special levy.

- (c) The interest payable on a late payment of a special levy in accordance with a bylaw or resolution referred to in subsection (27.5.7 (a)) is not a fine, and forms part of the special levy for the purposes of this section.
- (d) If the money collected exceeds the amount required, or for any other reason is not fully used for the purpose set out in the resolution, the Company may pay to each owner of a lot the portion of the unused amount of the special levy that is proportional to the contribution made to the special levy in respect of that lot.
- (e) Despite subsection (d), if no owner is entitled to receive more than \$100 in total under subsection (d), the Company may deposit the excess in the contingency reserve fund.
- (f) In subsections (c) and (d), "money collected" means the money collected on a special levy and includes any interest or income earned on that money.
- (g) Payment of special levy when lot sold
If a special levy is approved before a lot is conveyed to a purchaser,
 - (i) the person who is the owner of the lot immediately before the date the lot is conveyed owes the Company the portion of the levy that is payable before the date the lot is conveyed, and
 - (ii) the person who is the owner of the lot immediately after the date the lot is conveyed owes the Company the portion of the levy that is payable on or after the date the lot is conveyed.

27.5.8 Multi-family Implied Easements *New 2021*

- (a) There exists an easement in favour of every residential home lot in the multi-family development and the owner of each residential home lot in the multi-family development
 - (i) for the residential home's vertical and sideways support by the common property and by every other residential home capable of providing support,
 - (ii) for the passage or provision of water, sewage, drainage, gas, oil, electricity, garbage, heating and cooling systems and other services, including telephone, radio and television, through or by means of any pipes, wires, cables, chutes, ducts or other facilities existing in the common property or another residential home to the extent those systems or services are capable of being, and intended to be, used in connection with the enjoyment of the residential home, and
 - (iii) for shelter of the residential home by every part of a building that is shown on the lot plan as part of the common property or another residential home and that is capable of providing shelter.
- (b) There exists an easement in favour of the common property and the owners of the common property
 - (i) for the common property's vertical and sideways support by every residential home capable of providing support,

- (ii) for the passage or provision of the services and facilities described in subsection 27.5.8 (a) (ii) existing in a residential home to the extent those systems or services are capable of being, and intended to be, used in connection with the enjoyment of the common property, and
 - (iii) for shelter of the common property by every part of a building that is shown on the lot plan as part of a residential home and that is capable of providing shelter.
- (c) There exists a mutual easement over and in favour of all adjacent residential home lots in the multi-family development and all owners of each residential home lot in the multi-family development and all adjoining Common Property
- (i) rebuilding a Party Wall straddling the common boundary between the lots or Common Property, together with any utilities thereon or thereunder.
 - (ii) Any encroachment by the Party Wall located on, near or adjoining the common boundary between the lots and the foundation and footings therefore, (collectively (b) any encroachment by the Party Wall located on, near or adjoining the common boundary between the lots and the foundation and footings therefor, and (collectively the "Encroachments") shall constitute perpetual right, privilege, and easement insofar as they encroach on either lot.
 - (iii) Each owner whose Encroachments are permitted pursuant to the right, privilege and easement set forth herein, shall indemnify and save harmless the other owner for and from any loss, cost or expense due to damage or injury caused by the owner in maintaining, repairing, rebuilding or replacing such Encroachments.
- (A) If the Party Wall requires rebuilding:
- (1) The owner of either lot, its agents, contractors or employees may rebuild the whole or any portion of the Party Wall in the event of its partial or total destruction, and the cost of repairs and maintenance of the Party Wall in the event of partial or total destruction, (except in the case of negligence or intentional act by one of the owners or his or her agents, employees, invitees or Tenants) shall be borne equally by the owners from time to time of the lots and each owner hereby agrees to so contribute upon request to such cost, PROVIDED THAT whenever the Party Wall or any portion hereof is rebuilt it shall be erected on the place where it now stands and shall be of the same size and of the same or similar materials and of like quality as the Party Wall and shall be constructed in accordance with the minimum standards provided in the building by-law applicable of the Westbank First Nation, or, in the absence of such a by-law, then in accordance with the minimum standards provided by applicable British Columbia legislation.
 - (2) Prior to the rebuilding of the Party Wall, the party who intends to rebuild the Party Wall shall send to the owner of the Lot sharing the

Party Wall plans and specifications of the Party Wall to be rebuilt and request such owner's written approval thereof. Upon written approval by such owner of the plans and specifications, the party so requesting may proceed with the rebuilding in accordance therewith. Should written approval not be received within seven (7) days after request, then either party may make a submission for approval pursuant to the Arbitration Act of British Columbia, as amended, or any successor legislation and there shall be one (1) arbitrator.

- (3) Whenever the Party Wall is rebuilt, any damage caused by construction of such rebuilding shall be made good.
 - (4) Whenever the Party Wall is rebuilt, the rebuilt structure shall remain as the Party Wall, and shall be subject to the terms of this Article.
 - (5) Except as otherwise provided herein, the owners of the lots shall not alter or change the Party Wall in any manner.
- (B) The use of the Party Wall by the owners from time to time of the lots shall be perpetual but no covenant herein shall be personally binding upon a party when he or she is no longer the Sublessee of the lot.
 - (C) No part of the leasehold interest of one sublessor shall become vested in the owner of the other lot by reason of this easement.
 - (D) If an owner of either lot is in breach of his or her covenants to indemnify, save harmless, repair, rebuild, maintain or contribute to the cost of the Party Wall or damage done to an adjoining lot or dwelling by virtue of the exercise of any right under this Agreement, the other owner may repair, rebuild, maintain or pay for the Party Wall or other damage as required, and may recover the cost of same from the owner in breach to the extent of the indemnity or save harmless obligation or that such owner is obligated to contribute to the cost, and shall be entitled to file a lien (including, if applicable a builders' lien) against the leasehold interest of the owner in breach.
 - (E) Any provisions herein found or made void or unenforceable by any court under law shall not void or render unenforceable the remaining provisions hereof.
 - (F) The rights, privileges and easements granted, and the restrictive covenants and conditions made herein shall run with and be legally annexed to the land including both lots, without registration in the Westbank First Nation Lands Registry, and they shall extend to and enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns as the case may be of the parties hereto.
 - (G) The rights, privileges, covenants, and easements hereby granted shall not be extinguished in the event that the leasehold interests to the lots shall be

vested in the same person.

- (H) Nothing herein shall be construed so as to alter the rights of any mortgagee of a Subleasehold interest in a Lot to obtain payment of insurance monies in rebuilding, reinstating or replacing all or any part of the dwelling located on such Lot.
- (iv) The easements referred to in subsections 27.5.8 (a) and (b)
 - (A) exist without registration in a land title office,
 - (B) charge and burden that part of the common property capable of providing support or shelter to a residential home,
 - (C) charge and burden each residential home capable of providing support or shelter to another residential home or to the common property,
 - (D) charge and burden each residential home and that part of the common property in which any part of the services and facilities described in subsections 27.5.8 (a) (ii) and (b) (ii) are located, and
 - (E) include all of the rights and obligations needed to give effect to and enforce them, including a right of entry to inspect, maintain, repair and replace the shelter, support, services and facilities described in subsections 27.5.8 (a) and (b).
- (v) The easements referred to in subsections 27.5.8 (a), (b) and (c)
 - (A) exist without registration in the Westbank First Nation Lands Registry,
 - (B) charge and burden each residential home and that part of the common property in which any part of the services and facilities described in subsections 27.5.8 (a) (ii), (b) (ii) and (c) (i) are located, and
 - (C) include all of the rights and obligations needed to give effect to and enforce them, including a right of entry to inspect, maintain, repair and replace the shelter, support, services and facilities described in subsections 27.5.8 (a), (b) and (c).

27.5.9 Repair and Maintenance of Property by the Company *New 2021*

- (a) The Company must repair and maintain the common assets of the Company that including but not limited to the clubhouse, the fences and gates, the roads, drainage and sewer systems, waterworks, fire prevention and security systems located in the Common Areas;
- (b) The Company must repair and maintain the following, within the Multi-family homes section, pursuant to the Multi-family sublease, no matter how often the repair or maintenance ordinarily occurs:
 - (i) the structure of the residential homes including the foundation;
 - (ii) the exterior of the residential homes including the stucco;

- (iii) vents, stairs, balconies and other things attached to the exterior of a residential home;
- (iv) doors, windows and roofs on the exterior of a residential home;
- (v) railings and similar structures that enclose patios or balconies;
- (vi) driveways and patios

unless those items are damaged by a malfunction of a homeowner's installation, any alterations by a homeowner or previous homeowner or damage arising from attachments to the exterior of a Multi Family Unit.

27.5.10 Insurance *New 2021*

- a) All homeowners shall take out and keep in force an all risk insurance policy which will cover damage to the Residential Home and all other improvements on the Leased Premises to the full replacement value as prescribed in Article 10 of the single family sublease and Article 11 of the multifamily sublease EXCEPT as it relates to the requirement for the provision of cross liability and the waiver of subrogation, (which are unattainable in residential policies and therefore are waived until such time as this Article is amended) together with public liability coverage of not less than \$2 million and the policy shall name Westbank First Nation and Sonoma Pines Homeowners Management Ltd. as additional insureds.

27.6 RULES AND REGULATIONS

- (a) The Directors shall make such rules and regulations or Bylaws relating to duties of owners, tenants, occupants and visitors, powers and duties of the Company, voluntary dispute resolutions, and marketing activities by the developer as the Directors shall deem appropriate. *Amended 2021*
- (b) *Deleted 2021*

SCHEDULE E
SONOMA PINES BYLAWS
Amended on January 28, 2021 SGM

DIVISION SUMMARY

Division 1 – Duties of Owners, Tenants, Occupants and Visitors

Division 2 – Powers and Duties of The Company

Division 3 – Enforcement of By-Laws

Division 4 – Voluntary Dispute Resolution

Division 5 – Security and Personal Information

Division 6 – Indemnity

Division 7 – Parking

Division 8 – Insurance

Division 9 - Small Claims

Division 10 - Severability

Rules and Regulations

A. Sonoma Pines Lower RV Storage Lot

B. Upper RV Storage Lot

C. Landscape Regulations

Division 1 - Duties of Owners, Tenants, Occupants and Visitors

1 Payment of homeowner fees

- 1) An owner must pay homeowner's fees on or before the first day of the month to which the homeowner's fees relate. If an owner fails to pay the homeowner's fees at the required time, Sonoma Pines Homeowners Management Ltd. ("The Company.") shall charge interest at the rate of 10% per annum compounded annually and a fine of \$50.00 per month for each month that any homeowner's fees remain owing from the owner to The Company. If an owner fails to pay a special levy at the required time, he/she shall be fined \$50.00 for each month the special levy remains unpaid plus The Company shall charge interest at the rate of 10% per annum compounded annually on the outstanding balance.
- 2) Fees collected from homeowners shall first be applied to any interest owing and secondly to any outstanding Special Levy, thirdly to any fines or penalties levied by The Company, and lastly to the monthly homeowner's fees.

2 Repair and maintenance of property by owner

- 1) All owners must repair and maintain the owner's lot, except for repair and maintenance that is the responsibility of The Company under its Articles of Incorporation.
- 2) All owners shall keep all areas of the lot clean, free of debris and well maintained at all times.

- 3) All owners are required to maintain exterior stucco colour, accents, door trim and fascia boards to original Colour Codes (available at Sonoma pines info). Single family homeowners are required to refurbish the stucco or fascia boards within one year of notification from The Company that the finish has checked or faded and falls below the established community standard. At all times homeowners are required to obtain the approval of The Company when painting or repairing the exterior of their home and shall submit an Alteration Request for approval by the Board.
- 4) All owners shall be responsible for any damage occurring to common property, limited common property/assets or those parts of a lot, which The Company must repair or insure under these rules and regulations. Costs of repairs or insurance deductibles will be charged back to an owner, tenant, or occupant or visitor who is responsible for any damage.

3 Use of property

- 1) An owner, tenant, occupant, or visitor must not use a lot, the common property or common assets in a way that:
 - a) causes a nuisance or hazard to another person,
 - b) causes unreasonable noise,
 - c) unreasonably interferes with the rights of other persons to use and enjoy the common property, common assets, or another lot,
 - d) is contrary to a purpose for which the lot or common property is intended as shown expressly or by necessary implication on or by the overall development plan.
- 2) An owner, tenant, occupant, or visitor must not cause damage, other than reasonable wear and tear, to the common property, common assets, or those parts of a lot which The Company must repair and maintain under these By-Laws.
- 3) An owner, tenant, occupant, or visitor must ensure that all animals are leashed or otherwise secured when on the common property or on land that is a common asset. An owner, tenant, occupant, or visitor must ensure that pet excrement is removed and cleaned immediately from all property. No dog owners shall permit their pets to trespass on single family property.
- 4) An owner, tenant, occupant, or visitor must not keep any pets on a lot other than following:
 - a) a reasonable number of fish or no more than 2 small aquarium animals;
 - b) no more than 2 small caged mammals;
 - c) no more than 2 caged birds;
 - d) no more than 2 dogs or no more than 2 cats or no more than 1 cat and 1 dog.
 - e) Any animal considered dangerous by The Company, in its sole discretion, shall be removed from the property immediately.
 - f) Owners, tenants and occupants must ensure that they properly dispose of waste, including pet waste, in the appropriate receptacles.
 - g) Snakes shall not be kept or permitted on the property
- 5) An owner, tenant, occupant, or visitor must not conduct any major repairs or maintenance to motor vehicles or trailers or other mechanical equipment.

- 6) An owner, tenant, occupant, or visitor must not have exposed or open garbage cans, bags or containers, unless being placed for collection on specified collection days or no earlier than 7:00 PM on the evening preceeding the collection day.
- 7) A resident must not display or erect fixtures, poles, clotheslines, racks, storage sheds and similar structures permanently or temporarily on a lot, common property or land that is a common asset including appliances such as, but not limited to, refrigerators and/or freezers.. Despite the foregoing, the placing of items on balconies or patio areas shall be limited to free standing, self-contained planter boxes or containers, summer furniture and accessories and not used for storage of other items. The following items are not permitted: free standing or non-guided screens on decks or patios; further additions of wood accent above garage doors; gazebos (permanent or freestanding); alteration or change to house numbers; solar tubes equipped with a night lighting system; hot tubs on decks; seed bird feeders; birdhouses; wind chimes, flagpoles (stand alone or hanging off a balcony at an angle) and installation of a water feature on any outside walls or any part of the outside structure such as wall mounted water fountain, flower box, etc.

Also refer to the "*Alterations Reference Table*" for more details.

- 8) Second kitchens are permitted so long as they are intended for the use by members of the household and must be freely and fully accessible from the remainder of the dwelling without any intervening doors equipped with a locking device of any kind.
- 9) Nothing may be used, stored, or placed in or on a lot or on common property in such a manner that it creates a fire hazard.
- 10) An owner, tenant, occupant, or visitor must not use or ride a skateboard, push scooter, long board or wear rollerblades on Sonoma Pines Drive or sidewalks.
- 11) No soliciting will be permitted within the Community of Sonoma Pines.
- 12) The use of outdoor wood burning appliances shall be limited to those appliances that utilize wood pellets only. Only CSA or ULC approved portable gas burning fire pits are permitted but the flame length shall not exceed 15 centimeters.
- 13) Owners and their tenants may install Christmas lights and décor no earlier than November 1st in any year and must be removed from the owner's residence by March 31st of the following year. Christmas lights and decorations may only be illuminated between November 15th and January 31st.
- 14) Homeowners and tenants shall remain respectful at all times and shall not threaten, harass or attempt to intimidate their neighbours, employees of The Company, volunteers, Board members or services providers within the community. Violations may be subject to the maximum allowable fine under these Bylaws upon the first offense.
- 15) All vehicles stored on a homeowner's driveway shall either be licensed or be covered by storage insurance with a minimum of Two Million Dollars (\$2,000,000) of public liability coverage.

4 Exclusive Use Area - *New 2021*

- 1) Every owner of a home in the Single-Family Development has the exclusive use of the entire area shown within the perimeter of the Building Lot described in Schedule B of their Sublease and shown on the Plan attached thereto.
- 2) Every owner in the multifamily development has the exclusive use of the area marked "EUA" on the Plan described in Schedule B of their Sublease, plus the personal use of portions of the common property adjacent to their home, which shall include:
 - a) the area from the front wall or garage to the street to the edge of the paved driveway on one side to the median between the neighbouring home or, where no such home is present, three meters from the side wall of the home; plus
 - b) the area from the exterior wall to the edge of the deck and patio areas; plus
 - c) any landscape or rock filled beds.
- 3) Homeowners shall be responsible for ensuring that their personal use area is reasonably well maintained and free of weeds.
- 4) Prior to entering the personal space of the home owner, individuals wishing to access the property for repairs, inspections, or other business shall first make an appointment with the home owner via telephone, email or by presenting at the home by knocking at the door.

5 Rental Restrictions

- 1) Rentals for a period of less than sixty (60) consecutive days are PROHIBITED in Sonoma Pines. *Amended 2021*
- 2) The fine for contravening this bylaw shall be Five Hundred Dollars (\$500.00) per occurrence.
- 3) Any owner wishing to rent out a residence or a portion of a residence, must first notify The Company. For clarity, Board approval is not required. Notification is sufficient provided the rental is consistent with these bylaws.
- 4) No owner shall maintain a Bed and Breakfast or group home of any kind within Sonoma Pines. *New 2021*
- 5) The maximum occupancy for the rental of any residence is two persons per bedroom with a window. *New 2021*
- 6) Advertising in any media, any letter or email confirming a rental of less than sixty (60) days, or the intent to rent for a period of less than sixty (60) days shall be considered a breach of this bylaw and fines shall be levied at the sole discretion of the Board. *New 2021*
- 7) The owner shall supply the property manager with the address and phone number of the tenants and the owners in order that they may be contacted by the Board. Any changes in the owner's address must be reported to the property manager within 5 business days.
- 8) The owner shall also supply the property manager with a completed "Notice of Tenants Responsibilities, (attached hereto and available from The Company Website), within 10 days of rental of the residence and, in any event, before the rental period commences.

- 9) The owner shall supply the tenant with a copy of the current rules and regulations of Sonoma Pines. The owner is responsible for any violation of these rules and regulations by the tenant.
Amended 2021

6 Advertising *New 2021*

- 1) No owner shall advertise a unit for rental of less than sixty (60) consecutive days or make any mention of daily or weekly rental rates in any advertisement including, but not limited to, newspapers, websites on the Internet, handbills, etc.
- 2) No owner shall affix any advertising, real estate, election, or rental signs to any common property or make them visible from any door or window except as approved and in a location approved by The Company.

7 Obtain Approval for Alterations to a property or common property

- 1) An owner must obtain the written approval of The Company before making an alteration to the property that involves any of the following:
 - a) the structure of a building;
 - b) the exterior of a building including the color of the building;
 - c) chimneys, stairs, balconies or other things attached to the exterior of a building and for Multi-family homes: including planters, trellises, ornaments or any other items;
 - d) doors, windows or skylights on the exterior of a building;
 - e) fences, railings, screens, or similar structures that enclose a patio, balcony or yard;
 - f) common property located within the boundaries of a lot;
 - g) those parts of the property which The Company must insure;
- 2) Owners wishing to undertake landscape alterations shall complete the "Application for Landscaping & Irrigation Alteration" form. Approval is required for all landscape alterations except replacement of shrubs, perennials or plants as long as the replacement is listed on the Sonoma Pines recommended list.
- 3) For alterations to a property or to common property, owners shall:
 - a) Complete an "Alteration Request" as prescribed in the Rules and Regulations and shall adhere to the requirements prescribed in the Alteration Reference Table affixed to this document as an Appendix.
 - b) Obtain consent from homeowners with property immediately adjacent to the applicant which shall be required on all Alteration Requests. Should a neighbour's consent be refused, the applicant may submit the application with an explanation of the lack of consent, and the Board reserves the right to consult with the neighbour, and to either approve or disapprove the application.
 - c) Remove any alteration to a property or to common property that has not received the prior written approval of the Board shall be removed at the owner's expense if the Board orders

that the alteration be removed. An owner who receives approval to alter a property or the common property shall be liable for all costs connected to the alteration, including the cost of repairing and maintaining the alteration and the cost of repairing and maintaining the common property or a property if such repair is required as a result of the alteration.

- 4) The owner will be responsible to obtain the applicable building permits prior to commencing the work, and obtaining such permits is a condition of the Board's approval.
- 5) Owners who undertake alterations in accordance with these bylaws, and subsequent owners, are responsible for all costs relating to:
 - a) the maintenance and repair of the alterations,
 - b) the effects on all adjacent properties or common property, and
 - c) the effects of rain, weathering, staining and discoloration relating to the alterations.
- 6) The Board may maintain, repair, or remove alterations to common property if in the opinion of the Board:
 - a) the alterations are not maintained or repaired,
 - b) the alterations are damaged or
 - c) the alterations were made without the approval of the Board.
- 7) All costs incurred in the maintenance, repair, and/or removal will be charged to the owner of the property and are the owner's responsibility.
- 8) Upon the sale of a property, owners must include all obligations and costs that may be applied relating to alterations in any agreement of sale. The Company shall have the right to inspect the property, prior to its sale, to ensure that any alterations have received the approval of the Board. Unauthorized alterations shall be removed, and the necessary repairs undertaken at the owner's cost. The Company may remove unauthorized alterations and the cost of the removal and repair shall be charged to the new owner.
- 9) To remove an approved alteration or attachment, an owner must negotiate the terms of removal with the Board.
- 10) The Company reserves the right to require, or have an owner provide, specified professional supervision or inspection, or both, of approved alterations. The Board may include specified supervision or inspection as a requirement of approval.

8 Permit entry to residential home

- 1) An owner, tenant, occupant, or visitor must allow a person authorized by The Company to enter the property
 - a) in an emergency, without notice, to ensure safety or prevent significant loss or damage, and
 - b) at a reasonable time, on 24 hours' written notice, to inspect, repair or maintain common property, common assets and any portions of a property that are the responsibility of The Company to repair and maintain under these bylaws.

- 2) The notice referred to in subsection (1)(b) must include the date and approximate time of entry, and the reason for entry.
- 3) If forced entry to a property is required to prevent further loss, damage or injury to persons or property, the owner of that property shall be deemed responsible for any damages incurred relating to the forced entry.

Division 2 – Powers and Duties of The Company

9 Repair and maintenance of property by The Company

- 1) The Company must repair and maintain the clubhouse and common property as described in the Articles of Incorporation.

10 Quorum Bylaw for meetings of The Company

- 1) In order to conduct business at an Annual or Special General Meeting, at least 10% of persons holding the voting shares must be present in person or by proxy. Since each household is issued 2 voting shares (even if there is only one owner), the actual number of shares issued are 990 and thus the number required for a quorum of 10% of 990 are 99 voting shares. **New 2021**
- 2) If within 1/2 hour from the time appointed for an Annual or Special General meeting a quorum is not present, then another 1/2 hour will be allotted to waiting for Quorum to present itself at which time the eligible voters present in person or by proxy constitute a quorum.
- 3) The Board of The Company shall, under the exceptional circumstances as defined by the Board at its sole discretion, permit Annual or Special General Meetings to be held electronically and that The Company may, if it deems appropriate, restrict or prohibit attendance by shareholders and all voting at such meetings may be conducted by Restricted Proxy.

Division 3 – Enforcement of Bylaws

11 Complaints and Disciplinary Action

- 1) Complaints to The Company by owners must be received in writing or by email and must identify the name of the complainant, which owner or address the complaint is against, the date that the offense occurred and which bylaws or clauses of the sublease have been violated. The name of the complainant shall not be released to the offending party. **New 2021**
- 2) The Company shall notify the offending owner of the complaint and allow that owner to make a presentation to the Board regarding the offense within two weeks of the written or email receipt of the Notice of Violation. **New 2021**

- 3) In considering any disciplinary action the Board shall utilize the principal of progressive discipline where owners are provided with a single warning. If the contravention continues the Board may levy fines in accordance with the section below detailing fines. *New 2021*
- 4) At its sole discretion, where the Board considers the offense to be egregious, the Board may levy the maximum fine allowable without prior warning. *New 2021*
- 5) The decision of the Board regarding any disciplinary action is final and without the right of appeal. *New 2021*

Maximum fine

12 The Company may fine an owner or tenant a maximum of:

- 1) \$500.00 for each contravention of a Bylaw, Rule or Regulation hereunder.

13 Continuing contravention

- 1) If an activity or lack of activity that constitutes a contravention of Bylaws, Rules or Regulations continues, without interruption, for longer than 7 days, a fine may be imposed every 7 days.

14 Action under Default

- 1) The Company shall be entitled to take any and all action as permitted under the Sublease Agreement for breaches of these Bylaws, which continue for a period of longer than 30 days.
- 2) Video and audio recording of Board, AGM, SGM and Owner general meetings is prohibited.

Division 4- Voluntary Dispute Resolution

15 Voluntary dispute resolution

- 1) A dispute among owners, tenants, The Company or any combination of them may be referred to a dispute resolution committee by a party to the dispute if
 - a) all the parties to the dispute consent, and
 - b) the dispute involves the services provided by The Company. *Amended 2021*
- 2) A dispute resolution committee consists of:
 - a) one owner or tenant nominated by each of the disputing parties and, where the dispute involves the services of The Company, one representative nominated by The Company and one owner or tenant chosen to chair the committee by the persons nominated by the disputing parties, for a total of three members or
 - b) any number of persons consented to, or chosen by a method that is consented to, by all the disputing parties.

- 3) The dispute resolution committee must attempt to help the disputing parties to voluntarily end the dispute.
- 4) Homeowner's who either refuse to participate in voluntary dispute resolution or are dissatisfied with the outcome shall have no further recourse with respect to decisions of the Board. *New 2021*

Division 5 - Security and Personal Information

16 Key Fobs

- 1) Access to the common areas of the Clubhouse is controlled by use of Key Fobs, which may include the ability to record the time and area accessed by each Key Fob bearer.
 - a) The data recorded by the key fob system may be used alone or in conjunction with audio or video recordings as evidence of rules and regulations 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.
 - b) 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.
 - c) Recorded data must be securely destroyed after 60 days unless:
 - i A copy of the recording was provided to a third party, in which case it must be securely retained indefinitely; or
 - ii The Company decides to preserve data 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 data will be preserved.
 - d) No owners, third parties or other persons will be entitled to view or receive a copy or access data, except as contemplated by the rules and regulations or required by law.

16.2 Video Security Monitoring *New 2021*

- 2) The common property of The Company is subject to video security monitoring for the purpose of recording the activities of the owners, tenants, occupants, guests, and the general public in common areas of the building. No audio recording capability is included or implemented with respect to the monitoring equipment.
 - a) Notices will be posted advising the public of ongoing video recording.
 - b) For the purposes expressed in this bylaw, all common property areas may be subject to video security monitoring in accordance with the Personal Informal Protection Act of British Columbia.

- c) The video security monitoring system will operate 24 hours per day, seven days per week and will be used to record all activities in the common areas of The Company for security purposes, including without limitation, the purpose of obtaining useable evidence of illegal acts and/or infractions of the bylaws of The Company and the cause of any damage to property, or other loss or damages, including verification of identify of persons responsible and potential witnesses, and to deter misconduct.
- d) 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 hearings or dispute resolution proceedings.
- e) The video security monitoring recording system as outfitted from time to time will include a number of cameras and central recording system which will be kept in a secure locked location and will be password protected for access only by current members of the Board.
- f) 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.
- g) Recorded data which is no longer required for any valid purposes must be securely destroyed after 1 year unless:
 - i) A copy of the recording was provided to a third party, in which case it must be retained indefinitely,
 - ii) 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.
- h) No owners, third parties or other person will be entitled to view or receive a copy of video monitoring recordings, except as contemplated by the bylaws or required by law.
- i) The Company does not guarantee that the system will be in constant use or operation, and operation of the system may be suspended or interrupted for technical reasons, or by direction of the Board.

16.3 Disclosure of Recordings and Access Data *New 2021*

- 3) Video recordings and key fob access data collected or recorded pursuant to this division may be viewed or disclosed under the following circumstances:
 - a) Review may be conducted at any time by any current Board member in furtherance of their legitimate duties to The Company.
 - 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 Company 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 Division, and is in the best interests of The Company or any owner or occupant.
 - f) Without limiting any of the foregoing, information, data, a recording or copy of a recording collected pursuant to this Division 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 Company or any owner, tenant, or occupant by advancing a criminal or regulatory complaint, a civil claim or an insurance claim.
 - g) 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.
 - h) Any party requesting an appointment to review or copy any data or recording kept pursuant to this Division for any purpose other than a purpose of The Company is responsible to pay in advance the reasonable expenses of The Company related to that request regardless of whether the review provides the data requested or not. The Company 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 Company.
 - i) A log will be kept by The Company to record any person who accesses, reviews or copies any data or recording kept pursuant to this Division, 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 the access and whether or not a copy was obtained.

Division 6–Indemnity

17 Indemnity

- 1) An owner shall indemnify and save The Company harmless from the expense of any maintenance, repair or replacement rendered necessary to the common property, common assets or to any subleased land, title to which is registered in the name of The Company, by the owner's act, omission, negligence or carelessness, or by that of an owner's visitors, occupants, guests, employees, agents, tenants or a member of the owner's family, but only to the extent that such expense is not reimbursed from the proceeds received by the operation of any insurance policy. In such circumstances any insurance deductible paid or payable by The Company shall be considered an expense not covered by the proceeds received by The Company as insurance coverage and will be charged to the owner. Without limiting the generality of the forgoing, owners are liable to The Company for any damage to common property, common assets or to any subleased lot as a result of:

- 2) the malfunction of any of the following items in their subleased lot:
 - a) dishwasher;
 - b) refrigerator with ice/water dispensing capabilities;
 - c) garburator;
 - d) hot water tank;
 - e) toilets, sinks, bathtubs and, where located wholly within the subleased lot, plumbing pipes and fixtures;
 - f) fireplaces;
 - g) anything introduced into the subleased lot by the owner;
 - h) any alterations to the subleased lot made by the owner or by prior owners;
- 3) damage arising from a blocked drain on the deck or patio designated for the exclusive use of the owner;
- 4) any alterations or additions to limited common property or common property undertaken by the owner or by prior owner(s) of the subleased lot;
- 5) any pets residing or visiting the owner's subleased lot;
- 6) any children residing or visiting the owner's subleased lot; and
- 7) damage arising from any attachment to the exterior of a Multi Family unit.
- 8) each owner must have comprehensive general liability coverage on their home in the amount of at least \$2,000,000.00 per incident. Owners must provide The Company with proof of current insurance coverage upon renewal each year.

Division - Parking

18 Parking within Sonoma Pines is governed by the following:

- 1) Overnight parking on any street or roadway is prohibited with the exception of Sonoma Pines Drive excluding addresses of 3801 – 3821, 3827 – 3843, 3845 – 3867, 3869 – 3887, 3889 – 3899, 3901 – 3917 and 3970 – 3980. Parking on Sonoma Pines Drive is restricted to parking on one side of the street only, where vehicles must be moved every 48 hours. Visitor parking on side streets shall be limited to one side of the street. *Amended 2021*
- 2) a resident or visitor shall not use any part of a lot as a parking stall other than the concrete driveway. Cars parked in the driveway must be completely within the footprint or boundary of the driveway and not extend into the neighboring driveway or roadway.
- 3) a resident or visitor must not park trucks exceeding 1 ton, campers, recreational vehicles, equipment, unlicensed vehicles, boats, trailers or containers on concrete driveways or in visitor parking spots.

- 4) boat and recreational vehicle parking on the street is prohibited except for the purpose of loading and unloading, which will not exceed 24 hours. Parking to load, unload or clean an RV for a period not to exceed 24 hours.
- 5) Except as otherwise provided in this By-Law, no person shall stop, stand or park a vehicle:
 - a) within 5 meters of a fire hydrant measured from a point on the curb or edge of the roadway which is closest to the fire hydrant.
 - b) within 6 meters upon the approach to a stop sign or yield sign at the side of a roadway.
 - c) adjacent to a curb painted yellow.
 - d) in a manner that interferes with driveway entrances or access to driveway entrances.
 - e) on the opposite side of a street from a vehicle previously parked on the street, in such a manner to obstruct or unduly restrict the free movement of vehicular traffic on such roadway.
 - f) on a roadway for the principal purpose of selling flowers, fruit, vegetables or other commodities or articles advertising, painting, wrecking, storing or repairing a vehicle except where repairs are necessitated by an emergency.
 - g) overnight on any street other than Sonoma Pines Drive.
 - h) visitors shall be permitted to park their vehicle on streets within Sonoma Pines but must park on only one side of the street and the vehicle shall not be permitted to remain overnight.
- 6) Handicapped Parking
 - a) Will be allowed by a person holding and displaying a handicapped parking permit, or a Disabled Persons' Parking Permit issued pursuant the Motor Vehicle Act including handicapped or disabled persons' parking permits issued by other jurisdictions, so long as that permit remains valid.
- 7) Trade Vehicles
 - a) During regular business hours (8:00 am to 5:00 pm), tradesmen's trailers and trucks, landscape vehicles, moving and delivery vans may park on the street but must ensure adequate room for emergency vehicles to pass.
- 8) Clubhouse
 - a) No parking on the driveway access to the clubhouse.
- 9) Penalties/Removal of Vehicle
 - a) Any vehicle parked in violation of Sonoma Pines Parking By-Laws will be subject to a fine or removal by a towing company authorized by The Company and all costs associated with such removal will be charged to the owner of the lot. Following our "neighborly approach", enforcement will take place in an escalating manner:
 - b) First infraction will result in a warning being issued to the homeowner.

- c) Second infraction will result in a fine being issued to the homeowner.
- d) Third infraction will result in an authorization to tow the vehicle.
- e) Where a visitor vehicle contravenes these by-laws, The Company will record the license plate and the third infraction will result in an authorization to tow the vehicle.
- f) Infractions are to be reported in writing on the Infraction Notice when possible, including the license plate number to SPHMBoard@gmail.com

10) Visitor Parking Lots

- a) These lots are for the use of visitors to Sonoma Pines. Visitors are allowed to park cars or trucks overnight in these lots, but vehicles must be moved every 48 hours.
 - i Alvarado Trail at Sonoma Pines Drive
 - ii Serrento Lane at Sonoma Pines Drive
 - iii Candalera Lane
 - iv Two lots opposite 3970 - 3980 Sonoma Pines Drive

Note: Sonoma Pines is on Westbank First Nation land, and WFN parking regulations may also be enforced.

Division 8 – Small Claims *New 2021*

19 Small Claims *New 2021*

- 1) The Board, on behalf of The Company, may commence a proceeding under the Small Claims Act against an owner or other person to collect money owing to The Company without further authorization from the shareholders. The Board may commence the proceedings to collect monies owing to The Company for any reason, including but not limited to monies owing by an owner or tenant for a fine or to recover the deductible portion of an insurance claim if the person is responsible for the loss or damage that gave rise to the claim. The Board has full authority to negotiate a settlement or discontinue or dismiss the action.
- 2) Any legal action, other than that cited in 19 (1) above, shall require a three-quarter (3/4) vote of the shareholders at an Annual General Meeting or a Special General Meeting.

Division 9 - Insurance

20 Insurance *New 2021*

- 1) An owner is deemed to be responsible for any loss or damage caused to the common property, limited common property, common assets or to any property, where the cause of such loss or damage originated within the owner's property.

- 2) An owner is also deemed to be responsible for any loss or damage to the common property, limited common property, common assets or to individual property where the cause of such loss or damage is the result of an act, omission, negligence or carelessness of the owner, and/or owner's tenants, occupants or visitors and the loss or damage is not covered by any insurance policy.
- 3) If any loss or damage deemed to be the responsibility of an owner under subsection (1) and/or (2) of this bylaw results in a claim against any insurance policy held by The Company; that owner is strictly liable to reimburse The Company for the full amount of any insurance deductible, any portion of insurance coverage declined and/or any amount by which the loss or damage exceeds the insurance coverage. That owner shall indemnify and save The Company harmless for these amounts.
- 4) If any loss or damage deemed to be the responsibility of an owner under subsection (1) and/or (2) of this bylaw does not exceed the insurance deductible for an insurance policy held by The Company; that owner is strictly liable and shall indemnify and save The Company harmless for any resulting expense for maintenance, repair or replacement rendered necessary, which it is The Company's responsibility to perform.
- 5) For the purposes of this bylaw any amount which an owner is responsible to pay shall be assessed against that owner's property and included in the statement of account for that lot in the same manner as an outstanding special levy.

Division 10 – Severability

21 Severability *New 2021*

- 1) 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.
- 2) For the purposes of all bylaws, wherever the singular or masculine is used, it shall be construed as meaning the plural or feminine or body corporate where the context requires.

Sonoma Pines Homeowners Management Limited
(“The Company”)
Rules and Regulations

A Sonoma Pines Lower RV Storage Lot

- 1) Management of the Lower RV lot is the responsibility of the sublessee or The Company.
- 2) Only homeowners in Sonoma Pines may rent storage space in the Lower RV lot.
- 3) All vehicles stored must be owned & insured by a Sonoma Pines homeowner.
- 4) Proof of ownership and current insurance or storage insurance with liability coverage must be presented to the Board or the property manager and must be kept current.
- 5) No cars or motorcycles may be stored. Only trucks intended for towing travel trailers or carrying campers, may be stored in the space with the RV unit.
- 6) The spaces are for motor homes, travel trailers, trailers holding recreational units, tow vehicles, fifth wheels, campers, campers on trucks and boat trailers only. All items in RV lot must have \$2,000,000 liability insurance.
- 7) No engine maintenance or other substantial mechanical work is permitted in the Lower RV Storage Lot.
- 8) The Company is not responsible for any damage to, theft of, or theft from any vehicle or item stored in the Lower RV Storage Lot.
- 9) The RV lot owner stores his unit at their own risk.
- 10) The Company fees are due and payable on the first of each month and are set on an annual basis by the Board as part of The Company annual budget.

B Sonoma Pines Upper RV Storage Lot

- 1) Only homeowners of Sonoma Pines may rent storage. No ‘renters” of homes in Sonoma Pines may apply for storage. (Exceptions may be made by The Company Board).
- 2) Proof of ownership and current insurance or storage insurance with liability coverage must be presented to the Board Office. Insurance must include a minimum of \$2 million liability. Documentation must be kept current.
- 3) Only one space per homeowner is allowed.
- 4) The spaces are assigned by number and homeowners are required to use only the space assigned to them.
- 5) No cars or motorcycles may be stored. Only trucks intended for towing or carrying campers, etc. may be stored in the space with the RV unit.

- 6) The spaces are for motor homes, travel trailers, trailers holding recreational units, tow vehicles, fifth wheels, campers, campers on trucks and boats on trailers. All items in RV lot must have \$2,000,000 liability insurance.
- 7) It is the homeowners' responsibility to notify The Company at the Board Office immediately of all changes of RV vehicles in their space.
- 8) Spaces are available on a 'first come' basis based upon the size required for your RV, eg, a 23' RV will be waiting for a 26' space and 34' RV will be waiting for a 50' space.
- 9) The "Wait list" is maintained at the Board Office. Names will be listed in order of application date. Persons on the 'Wait List' will be notified when a space becomes available according to their requirements.
 - a) The Person at top of list will be offered the next available spot, if not suitable that spot will be offered to the next person on the list. The person that passes on a stall will remain at the top of the list.
- 10) No Subleasing of RV spaces is allowed.
- 11) The homeowner must not store hazardous, dangerous, illegal, stolen, perishable, environmentally harmful or explosive goods, firearms or weapons, biohazardous items, or drugs in their space.
- 12) The homeowner is responsible for any damage they cause to the Sonoma Pines RV Storage Lot. (I.e. oil stains, damage to asphalt, fence, water fixture, light poles etc.).
- 13) No maintenance or other substantial mechanical work is permitted in the Sonoma Pines RV Storage Lot. (see section 3 (5) Use of property)
- 14) The Company is not responsible for any damage to, theft of, or theft from any vehicle or item stored in the Sonoma Pines RV Storage Lot.
- 15) The homeowner stores his unit at his own risk.
- 16) Gates must be locked when leaving The Company RV Storage Lot or when remaining on site for an extended period of time. i.e.: cleaning or stocking the RV.
- 17) The storage term is for twelve (12) months; however the rental will continue automatically unless the renter gives The Company one month (30 days) notice in advance to terminate his contract and clear his allotted space (at his expense). This allows The Company the opportunity to stop payment and will provide proper notice to the next homeowner of the available space. The rental agreement will remain in effect as long as the homeowner complies with the terms of this contract.
- 18) At the Company's discretion, termination of this contract will occur if the homeowner is in breach of any of the condition (or conditions) of this contract. Fifteen (15) days written notice will be given to the resident owner to clear his space (at his expense).
- 19) 26.0' spaces will be allotted to units 26.0' and shorter. 50.0' spaces will be allotted only to units over 26.0' in length. A maximum of two RV vehicles will be allowed in any 50.0' space.

The Company reserves the right to determine the length of the vehicle and assign the appropriate space.

- 20) Spaces are paid monthly on the first (1st) as part of the maintenance provided by The Company
- 21) A 'key' deposit of \$20.00 is due at the time of space the Board Office for the deposit to be refunded.
- 22) The Company reserves the right to revise the rental fee and Rules as deemed appropriate.
- 23) Hours of operation are:
 - a) May 1 to September 30 7:00am – 10:00pm
 - b) October 1 – April 30 7:00am – 7:00pm
- 24) Entering the lot outside these hours will trigger an alarm and any cost incurred will be charged to the renter.

C Applicants for RV stalls in the Upper RV Lot and the Lower RV Lot (if applicable) must sign a rental agreement through the Board Office.

D Landscape Regulations

- 1) Landscaping General Maintenance
 - a) The landscaping contractor provides grass cutting on lawn areas plus most pruning requirements except for trees. The contractor is responsible to weed all common areas only (parks, pathways, parking lots, boulevard, etc.). The contractor has not been contracted to weed Single Family residences or the common areas adjacent to Multi Family residences.
- 2) Trees/Conifers
 - a) Willow Trees or Fruit trees are not permitted.
 - b) Tree growth will not be allowed to exceed a height or width that will interfere with views, grow over driveways, roads, across walkways, block vision to roads (at intersections), interfere with infrastructure, reach the roof height and/or touch a building.
 - c) Trees along the boulevard on Sonoma Pines Drive are excluded from the above.
 - d) No trees may be planted except to replace a dead tree and the replacement tree must be consistent with those existing trees on the street, be on the approved list and an Application for Landscaping and Irrigation Alternation must be approved before the replacement.
 - e) Cedars, Junipers, and Yews are not permitted to exceed a maximum height of 8 feet. Any cedars below 8 ft. will still be trimmed to consistency. All are pruned in the Fall.

3) Shrubs/Perennials/Ornamental Grasses

- a) Most shrubs will be pruned to a maximum of 5ft. Any shrub under 5 feet will be pruned according to the species. If you are replacing a shrub or perennial with one that is on the approved list no application is required. Shrubs not on the approved list or additional shrubs etc. require an application for landscaping & irrigation alteration. Approved shrubs and perennials can be found on the Sonoma Pines website.
- b) Perennials, shrubs, and ornamental grasses etc. in common areas (Parks, Pathways, Parking Lots, Boulevard, etc.) are the responsibility of The Company.
- c) Cutting and pruning of all ornamental grasses in the fall of each season will be completed by landscape contractor.

4) Rock Walls

- a) Rock walls under 4ft are an architectural feature, owners wishing to alter, modify or extend the rock wall, require Board approval. The Board may also require a geotechnical report on the proposed changes.
- b) Any change to a rock wall requires the approval of the Board
- c) Rock wall is over 4ft are retaining walls and any action that owners plan to repair, alter, modify, or extend the rock wall requires both engineering report and Board approval.
- d) All repair or replacement walls must be constructed to a similar design, including the same size of rock components of the wall as was used in the original wall.
- e) Rocks used should be Kettle Valley Granite.

5) Weeding

- a) The landscape contractor is responsible for weed control in common areas only. (Parks, Pathways, Parking Lots, Boulevard etc.) A map of the weeded common areas will be posted on Sonoma Pines' website at the start of landscape season. Homeowners are responsible for weeding in the Personal Use Area around their home.
- b) Homeowners are required to control weeds on their property; owners can hire private contractors of their choice to undertake their weeding.

6) Lawns & Mowing

- a) The mowing and maintenance of all lawns and common areas of The Company is provided by the landscaping contractor. Owners are discouraged from cutting their own lawns as the landscape contractor will cut the grass on the designated day.
- b) Homeowners are asked to remove hoses, lawn ornaments and lawn furniture from their lawns on designated mowing days, to allow landscapers to complete their mowing requirements.
- c) All dog feces are to be removed immediately by dog owner. Otherwise your lawn will not be mowed.

- 7) Aerating of Lawns
 - a) Aerating of lawns is prohibited as it will damage the irrigation system.
- 8) Irrigation
 - a) Multifamily homeowners shall not tamper with any part of the irrigation system including controllers in the Multi-Family area. Irrigation deficiencies should be reported to the Board Office who will alert the Irrigation Committee and the Landscape Contractor.
 - b) Single family homeowners are encouraged to follow the programming suggestions from our Landscape Contractor or the Irrigation Committee to control saturation of lower grade areas.
 - c) Sonoma Pines may adjust the irrigation to adhere to local water restriction within the ability of the system.
- 9) Fertilizing
 - a) Fertilizing is the responsibility of the landscaping contractor. The Board will advise of dates when fertilization begins.
 - b) Signs will be posted when any spray application of weed control is being planned and/or in progress.
- 10) Approved Shrubs, Perennials & Trees
 - a) Only approved shrubs may be installed on the property A list of approved shrubs can be found on the Sonoma Pines website (sonomapines.info)
 - b) Application for Landscape and Irrigation
 - c) An alteration request form can be found on the website (sonomapines.info).

Application for Landscaping and Irrigation Alteration and Neighbours' Consent

Sonoma Pines Homeowners Management Ltd. ("Sonoma Pines")

Before completing this form, you may refer to the "Landscaping Guidelines" and the lists of recommended trees, shrubs, perennials and plants for Sonoma Pines at www.sonomapines.info. Most applications will be reviewed within 10 business days from the date received. However, some alterations may require Sonoma Pines Board of Directors approval. The Board members meet once a month so be sure to submit your application at least 2 weeks prior to the next board meeting.

Forward Your Application by Email: SPHMBoard@gmail.com

OR Mail or Drop off: Mail: SPHM Ltd. 3999 Sonoma Pines Drive, Westbank, BC V4T 3B8 Drop off: Sonoma Pines office is located in the bottom of the clubhouse

APPLICATION DATE: _____

HOMEOWNER'S NAME(S): _____

SONOMA PINES CIVIC

ADDRESS:(the "Property") _____

PHONE: _____ CELL: _____ EMAIL: _____

Single family home Multiple family home

SELECT TYPE OF ALTERATION (S)

LANDSCAPING

IRRIGATION

- Replacement of shrubs, perennials or plants with species that do not fall under the Sonoma Pines approved list.
- Addition or replacement of trees
- Addition of shrubs, perennials, or plants
- Expansion of lawn area or removal of lawn
- Other - specify

- Addition of *dripper or sprinkler head* needed
- Relocation of *dripper or sprinkle head* needed
- Removal of *dripper or sprinkler head* needed
- Other - specify

DESCRIBE ALTERATION(S)

-
1. I acknowledge that if I am granted approval to alter the Property pursuant to this application that I am responsible for the care and maintenance of the approved item(s), with the exception of the lawn, and that the approved item(s) will be maintained to reflect Sonoma Pines' landscape community standards and overall appearance.
 2. I acknowledge that Sonoma Pines Homeowners Management Ltd. is not responsible for, and I agree to hold The Company harmless from, all costs, maintenance, repair and any and all legal and insurance costs that may arise from an approved alteration to the Property or the Common Property of The Company.
 - a. As this may be a modification to the existing Property the current owners and any future owners will be responsible for the maintenance, repair, and replacement of the alteration on the Property.
 - b. Any damage to the modification or existing Property now or in the future due to this alteration will be the responsibility of the owner.
 - c. All damages that may be caused to Company property during the execution of the alteration must be put back into its existing state after the alteration is completed.
 3. I acknowledge that a landscape or irrigation specialist will complete part or all approved alteration when required by The Company and at my own expense.
 4. I acknowledge that the facts and information contained in this application and supporting documents are true.
 5. I hereby apply for approval to alter the Property in accordance with the submitted documents and this application.

OWNER SIGNATURE _____ DATE _____

OWNER SIGNATURE _____ DATE _____

Neighbours' Consent Form

If your alteration requires neighbours' written consent (see Alteration Table for details) have your neighbours sign the following and submit with your application.

NEIGHBOUR'S NAME: _____

NEIGHBOUR'S SONOMA PINES

CIVIC ADDRESS: _____

PHONE: _____ CELL: _____

EMAIL: _____

- I am the applicant's NEIGHBOUR and OWNER of the property noted above.
- I acknowledge that I have been given details of the proposed alteration(s) to which I am giving written approval.
- Further, I understand that at any time before Approval of the application by The Company Board, I may give notice in writing to Board that this approval is withdrawn.
- I understand that I am giving my approval to the following alteration:

OWNER SIGNATURE _____ DATE _____

OWNER SIGNATURE _____ DATE _____

Application for Alteration

(Refer to "Alterations Reference Table" Attached)
Sonoma Pines Homeowners Management Ltd.

For landscaping or irrigation alteration, please use the "Application for Landscaping & Irrigation Alteration" form. Before completing this form, refer to the "Alterations Reference Table" and make sure to attach the required information specific to your alteration(s). Missing information may delay review process. Most applications will be reviewed within 10 business days from the date received. However, some alterations may require The Company's approval. Board members meet once a month so be sure to submit your application at least 2 weeks prior to the next Board meeting. FORWARD your application:

By Email: SPHMBoard@gmail.com

Or By Mail: SPHM Ltd. 3999 Sonoma Pines Drive, Westbank, BC V4T 3B8

Or Drop off: Sonoma Pines office is located in the bottom of the clubhouse

APPLICATION DATE: _____ Single family home Multiple family home

HOME OWNER'S NAME (S): _____

SONOMA PINES CIVIC ADDRESS: _____

PHONE: _____ CELL: _____ EMAIL: _____

SELECT ALTERATION(S) TYPE – the number beside each item corresponds to the number on the AR Reference Table

- | | | | | |
|--|--|---|---|---|
| <input type="checkbox"/> Arbor (1) | <input type="checkbox"/> Door Window (6) | <input type="checkbox"/> Hot tub (9) | <input type="checkbox"/> Patio (5) | <input type="checkbox"/> Solar Tube (3) |
| <input type="checkbox"/> Awning (2) | <input type="checkbox"/> Driveway (4) | <input type="checkbox"/> Indoor Reno 10 | <input type="checkbox"/> Pergola (1) | <input type="checkbox"/> Walkway (4) |
| <input type="checkbox"/> Concrete (4) | <input type="checkbox"/> Enclosure (7) | <input type="checkbox"/> Netting (Golf) 8 | <input type="checkbox"/> Railing (7) | <input type="checkbox"/> Window (6) |
| <input type="checkbox"/> Deck (5) | <input type="checkbox"/> Fascia (12) | <input type="checkbox"/> Maintenance 12 | <input type="checkbox"/> Retaining Wall (4) | <input type="checkbox"/> Device-specify 3 |
| <input type="checkbox"/> Divider/Trellis (7) | <input type="checkbox"/> Fence (7) | <input type="checkbox"/> Ornamental (13) | <input type="checkbox"/> Satellite Dish (3) | <input type="checkbox"/> Misc.-specify (14) |
| <input type="checkbox"/> Door (6) | <input type="checkbox"/> Gate (7) | <input type="checkbox"/> Screen/Shade (2) | _____ | |

DESCRIBE ALTERATIONS :

1. I acknowledge that if I am granted approval to alter my lot pursuant to this application that I am responsible for compliance with the current edition of the BC Building Code, Westbank First Nation Building law and any other applicable enactment, code, regulation or standard relating to the work required to complete an approved alteration, whether or not the work is undertaken by me or by those whom I may employ to design, build or install any or all part of the alteration.
2. I acknowledge that the Sonoma Pines Homeowners Management Ltd. is further absolved from all costs, maintenance, repair and any and all legal and insurance costs that may arise from an approved alteration to the Property and Common Property of The Company.
 - a) As this may be a modification to the existing property the current owners and any future owners will be responsible for the maintenance and structure of the alteration.
 - b) Any damage to the modification or existing property now or in the future due to this alteration will be the responsibility of the owner.
 - c) All damages that may be caused to Company property during the execution of the alteration must be put back into their existing state after the alteration is completed.
3. I acknowledge that a certified/licensed professional will complete part or all approved alteration when required by The Company and at my own expense.
4. I acknowledge that I, or a licensed contractor will obtain all necessary permits or licenses at my expense prior to commencing an approved alteration.
5. I acknowledge, that if improper installation of any devices on my multi-family home had consequences to void any warranties on that multi-family building, that I will be responsible for the cost of repair or replacement of any damages to that multi-family building that would otherwise have been covered under warranty.
6. I acknowledge that the facts and information contained in this application and supporting documents are true.
7. I hereby apply for approval to alter my lot in accordance with the submitted documents and this application.

OWNER SIGNATURE _____ DATE _____

OWNER SIGNATURE _____ DATE _____

NOTICE OF TENANT'S RESPONSIBILITIES

Street Address of Rental Property

.....

Name(s) of tenant(s)

.....

Tenancy commencing[month day, year].

Tenants Phone(s)

IMPORTANT NOTICE TO TENANTS:

1. Under the Bylaws of Sonoma Pines Homeowners Management Ltd. ("The Company"), a tenant in a residential unit must comply with the bylaws and rules of The Company that are in force from time to time (current bylaws and rules attached).
2. The current bylaws and rules may be changed by The Company, and if they are changed, the tenant must comply with the changed bylaws and rules.
3. If a tenant or occupant of the residential unit, or a person visiting the tenant or admitted by the tenant for any reason, contravenes a bylaw or rule, the tenant is responsible and may be subject to penalties, including fines, denial of access to recreational facilities, and if The Company incurs costs for remedying a contravention, payment of those costs.

Date:[month day, year].

Signature of Landlord, or Agent of Landlord

Address of landlord, or agent of landlord:

I/We, the Tenant(s) acknowledge receipt of this notice and agree to the terms hereof.

Date:[month day, year].

Signature of Tenant

Signature of Tenant

This form to be completed and delivered to The Company on the earlier of:

- **days after the Rental Agreement is signed, or,**
- **the commencement date of the rental period.**

The personal information requested and subsequently provided in this document is for the purpose of communicating with tenants and owners, ensuring the orderly management of The Company and complying with legal requirements.

ALTERATIONS REFERENCE TABLE

Whether you are a Single or Multi-Family homeowner, in many instances you are required to obtain written approval before altering property. The approval process is necessary *“to protect and retain the uniform and prestigious look that inspired us to purchase in the first place”*. We are aware that standards have evolved through out the community with each new phase. A “uniform” look does not mean that all residences will be subjected to the same exact standards; however, the alteration will have to marry the overall look and current safety standards. In general terms: our homes and landscape must be maintained so that they do not substantially depreciate the value of other land and buildings in the vicinity.

To apply, complete an “Application for Alteration”. The form can be access at: www.sonomapines.info under the tab “Alterations”. Make sure to include all drawings, backup documents/information as listed on this table.

If alteration is to impact the irrigation system or landscape, make sure to obtain a separate approval by completing an “Application for Landscaping & Irrigation Alteration”.

Please note that this table is a general guide. Additional information may be required and requirements, not listed below, taken into consideration during approval process.

Alteration approvals are valid for 12 months and the alteration, once work has commenced, must be completed within 90 days.

Regarding insurance, it must be noted that in most cases, upgrades or alterations to a multi-family home undertaken by an owner are not covered under the SPHM Ltd. property insurance. Not all types of indoor renovations require approval, however, SPHM Ltd. must be notified by email of any substantial upgrades by homeowners through our property manager. Multi-family homeowners will have to look to his/her own insurance policy for coverage of the upgrades or alterations. For questions regarding your insurance coverage, please contact your insurance agent.

Before applying, here are few points to consider for any alterations:

1. Alteration must meet the current community standards, design and architecture.
2. Alteration must not interfere with landscape maintenance or potentially increase landscape maintenance cost.
3. Alteration must not interfere with neighbours’ view or enjoyment of their property.
4. Some alterations may require that you obtain a building permit from the Westbank First Nation or other authority. It is the homeowner’s responsibility to find out what permits or licenses are required AND to obtain them before starting any approved alteration.
5. Please note that all alterations will also be subjected to Sonoma Pines current maintenance standards.
6. If alteration is to be completed by a hired contractor on “common property” or the exterior of a “multi-family home”, homeowners will be required, before commencing work, to provide SPHM with contractor’s proof of liability insurance for a minimum of \$2,000,000 dollar. Single Family homeowners should for their own protection, ask contractors to show their insurance liability policy before starting work on their home.

1. Arbor – Gazebo – Cedar Pergola & Wood Accents	
<p>Arbor</p> <ul style="list-style-type: none"> <input type="checkbox"/> Location of arbor on lawn, must allow for at least 50 inches of clearance on grass area so a riding mower can pass through with ease. <input type="checkbox"/> Location of arbor must not be in the way of irrigation sprinklers or landscape maintenance crew. 	<ul style="list-style-type: none"> ✓ Provide picture of arbor and specify material and dimensions including height. ✓ Specify type of anchor. ✓ Attach pictures where arbor is to be installed, with your house in the background including a picture from a distance, showing neighbors’ houses on both sides.
<p>Gazebo</p> <ul style="list-style-type: none"> <input type="checkbox"/> Gazebos (permanent or freestanding) are NOT allowed. 	
<p>Cedar Pergola & Wood Accents</p> <ul style="list-style-type: none"> <input type="checkbox"/> Pergola and Arbor may require written approval from neighbours who may be affected by the alteration. <input type="checkbox"/> Before applying, contact BC One Call at 1-800-474-6886 and Corix at 250-712-7273 or 1-866-457-7273 to established what underground utilities are buried in or near the future dig site. (See footnote #1 at the end of the document for more details.) <input type="checkbox"/> Pergola must be of appropriate size for the chosen area. <input type="checkbox"/> Pergola must be 9 feet total height; 55 inches to top of lattice section. Made of 6"x6" cedar material, stained with Mesmer’s UV Plus stain in “Natural Redwood”. <input type="checkbox"/> No pergola or arbor meant to hide mechanical or electrical units will be allowed, as these units must be easily accessible at all time. <input type="checkbox"/> Further addition of wood accent above garage door is NOT allowed. 	<ul style="list-style-type: none"> ✓ Provide plan or sketches showing proposed changes including dimensions. ✓ Attach pictures of your house where the pergola is to be installed, including a picture from a distance, showing neighbors’ houses on both sides. ✓ Attach neighbours’ written consent.

2. Awning - Outdoor Sunshades - Privacy Screen

<ul style="list-style-type: none"> <input type="checkbox"/> Fabric colour must complement your house colour and its appearance and quality must match current community standards. <input type="checkbox"/> Awnings vary in quality. In order to maintain a uniform look through out the community and to prevent replacement of hardware which would require new perforations into the stucco each time; your choice of awning must come with a 10-year warranty against fading, rot and mildew on fabric, and a 10-year warranty on hardware. <input type="checkbox"/> Awning, shade or screen must be of appropriate size for the chosen area. <input type="checkbox"/> Accordion style awning, shade and privacy screen may require written consent from neighbours affected by the alteration. <input type="checkbox"/> Privacy screen must be retractable and preferably installed on a track system. <input type="checkbox"/> When open, awning must not interfere with neighbours' view or obstruct landscaping maintenance crew. <input type="checkbox"/> Must be professionally installed. 	<ul style="list-style-type: none"> ✓ Provide fabric sample. ✓ Include brochure or info with dimensions and rolling mechanism. ✓ Specify where the awning is to be attached e.g. wall, roof, soffit, fascia or pergola. ✓ Attach pictures of your house where item is to be installed, including a picture from a distance, showing neighbors' houses on both sides. ✓ Attach neighbours' written consent if applicable. ✓ Provide name of the company who will complete the installation and copy of their liability insurance.
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<p>3. Devices Any addition that would affect the outside of the building Such as <i>Satellite Dish, air-conditioner, electrical or gas devices, fan, light, solar tube, solar panel, vent, fireplace...etc</i></p>	
<ul style="list-style-type: none"> <input type="checkbox"/> Devices MUST be professionally installed. <input type="checkbox"/> May require inspection by a certified building/gas/electrical inspector. <input type="checkbox"/> If <u>improper</u> installation of any devices on the owner's MF home had consequences to void any warranties on that MF home - the homeowner would be responsible for the cost of repair or replacement of any damages to that multi-family building that otherwise would have been covered under warranty. 	<ul style="list-style-type: none"> ✓ Include brochure or info on the device, including dimensions and specifications. ✓ Attach pictures from the inside of the house, and from the outside of the house where the device is to be installed. For example: for a fireplace you would provide a picture of its placement in the room and a picture of the outside wall from a distance, where the chimney will be located. ✓ Provide name of the company who will complete the installation and copy of their liability insurance.
<p>Satellite Dish</p> <ul style="list-style-type: none"> <input type="checkbox"/> Satellite dish must be 24 inches or less in diameter. <input type="checkbox"/> Professionally installed on either the roof or a wall (no dish off deck, pergola or balcony allowed). <input type="checkbox"/> Dish must not obstruct landscaping maintenance crew 	<ul style="list-style-type: none"> ✓ Attach brochure or info on satellite dish. ✓ Attach pictures where satellite dish is to be installed, including a picture of your house and satellite proposed location from a distance, showing neighbors' houses on both sides. ✓ Provide name of satellite dish provider and installer and attach copy of their liability insurance.
<p>Solar Tube</p> <ul style="list-style-type: none"> <input type="checkbox"/> Solar tubes must be professionally installed and have at least a 10-year warranty. The installer MUST tie in the flashing for the Solar tube in order for the 10 year workmanship warranty on the roof to remain valid. <input type="checkbox"/> Solar tubes equipped with a night lighting system are NOT allowed. <input type="checkbox"/> Madge Contracting Ltd who provides a 10-year workmanship warranty on Sonoma Pines roofing had the opportunity to inspect installation of solar tubes, from and by the Solar Centre in Kelowna and had no concerns with the installation. If a homeowner chooses to purchase from another supplier, the Board may require a post installation by Madge Contracting at the homeowner's expense. 	<ul style="list-style-type: none"> ✓ Attach brochure or info on solar tube. ✓ Attach pictures where solar tube is to be installed, including a picture of your house and solar tube proposed location from a distance, showing neighbors' houses on both sides and above if applicable. ✓ Provide name of solar tube provider and installer and attach copy of contractor's liability insurance.

4. Driveway, concrete pad, walkway & retaining wall

Extension or removal of concrete. Addition or removal of paving stones or retaining rocks. For Maintenance see number (12).

<ul style="list-style-type: none"> <input type="checkbox"/> Concrete work will have to be done professionally and engineered correctly for sloping as not to affect any part of the home construction and/or create water retention in any part of Sonoma Pines property. <input type="checkbox"/> Concrete work must be broom finished. <input type="checkbox"/> Retaining wall must be professionally installed. <input type="checkbox"/> Rocks used in later phases and approved for Sonoma Pines are Kettle Valley granite (from Kelowna Sand & Gravel) and were installed by Rustad and Sons. <input type="checkbox"/> Interlocking paving stones must be laid over compacted sand base and match, in size and colour, existing paving stones. 	<ul style="list-style-type: none"> ✓ Provide sketches, plans and specify location and dimensions. ✓ Attach pictures of the area where proposed changes are to be done. ✓ If applicable, include paving stones and retaining rock specifications you are planning to use. ✓ If alteration is to impact the irrigation system or landscape, complete and attach an "Application for Landscaping & Irrigation Alteration"
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5. Deck & Patio (Extension and/or Remodeling) For Maintenance see number (12).

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| <ul style="list-style-type: none"> <input type="checkbox"/> For deck or patio extension you must obtain written approval from neighbours who may be affected by the alteration. <input type="checkbox"/> Before applying, contact BC One Call at 1-800-474-6886 and Corix at 250-712-7273 or 1-866-457-7273 to establish what underground utilities are buried in or near the future dig site. (See footnote #1 at the end of the document for more details.) <input type="checkbox"/> For deck extension, a certified/licensed contractor should execute the work. If you choose to use a non-certified/licensed contractor, you will have to pay for two building inspections: one before closing of the deck and one after completion. <input type="checkbox"/> Cantilevered (deck beam anchored at one end) can only be extended to a maximum of 2 feet. <input type="checkbox"/> Concrete work will have to be done professionally and engineered correctly for sloping as not to affect any part of the home construction and/or create water retention in any part of Sonoma Pines property. <input type="checkbox"/> Concrete patio must be done with reinforcing steel and be broom finished. <input type="checkbox"/> Interlocking paving stones for patio must be laid over compacted sand base and match, in size and colour, existing paving stones. <input type="checkbox"/> You may be required to obtain a building engineer assessment prior to approval. <input type="checkbox"/> Acceptable deck covers are: <ul style="list-style-type: none"> - 65-mil <i>Eurodek Plus</i> vinyl decking with non-woven polyester backing or its equivalent. - Aggregate, or tile deck cover require that the deck be custom engineered with heavier joists to accommodate for the extra weight. So to change from vinyl to tile or aggregate will require significant structural changes and the involvement of a structural and geotechnical engineers might be required. <input type="checkbox"/> Deck railing must be black aluminum picket, black-framed glass or black topless glass hardware. Height must follow BC Building Code. Sonoma Pines supplier was Duradek from Kelowna. <input type="checkbox"/> Topless Glass Railings (August 31, 2016) According to Grant Trask, Senior Building Inspector for WFN a building permit is not required for a railing replacement. <input type="checkbox"/> If a single family homeowner plans to install a topless | <ul style="list-style-type: none"> ✓ Attach pictures of the deck or patio including a picture from a distance, showing neighbors' houses on both sides. ✓ Provide sketches, plans with external dimensions. ✓ If applicable, specify type of railing and deck material to be used, attach brochure/info. ✓ If applicable, include paving stones specifications e.g. make/distributor, size, and dimensions. ✓ Specify precautions you intend to take to protect any existing drains, pipes or any other part of the house that may be affected by the changes. ✓ Attach neighbours' written consent. ✓ Provide name of the contractor who will be hired to complete the alteration and attach copy of contractor's liability insurance. |
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<p>glass railing it is the homeowners responsibility to ensure that the railing is adequately engineered to meet the current building code.</p> <ul style="list-style-type: none"> <input type="checkbox"/> In the case of an installation in a multi-family home SPHOM requires a full professional engineer design, that meets the BC building code submitted as part of the alteration process. <input type="checkbox"/> In case of railing replacement, adequate waterproofing of previous insertion points must be done i.e. meet BC Building codes. 	
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6. Door & Window (Addition, modification or replacement)	
<p>Doors and windows must match current community standards.</p> <ul style="list-style-type: none"> - Window & sliding patio door must be in vinyl, beige colour inside & outside. Starline Windows manufactured Sonoma Pines original doors (250) 765-6334. - Exterior door opening onto deck or patio; beige solid-core metal clad exterior. Built-in mini-blinds inside glass exterior door acceptable. Sonoma Pines' supplier was KPD Kelowna Prehung Doors. - Front door; beige solid-core metal clad exterior doors with or without clear transoms, with or without sidelights. Sidelights can be in frosted (opaque) or specialty glass. - Garage door; 7 feet high, solid-core 4 panel steel clad R12 insulated door with twin-sealed clear windows. Doors are manufactured by Steel-Craft and the colour for Sonoma Pines is "Sandstone"- Supplier was Legacy Doors (250) 979-0090. - Storm door; choose a door that has a limited lifetime warranty. It is advisable to choose the same brand as your front door so it matches the design and fits properly over the threshold. Door finish must match exterior door and frame colour. Certain styles allowed are... (to be decided by council). - Retractable Screen door; no approval is required, however, screen frame must match door trim colour. <p><input type="checkbox"/> For <u>addition</u> of exterior door or window to the building, prior building engineer assessment may be required.</p>	<ul style="list-style-type: none"> ✓ Include brochure or info on window or door, hardware and exact specifications. ✓ Attach pictures of the door or window to be modified or replaced including a picture of your house from a distance, showing the door or window in question, with your neighbours' house on both sides. ✓ If adding a door or window, attach pictures where the opening will be, including pictures showing the view from the opening. ✓ Where applicable, provide name of the company who will complete the installation and attach copy of contractor's liability insurance. ✓ If applicable, attach neighbours' written consent. ✓ For window, garage or door replacement, please explain why it needs to be replaced, as cost may fall under SPHM's responsibility.

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| <ul style="list-style-type: none"><input type="checkbox"/> If you are adding an exterior door or window, a certified/licensed professional must do the installation.<input type="checkbox"/> If you are adding a door or a window, you must obtain written consent from neighbours who may be affected by the alteration.<input type="checkbox"/> <i>Adding window to exterior door;</i> If your request is to <u>add a window to an existing door</u>, window must be no bigger than the door upper panel. | |
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7. Fence, Railing, Enclosure, Divider, Trellis, Gate	
<ul style="list-style-type: none"> <input type="checkbox"/> Before applying, contact BC One Call at 1-800-474-6886 and Corix at 250-712-7273 or 1-866-457-7273 to establish what underground utilities are buried in or near the future dig site. (See footnote #1 at the end of the document for more details.) <input type="checkbox"/> You may need to obtain neighbours' written consent. <input type="checkbox"/> Material for fence, railing, enclosure or gate would have to be black aluminum and match current railings and/or made of stucco walls. Duradek from Kelowna supplied Sonoma Pines standard railings. <input type="checkbox"/> Preferred material for dividers is cedar and would have to match current stain on pergola and wood trims. <input type="checkbox"/> A certified/licensed contractor must be hired for stucco wall enclosure. <input type="checkbox"/> Must be Acrylic Stucco and match your house colour. Sonoma Pines stucco is made by Dryvit and can be found at Winroc. Colours are: Cockatoo (gold), Sonoma Red (red), Northwest Trail Green (green), Treasure Chest (dark brown), Queensland Walnut (light brown). <input type="checkbox"/> In case of railing replacement, adequate waterproofing of previous insertion points must be done i.e. meet BC building codes. <input type="checkbox"/> No trellis or divider meant to hide mechanical or electrical units will be allowed, as these units must remain easily accessible at all time. 	<ul style="list-style-type: none"> ✓ Provide plan or sketches showing proposed changes including dimensions. ✓ Include brochure or info regarding the fixture in questions including specifications: colour, dimensions, etc... ✓ Attach pictures of your house where fixture is to be installed, including a picture from a distance, showing neighbors' houses on both sides. ✓ If applicable, attach neighbours' written consent. ✓ If applicable, provide name of the contractor who will be hired to complete the alteration and copy of their liability insurance.

8. Golf Ball Netting	
<ul style="list-style-type: none"> <input type="checkbox"/> Netting must be a protective netting designed for golf course fairway homes. <input type="checkbox"/> Professionally installed. <input type="checkbox"/> May require neighbours' written consent. <input type="checkbox"/> Must be installed on Sonoma Pines property with no overlap on golf course property, legal survey maybe required. 	<ul style="list-style-type: none"> ✓ Attach brochure/pictures of netting to be purchased. ✓ Attach pictures where netting is to be installed, including a picture of your house and netting proposed location from a distance, showing neighbors' houses on both sides. ✓ Provide name of provider and installer and copy of their liability insurance. ✓ If netting is to affect neighbours' view, attach neighbours' written consent.

9. Hot Tub	
<ul style="list-style-type: none"> <input type="checkbox"/> Hot tubs on decks are NOT allowed. <input type="checkbox"/> Hot tub should fit into your patio and not overwhelm it. <input type="checkbox"/> No permit from WFN is required for hot tub installation at ground level. <input type="checkbox"/> Hot tub at ground level must be set on a concrete or paving stone base. <input type="checkbox"/> If 220 Volt is required and wiring is not already in place; electrical outlet will have to be installed by a licensed electrician. <input type="checkbox"/> For gas operated hot tub, plumbing and installation will also have to be done by a licensed plumber/gas fitter (Class A). <input type="checkbox"/> Hot tub must have a lockable cover. 	<ul style="list-style-type: none"> ✓ Attach brochure/pictures of hot tub and specifications i.e. dimensions, weight (dry and filled), water and occupant capacity, operating voltage and gas or electrical heating. ✓ Specify patio dimensions where hot tub will be located. ✓ Attach pictures where hot tub is to be installed, including a picture of your house from a distance, showing neighbors' houses on both sides. ✓ If concrete or paving stone base must be built, see section under "Driveway" and make sure to include tub manufacturer standards for base preparation. ✓ Electrician/company name that will do the wiring if applicable and copy of their liability insurance. ✓ For gas operated hot tub: company name who will do the gas fitting and installation and copy of their liability insurance.

10. Indoor Renovations
<p>For Multi-Family homes approval from the Board is required for the following indoor renovations:</p> <ul style="list-style-type: none"> - Part of the renovation is structural in nature. For example, knocking down of a wall, adding a window...etc - Part of the renovation involves altering the exterior of the building, as would the addition of a solar tube, air vent, fireplace etc. <p>Please be reminded that renovations not requiring approval must be reported to SPHM Ltd. by email to: SPHMBoard@gmail.com</p>

11. Landscaping & Irrigation	
<ul style="list-style-type: none"> <input type="checkbox"/> Please refer to the "Landscape Guidelines" for more details. <input type="checkbox"/> Changes to the irrigation system may require to be done by a landscaping/irrigation contractor. 	<p>No approval is required to <u>replace</u> or <u>switch</u> shrubs, perennials or plants around as long as the replacement is on the Sonoma Pines recommended list.</p> <p>For all other landscape alterations, you will need to complete and "<i>Application for Landscaping and Irrigation Alteration</i>".</p> <ul style="list-style-type: none"> ✓ When possible, provide sketches showing proposed changes including dimensions. ✓ Attach pictures of the area to be modified and pictures from a distance with your house including neighbours' homes. ✓ Indicate where sprinkler heads (if any) are located in the area in question.

12. Maintenance

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| <ul style="list-style-type: none"> <input type="checkbox"/> All repainting requires use of original colour and product. General Paint has all Sonoma Pines paint codes and specs on file and offers a discount to Sonoma Pines owners as well. <input type="checkbox"/> Repainting of stucco is to be done in a way that the overall appearance is maintained and uniform. Sonoma Pines stucco is made by Dryvit and can be found at Winroc. Colours are: 7756N Cockatoo (gold) Demandit Batch# 23333 – Sandpebble NT Batch# 23336, 7856A Sonoma Red (red) Demandit Batch# 23334 - Sandpebble NT Batch# 23335, 8686N Northwest Trail Green (green) Demandit Batch# 23332- Sandpebble NT Batch# 23332, 8296N Treasure Chest (dark brown) Demandit Batch# 23330 - Sandpebble NT Batch# 23337, 8246N Queensland Walnut (light brown) Demandit Batch# 23331 - Sandpebble NT Batch# 2338. <input type="checkbox"/> Weathered <i>fascia</i> can be replaced with black aluminum and must be done professionally. OR stacked fascia can be sanded down then repainted with Primed black and Cloverdale WeatherOne “Covercoat” in black. <input type="checkbox"/> Repair of cracks in driveway and concrete pad may require inspection before approval so please contact SPHM before engaging in any concrete repairs. <input type="checkbox"/> <i>Roofing</i> repairs are to be completed with Asphalt shingle roofing – IKO “Cambridge” series in colour “Dual Black”. <input type="checkbox"/> Repairs or replacement of <i>soffits & gutters</i> must meet current standards: Fascia gutters are 5” (colour: black). Down pipes are 4” (colour: sandstone) and vented aluminum soffit around eaves and under decks (colour: sandstone). <input type="checkbox"/> Re-staining of cedar accents above garages & windows and on pergolas & arbors must be done with Mesmer’s UV Plus stain in “Natural Redwood” and a cleaner and brightener must be applied and rinsed before re-staining, at least for now. The Maintenance Committee is looking into other products that will eliminate the prep time. We will keep you posted. | <ul style="list-style-type: none"> • Single-Family homeowners are responsible for the maintenance on their property, at their own expense and subject to the same standards set for Sonoma Pines. No approval required <u>except</u> for concrete maintenance. • Single <u>and</u> Multi-Family homeowners, will need to submit an Application for Alteration before commencing concrete repairs or replace concrete. Concrete issues are more complex and solutions may vary. It is important that SPHM be notified via the Application so they can provide homeowners with the best possible solution. • For Multi-Family homeowners, items requiring attention will be identified by the Maintenance Committee and placed on a priority list. Repair work and expenses will be looked after by SPHM, unless of course, the item is as a result of an alteration. In that case, the Multi-Family homeowner is responsible for its upkeep same as a single-family homeowner. For example: if a pergola was built by the builder and included in the <u>original</u> buyer’s purchase price, then SPHM is responsible to maintain it. If the pergola was added later on, the Multi-Family homeowner is then responsible. • Multi-family homeowners are required to submit an Application for Alteration regarding roofing, fascias or stucco maintenance since those items are likely to affect more than one residence. • For all other general maintenance, homeowners do not need approval. However, homeowners will be expected to use the original colour, type of material and the final result will have to match the overall appearance of the community. If standards are not met, you may be required to redo the work or even have to pay for a contractor to re-do the work. |
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13. Ornamental	
<ul style="list-style-type: none"> <input type="checkbox"/> Except for hummingbird feeders, seed bird feeders and birdhouses are NOT allowed. <input type="checkbox"/> Wind chimes are NOT allowed. <input type="checkbox"/> House numbers cannot be altered or changed. <input type="checkbox"/> Installation of a water feature on any outside walls or any part of the outside structure such as wall mounted water fountain, flower box...etc, is NOT allowed. <input type="checkbox"/> Stand-alone fountains (non permanent) are permitted but must be set far enough that splashing water cannot reach any stucco, metal or wood structures. Accepted hours of operation for the water pump are between 7 a.m. and 11:00 p.m. <input type="checkbox"/> House or garden ornaments must be tasteful and not overwhelm the space. Best practice would be to ask your neighbours for their feedback. Please keep in mind that damages caused to the structure like discoloration or holes in the acrylic stucco will be the homeowners' responsibility to repair. <input type="checkbox"/> Flagpoles (stand alone or hanging off a balcony at an angle) are NOT allowed. 	<ul style="list-style-type: none"> ✓ You do not need to submit an Application for Alteration, however, if guidelines are not followed, you may be asked to remove the items in question and to return the site to its original state at your own expense. ✓ When in doubt, please feel free to submit an Application for Alteration.

14. Miscellaneous items	
<ul style="list-style-type: none"> <input type="checkbox"/> Requirements may vary. 	<ul style="list-style-type: none"> ✓ Include brochure or info on proposed changes. ✓ Attach pictures and other pertinent information that can assist in decision-making.

Note #1

BC One Call is a free service and their responsibility is to request service plans of your residence on your behalf from service providers such as BC Hydro, Fortis BC, WFN and others when applicable. Each service provider will reply to the homeowner via email within (3) business days with plans/drawings showing locations of cables, lines, pipes etc... and provide homeowner with a list of instructions. Service providers cannot guarantee the location of the underground installation as shown on the plans/drawings. The exact location must be proven by hand digging prior to excavating. Ultimately, the contractor remains responsible for locating the facilities in the work site before starting to excavate or drill.

Corix is not a member of BC One Call at this time so you will have to contact them separately by phone, fax or email. A customer care representative will then place a "service order" and someone will get back to you within a few days. Toll-Free: **1-866-457-7273** From Kelowna: **250-712-7273** Fax: **250-763-3783**
 Email: customercare@corix.com