

FOR OFFICE USE ONLY

**DUPLICATE**

Number 6-890370

CERTIFICATE OF RECEIPT

JAN 20 1986 3:20

*[Signature]*

AST. DEP. LAND REGISTRAR  
L. I. METRO TORONTO No. 66

New Property Identifiers

Additional: See Schedule

Executions

Additional: See Schedule

(1) Registry  Land Titles  (2) Page 1 of 18 pages

(3) Property Identifier(s) Block Property Additional: See Schedule

(4) Nature of Document  
BY-LAW (CONDOMINIUM ACT)

(5) Consideration  
Not Applicable Dollars \$

(6) Description  
The Common Elements comprising the property included in Metropolitan Toronto Condominium Plan No. 690 in the City of Toronto, in the Municipality of Metropolitan Toronto, Land Titles Division of Metropolitan Toronto (No. 66)

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch  (b) Schedule for: Description  Additional Parties  Other

(8) This Document provides as follows:

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690 hereby certifies that the By-Law Number 3 attached hereto was made in accordance with the Condominium Act, being Chapter 84 of the Statutes of Ontario, 1980 and any amendments thereto, the Declaration and the By-Laws of the Corporation, and that the said By-Law Number 3 has not been amended and is in full force and effect.

Continued on Schedule

(9) This Document relates to instrument number(s)

(10) Party(ies) (Set out Status or Interest)

Name(s)

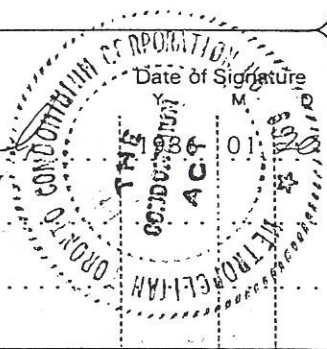
Signature(s)

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690 (Applicant)

per:

Alan J. Frank - Secretary

Date of Signature



(11) Address for Service

211 Queen's Quay West, Toronto, Ontario, M5J 2M6, Attention: Property Manager

(12) Party(ies) (Set out Status or Interest)

Name(s)

Signature(s)

Date of Signature  
Y M D

(13) Address for Service

(14) Municipal Address of Property

211 Queen's Quay West  
Toronto, Ontario  
M5J 2M6

(15) Document Prepared by:

Olympia & York Developments Limited  
1 First Canadian Place  
P.O. Box 20, 32nd Floor  
Toronto, Ontario M5X 1B5  
Attn: Law Department / AJF

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Fees and Tax

Registration Fee

Total

April 22, 1997

Ms. Deborah J. Shaver  
D.J.S. Management Inc.  
211 Queen's Quay West  
Toronto, Ontario  
M5J 2M6

Dear Ms. Shaver:

- (1) D.J.S. Management Inc. ("your company") which we understand is owned or controlled by you has managed the common elements administered by, as well as the assets of, Metropolitan Toronto Condominium Corporation No. 690 ("this corporation") at the address shown below, since October 1, 1988 under an informal, essentially unwritten contract on terms substantially like the terms (excluding monetary terms) of the general form annexed to and authorized by By-law No. 3 of this corporation.
- (2) This corporation, having confidence in your performance, desires that your company's management should continue on the same basis except as -
  - (a) expressly stated by the provisions of (3) below; and
  - (b) varied from time to time by further agreement made between your company, authorized by you, and this corporation, authorized by resolution of its directors.
- (3) The exceptions referred to in (2)(a) above are -
  - (a) the effective date of the continuing contract (that will result from your company's acceptance of the terms of this letter) will be January 1, 1997 and the duration of it will be three (3) years from and including that date unless terminated in accordance with the provisions of the general form referred to in (1) above;
  - (b) your company will be paid for its management services under the continuing contract (described above) a monthly all-inclusive fee of \$5,000; and
  - (c) your personal performance of such management duties is required not less frequently than six hours per day, Monday to Friday, inclusive.

- 2 -

Ms. Deborah J. Shaver


April 22, 1997

- (4) If you accept the foregoing terms of this letter, please sign and return the enclosed duplicate of it.


Yours sincerely,

**METROPOLITAN TORONTO  
CONDOMINIUM CORPORATION  
NO. 690**

by:

  
Jane Wetmore  
President

Original of this letter received and  
above terms agreed to and accepted.

  
Deborah J. Shaver, personally  
and on behalf of, D.J.S. Management Inc.

April , 1997

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690

BY-LAW NO. 3

A by-law respecting the entering into of a Management Agreement.

BE IT ENACTED as a by-law of Metropolitan Toronto Condominium Corporation No. 690 (hereinafter referred to as the "Corporation") as follows:

That the President or Secretary may from time to time enter into an agreement with any person or corporation respecting the management of one or all of the Corporation's properties in the general form, a copy of which is hereto annexed.

The foregoing By-law No. 3 is hereby passed by the directors of the Corporation pursuant to the Condominium Act of Ontario as evidenced by the respective signatures hereto of all the directors.

DATED this 20th day of December, 1985.

Bruce A. Finkler (with signature)

Alan J. Frank

Cheryl Wright (with signature)

The undersigned, which owns 100% of the Units, hereby confirms, pursuant to the provisions of the Condominium Act of Ontario, the foregoing By-law No. 3 of the said Corporation signed by all of the directors of the said Corporation, as By-law No. 3 hereto, pursuant to the provisions of the said Condominium Act on the 20th day of December, 1985.

DATED this 31st day of December, 1985.

per: Albert Reichmann - President (with signature and circular stamp of Olympia & York Developments Limited)

CONDOMINIUM MANAGEMENT AGREEMENT

B E T W E E N:

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO.

- and -

JOHN OAKES AND ASSOCIATES LIMITED

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administration of the Property and of the assets of the Corporation. In this regard, the Manager accepts the relationship of trust and confidence established between itself, the Board of Directors, and the Owners by virtue of entering into this Agreement. The Manager covenants to furnish its best skill and judgment and to cooperate in furthering the interests of the Corporation. The Manager agrees to furnish efficient business administration and supervision and to perform its responsibilities both administrative, financial and advisory, in the best manner, consistent with effective management techniques and in the most expeditious and economical manner consistent with the best interests of the Corporation. The Manager shall conduct its duties consistent with the requirements of the Act, the Declaration, By-laws and Rules of the Corporation specifically, and, in general, consistent with federal, provincial and municipal laws and regulations as they pertain to the operation of the Corporation and of the property.

Without limiting the generality of the foregoing, the Manager shall perform, in particular, the following specific duties, subject to the direction of the Board:

(a) Corporation Funds

To collect and receive in trust for the Corporation all monies payable pursuant to the Declaration and By-laws by the Owners or others and to deposit the same forthwith in a separate trust account to be opened with a Canadian Chartered Bank or Trust Company and maintained by the Manager in the name of the Corporation and as the Board may from time to time direct. All such monies shall thereafter be held in trust by the Manager and be used:

(i) Disbursements

to make payments of all accounts properly incurred by or on behalf of the Corporation;

(ii) Insurance

to arrange for and pay for the insurance required by the Corporation in accordance with the provisions of the Act, the Declaration and By-laws, and the amounts of such insurance shall be as directed by the Board of Directors;

(iii) General Maintenance and Repairs

to repair and maintain or cause to be so repaired and maintained, those parts of the Property and assets of the Corporation which require repair and maintenance by the Corporation in accordance with the provisions of the Declaration and By-laws, and, without limiting the generality of the foregoing, to arrange for (subject to (m) herein below) the supply as may be required for electricity, water and other services and to arrange through use of Property employees and/or independent contractors as in each instance may seem most desirable for the effective and economical operation, maintenance and repair of the Property and its equipment or so as to comply with the enforcement of any regulations and requirements of which the Manager is notified by the local board of Health, Police and Fire Departments and any other Municipal, Provincial and Federal authorities having jurisdiction which affect the Property, and without limiting the generality of the foregoing, such arrangements shall include where applicable to the Property, removal of litter and disposal of waste, snow and ice removal, landscaping and grounds maintenance, fire hydrant servicing, exterior alterations and any supervision and maintenance necessary in connection with the Property, and subject to (m) below to maintain such staff on behalf of and at the expense of the Corporation as may be required at all times promptly and efficiently to carry out the foregoing, and any other requirements and instructions of the Board.

(iv) Reserve Fund

to deposit to the credit of the Corporation in a separate account for major repair and replacement of the Common Elements and assets of the Corporation, on a monthly basis, the proportionate amount of the total budgeted expenditure allocated by the Corporation in its budget statement for the establishment of the reserve fund and to ensure that such monies are not used or employed by the Manager in the payment of operating expenses from the general operating account.

The Manager shall prepare annually and for approval of the Board a reserve fund budget statement setting out the amounts that, calculated on the basis of expected repair and replacement costs and life expectancy of things comprising the Common Elements and assets of the Corporation are sufficient to comply with the requirements of Section 36 of the Act. In addition, the Manager shall develop and monitor an investment program as approved by the Board to obtain the highest possible return on all revenues of the Corporation including interest accumulating in surplus cash and in long-term reserve accounts and, in this endeavour, the Manager shall invest all surplus cash and reserves in interest-bearing accounts, term deposits, or other guaranteed investment certificates, as directed by the Board of Directors, in the same manner and in the same institutions as set forth in Article IV(a).

(b) By-Law Enforcement

To take such action within its power short of legal action to enforce the terms of the Act, the Declaration, the By-laws, and the rules and amendments to any of the foregoing which may be in force from time to time subject to the direction of the Board, and to instruct legal action as directed by the Board at the expense of the Corporation.

(c) By-Law Advisement

To advise and consult with the Board with respect to any further By-laws, rules and regulations which in the opinion of the Manager ought to be established to further the harmonious and satisfactory operation of the Property.

(d) Improvement of Common Elements

To establish a long-term preventive maintenance program in consultation with the Board relating to all aspects of the physical components of the Property, including the mechanical, electrical and plumbing systems and to prepare for the Board's approval general maintenance procedures and schedules to be followed by the Manager and any employees of the Corporation.

(e) Common Element Deficiencies

To use its best efforts to ensure that any building deficiency required by the Corporation to be repaired or rectified by the declarant builder is corrected and to pursue the correction of any building deficiency short of legal action under any warranty applicable to the Property; and in this regard the Manager represents and warrants that it is familiar with the filing requirements of the Ontario New Home Warranties Plan Act, R.S.O. 1980, and of the procedures to be followed under that statute in order to protect the interests of the Corporation.

(f) Communication to the Owners

To forthwith after their enactment communicate to all Owners the text and import of any further By-laws or rules and regulations or amendments thereto.

(g) Insurance Claims

To negotiate all insurance policies and arrange for any appraisal in connection therewith which may be required by the Corporation pursuant to the Declaration or By-laws, and to supervise insurance or other claims by or against the Corporation and to see that the rights of the Corporation in respect to such claims are protected including the filing of notice of claim but not including the adjusting of any loss.

(h) Inadequate Performance by Contractors

To use reasonable diligence to ensure that contracts and agreements between the Corporation and any supplier or service personnel are performed in accordance with their terms and to inform the Board in the event performance is considered by the Manager to be inadequate or contrary to the agreed terms and where services are properly performed and/or materials provided in accordance with the contract, to take advantage of all trade discounts by prompt payment of trade invoices.

(i) Construction Liens

To retain or cause to be retained holdbacks provided in the Construction Lien Act, 1983 and to use its best efforts to ensure that no claim or lien shall be filed in respect of any work which may be carried out on behalf of the Corporation against the title to the Property and if a claim or lien shall be filed in respect of such work the Manager shall forthwith take all necessary steps to have the same removed and discharged.

(j) Employee Records

To execute and file all returns and other instruments and do and perform all acts required of the Corporation as an employer of on-site personnel in respect of employment insurance contributions and deductions, Canada Pension Plan contributions and payments, the Income Tax Act of Canada and any other employee and employer contributions or payments required under any social, labour or tax legislation enforced from time to time, and in connection therewith the Corporation agrees, upon request, to execute and deliver promptly to the Manager all necessary consents, notices of appointment and like approvals or directions.

(k) Supervision of Employees

To direct and supervise any and all persons employed pursuant to this Agreement, for the operation and maintenance of any equipment in existence or which might be in existence and which the Corporation desires or is obliged to operate and maintain, and shall arrange and be responsible for any technical instructions of personnel employed at the Property which may be required for the proper operation and maintenance of such equipment.

On the basis of the budget adopted by the Corporation, the Manager shall negotiate agreements with, supervise and discharge all necessary personnel required to properly and physically maintain the Property. All such on-site personnel shall be employees of the Corporation and not of the Manager, but such personnel shall be supervised by the Manager. All salaries, taxes and other expenses payable on account of such employees shall constitute Common Expenses of the Corporation and not expenses of the Manager.

(l) Weekly Inspection Report

To prepare, specify and present a schedule duly approved by the Board and to arrange for the preparation of such work as may be necessary to direct on a regular basis the activities of all persons employed to work at the Property and to provide such supervision as may be reasonably necessary and to conduct an inspection, at least once per week, of the property and to complete a checklist setting out the status of the ongoing maintenance and repairs to be completed in respect of the Common Elements, and compliance by Owners with the Act, the Declaration, the By-laws and the Rules (i.e. stipulate infractions and the steps taken to correct same).

(m) General Authority

Subject to approval of the Board either for specific contracts and agreements or for certain classes of contracts or agreements, generally to do and perform and where desirable contract as agent for and in the name of the Corporation for all things desirable or necessary for the proper and efficient management of the Property (including the giving of proper attention to any complaints and endeavouring as far as is economical to reduce waste) and to perform every other act whatsoever in or about the Property to carry out the intent of this Agreement provided, however, that the Manager shall not authorize any work, repairs, alterations or maintenance estimated to cost in excess of \$1,000.00 for any one item without first obtaining the Board's approval to proceed with such work except for monthly or recurring operating charges, and provided further that in the case of any work, repairs, alterations or maintenance estimated to cost in excess of \$2,000.00 the Manager shall obtain the prior written approval of the Board. The Board shall provide its approval or other direction to the Manager within seven (7) days of receipt of the Manager's request for approval. In the event approval or other direction is not provided within seven (7) day period the Manager may, acting reasonably, use its own discretion to proceed as if it had received prior Board approval. Furthermore, if in its opinion there exists a hazardous situation which could cause personal injury or damage to the Property or the Corporation's equipment or chattels or which could impair the value of the Owners' interest therein or the Owners' equipment, chattels, improvements or property or which could cause the suspension of any service to the Corporation at a time when the Corporation or its representatives cannot be reasonably located for the purpose of giving approval for such work, or if failure to do such work might expose either the Corporation or the Manager or both to the imposition of penalties, fines, imprisonment or any other substantial liability, then the Manager is hereby authorized to proceed with such work in its discretion it determines to be urgently necessary for the protection and preservation of the Property or the Corporation's equipment or chattels or the Owners' interest therein or the Owners' equipment, chattels, improvements or property therein or to protect the Corporation or the Manager from exposure to fines, penalties, imprisonment or any other substantial liability, subject always to Section 42 of the Act. The Manager shall in the case of a hazardous situation report to the Board as soon as possible. The Manager, in any hazardous situation, may enter any Unit with or without the consent of the Owner thereof to perform such work or repairs as it determines to be urgently necessary for the protection and preservation of the Property and any assets of the Corporation or any equipment or chattels, or to protect the Corporation and the Manager from exposure to fines, penalties, imprisonment or any other substantial liability.

(n) Materials, Equipment and Supplies

To purchase subject to (m) above and on behalf of the Corporation such equipment, tools, appliances, materials and supplies as are necessary for the proper operation and maintenance of the Property. All such purchases and contracts shall be in the name of and at the expense of the Corporation.

(o) Inventory

To maintain a current list of all inventory, equipment and chattels of the Corporation as part of the Corporation's records.

(p) Emergency Situations

The Manager will at all times keep the Board of Directors advised of the telephone number or numbers at which an agent or employee of the Manager may be reached at any time during normal business hours in respect to any infraction of the Declaration, the By-laws, or the Rules, or at any time during the day or night in the event of any emergency involving the Property and assets of the Corporation. The Manager will make all arrangements to deal promptly with such infractions and immediately with any emergency arising in connection with the maintenance and operation of the Property and assets of the Corporation. In this regard, the Manager shall deal in the first instance with minor emergencies and infractions and

shall forthwith report to the Board of Directors any major emergency or persistent, flagrant or serious violation of the Declaration, the By-laws, or the Rules.

(q) Occurrence Report

The Manager agrees to design in consultation with the Board a form of Occurrence Report to be used by the Manager in reporting to the Board in respect of accidents or emergencies, and the Manager shall prepare for the Board an Occurrence Report in respect of any significant accident, emergency, breakdown or other situation or occurrence which in the opinion of the Manager ought to be brought to the attention of the Corporation or its Board of Directors. The Manager shall further follow up the occurrence so reported and report to the Board of Directors of the Corporation on the disposition of the said occurrence or as required by the Board.

(r) Information

To receive in writing (except in case of emergency) and co-ordinate the disposition of, requests for information and service concerning or relating to the duties and obligations of the Manager as provided by this Agreement; in all cases referring to the Board of Directors such requests as involve policy decisions or interpretations of the Declaration, By-laws and Rules and Regulations of the Corporation.

(s) Notice of Meetings

At the request of the Board, schedule and arrange facilities for all annual, general or special meetings of the Owners and deliver to the Owners or such other persons as are entitled to notice pursuant to the Act, Declaration or By-laws, such notices and other information as is required in connection with the holding of such meetings. At the expense of the Corporation, the Manager shall prepare notices of meetings and other information in sufficient quantity for distribution to all persons entitled to receive same. With respect to meetings of the Board, the Corporation shall notify the Manager in writing as to the place, date and time of such meetings and an authorized representative of the Manager shall attend all such meetings, unless otherwise directed by the Board.

V. MANAGEMENT SERVICES

The Manager agrees that during the term of the Managerial Function, it will provide all management services required in connection with the entire undertaking of the Corporation as may be necessary in the performance of its duties provided, however, that the Manager shall not be responsible for the duties of the Board or of the Officers of the Corporation. Without limiting the generality of the foregoing, the Manager shall perform the following specific duties:

(a) Books and Records of the Corporation

To keep the Corporation's books of account and retain full and proper records regarding all financial transactions involved in the management of the Property and to forward to the Corporation during the third calendar week of each month a statement of receipts and disbursements summarizing the transactions made during the preceding month and as more particularly described in paragraph (c) herein below. All books and records kept in relation to the management of the Corporation shall be the property of the Corporation and upon termination of this Agreement shall be forthwith surrendered to the Corporation or to a representative of the Corporation, designated in writing. Any time during the term of this Agreement and any renewal period, the said books of account and records shall be accessible to the Board of Directors and the officers of the Corporation, who shall have free access at all reasonable times to inspect and examine same. Until termination of the Managerial Function, the books and records of the Corporation shall be physically kept in the Manager's business office.

(b) Annual Budget

To prepare and present to the Board at least two (2) months before the commencement of each fiscal year during the term of this Agreement an estimated budget in writing for the following year and for the approval of the Board and to consult with the Board whenever it appears desirable or necessary to revise the Owners' contributions to the Common Expenses.

(c) Financial Reporting

(1) To provide the Board of Directors with monthly and year-to-date itemized unaudited financial statements showing:

(i) Corporation income on an accrual basis;

(ii) dollar amount of Common Expenses collected;

(iii) dollar amount of each disbursement as compared with budget expenses by budget categories;

(iv) the names of the Owners who are delinquent in payment of their required contribution to Common Expenses and the amount of each delinquency;

(v) amounts of all other delinquent accounts and the names of the persons owing such accounts;

(vi) particulars of accounts, term deposits, certificates and any other instruments respecting investment income and other assets and liabilities of the Corporation in accordance with good accounting principles as at the date of the financial statement;

(2) All accounting and financial reporting which is required under the terms of this Agreement to be provided by the Manager to the Corporation shall be in accordance with the reasonable requests of the Corporation's auditors as to format and shall be provided within the reasonable time limit prescribed by the Corporation's auditors.

(d) The Register

To maintain the Corporation's register in accordance with the Act and to use its best efforts to keep an up-to-date record of the names and addresses of all Owners and of any tenancies of which it has knowledge. If the Corporation receives notices or written communication from registered mortgagees or any other persons claiming an interest in the Unit, the Corporation shall forthwith communicate that information to the Manager.

(e) Access to Books and Records

To make available at reasonable times whenever requested to the Corporation, its auditors and other designated representatives all books and records pertaining to the operation of the Property and the business of the Corporation.

(f) Approval of Invoices

To make all disbursements properly incurred for and on behalf of the Corporation with the approval of the Board; provided, however, that the approval of the Board shall not be required prior to payment by the Manager of any items of expense as to which the Manager has discretionary spending power pursuant to Article IV(m) herein.

(g) Estoppel Certificates

To prepare for execution by the Corporation or, where an appropriate resolution of the Board has been made, by the Manager, under corporate seal, certificates of lien ("estoppel certificates") in the form prescribed by regulation pursuant to the Act and to issue and provide estoppel certificates together with the statements and information required pursuant to the Act to any person or persons acquiring or proposing to

acquire an interest in any Unit within the time permitted for the delivery of such certificates, statements and information prescribed in the Act.

The Manager shall be responsible for inspecting the Common Elements appurtenant to the Unit and when the Manager has reason to believe that the Unit has been unoccupied or may have been altered without permission by the Owner or occupant and upon the direction of the Board, the Manager shall inspect the Unit to determine whether or not the Corporation has any claim for damages against an Owner as contemplated by Section 41(6)(7) of the Act or whether any violation exists.

The Manager is responsible for the accuracy and completeness of all information contained in the estoppel certificate, however, the Manager shall not be liable for any information within the knowledge of the Board but not communicated to the Manager and which should be included in the estoppel certificate.

The Manager shall be entitled to retain the fee prescribed by regulation pursuant to the Act for the preparation and issuance of the Certificate and related documentation.

(h) Preventive Maintenance Program

Establish and maintain a preventive maintenance program for all major mechanical and electrical equipment in accordance with the recommendations of the manufacturers or suppliers thereof. The Manager shall also maintain log books clearly numbering all mechanical and electrical equipment and indicating the nature and frequency of maintenance services performed. The Corporation shall make available to the Manager all working drawings, as-built blueprints, maintenance and operating manuals for mechanical and electrical systems.

(i) Manager's Report

Present to the Board in writing at each regularly scheduled Board meeting with the Manager a Manager's Report, to serve as a written form of communication from the Manager to the Board. This Manager's Report shall reflect the directives of the Board to the Manager and shall cause to show the actions of the Manager with respect to those directives of the Board. Any and all correspondence received by the Manager with respect to the operation of the Corporation shall be available for examination by the Board of Directors.

(j) Printing and Secretarial Services

If requested by the Board, to record and prepare the minutes of monthly or other meetings of the Board or the Corporation and any secretarial services required to be provided by the Manager under this Agreement shall be at a cost to the Corporation of Forty Dollars (\$40.00) per meeting.

(k) Building Manager

Supply at its own expense the full time services of a building manager, for a minimum of 40 hours per week, to be located in the office on site for a minimum of 5 days per week (Statutory Holidays excepted).

(l) Fidelity Bond

To obtain and maintain a Fidelity Bond for and in respect of any of its employees or representatives dealing in any manner whatsoever with the trust accounts or monies of the Corporation in an amount of not less than \$500,000.00 per occurrence with loss payable to the Corporation. The Fidelity Bond shall not be terminable by either the insurer or the Manager unless sufficient prior notice of cancellation has been personally delivered to an officer of the Corporation other than the Manager.

(m) Hydro

To cause the individual hydro submeters for each Unit to be read at least once every 2 months, or such other longer period of time as the Board may

require; to advise each Owner of the amount of hydro consumed during the interval between each such reading and to collect from each Owner on behalf of the Corporation the cost of the hydro consumed as so calculated, the cost and terms of payment for which shall be established by the Board.

VI. EMPLOYMENT OF CONTRACTORS

The Manager may contract on behalf of the Corporation with any person, firm or corporation to perform any work or services for the Corporation within the scope of the Manager's duties under this agreement subject however to the following provisions:

(a) Approval of Board of Directors

In addition to the requirements of Article IV(m) herein, any contract to perform work or services entered into by the Manager shall be for a reasonable consideration usual in the industry and be budgeted for by the Corporation. In the event that any contract for work or services shall be for a consideration in excess of that usual in the industry or in excess of that budgeted for by the Corporation, then prior to entering into such contract the Manager shall first obtain a resolution of the Board approving such contract.

(b) Spending Restrictions

Where the cost of performing such work or services exceeds the sum of \$2,000.00, the Manager shall submit at least two written tenders for presentation to the Board and shall obtain the approval of the Board prior to entering into the contract.

(c) Filing of Return

In connection with all contracts to perform work or services entered into by the Manager, it shall execute and file necessary documents and do and perform all acts required under the laws of any Federal, Provincial, Municipal or other governmental body or authority.

VII. ACCESS TO UNITS

Subject to the relevant provisions of the Act, the Declaration and By-laws, the Manager and its agents, servants and employees may enter a Unit or exclusive use area of the Common Elements in order to perform its duties hereunder, provided always that the Manager shall give reasonable notice to the Owner of its intention to enter the Unit or exclusive use area, save only in the case of an emergency or Owner's extended absences in which case prior notices shall not be required.

VIII. MANAGER'S COMPENSATION

The Manager shall be paid as compensation for its management services rendered under this Agreement the following fees:

A fee of \$3,200.00 per month during the term of the Managerial Function payable monthly, in advance, together with all disbursements properly incurred in the performance of the duties of the Manager hereunder.

IX. UNIT REPAIRS

Notwithstanding any other provision of this Agreement the Manager is given no authority or responsibility for maintenance of or repairs to the Units which shall be the sole responsibility of the Owners individually, save and except in those circumstances where the Corporation has an obligation to repair the Units after damage whether in accordance with Section 41 of the Act or otherwise.

X. PLANS AND SPECIFICATIONS

If any plans, drawings, specifications and architectural or engineering assistance become necessary or desirable to enable the Manager



to discharge its duties pursuant to this Agreement, and if the Board or its designated representative from time to time authorizes the obtaining of the foregoing before any expense is incurred therefor, then the cost thereof shall be an expense of the Corporation.

XI. BOARD CO-OPERATION

The Corporation agrees to co-operate with the Manager to the extent required to perform expeditiously, efficiently and economically the Manager's services required under this Agreement and to provide such evidence of authority by way of certified resolution or otherwise and such specific directions as the Manager may reasonably require.

XII. LIAISON OFFICER

The Corporation shall advise the Manager in writing from time to time as required of the names of those officers, directors or other representatives who are authorized to act for and on behalf of the Corporation to enable the Manager to consult with the Corporation or obtain the Corporation's approval before proceeding with any work, act or actions. The Board may designate from time to time a single individual who shall be authorized to deal with the Manager on any matter relating to the management of the Property, and if such designation is made, the Manager is directed not to accept directions or instructions with regard to the management of the Property from anyone else. In the absence of any designation by the Board, or if a designation is revoked, then until another designation is made, the President of the Board shall have this authority.

XIII. INDEMNIFICATION OF MANAGEMENT

The Corporation shall, during and after the termination of this Agreement, indemnify and save the Manager completely free and harmless from any and all damages or injuries to person or property; or claims, actions; or costs, expenses and fees relating directly to such claims or actions by reason of any cause whatsoever when the Manager is carrying out the provisions of this Agreement or acting upon the directions of the Corporation unless as a result of the negligence of the Manager or any of its employees.

XIV. COMPREHENSIVE LIABILITY INSURANCE

The Corporation agrees to take out or authorize the Manager to arrange for comprehensive liability insurance on the Property to a limit of not less than \$1,000,000.00 inclusive and further agrees that the Manager shall be named as an insured party along with the Corporation as their interest may appear in each such policy or policies which shall provide protection against any claims for personal injury, death or property damage or loss for which either the Corporation or the Manager might be held liable as a result of their respective obligations, and the Corporation further agrees, if so requested, to provide the Manager with a Certificate of Insurance in respect of any such policy which shall include an undertaking that the Insurer will provide the Manager with at least ten (10) days prior written notice of cancellation or any material change in the provisions of any such policy.

XV. MISCELLANEOUS

(i) Investment of Capital Surplus and Reserve Account Monies

The Manager shall with the written approval of the Board invest capital surplus and reserve account monies in suitable securities and investments permitted by law in order to obtain the highest possible rate of return on such monies for the benefit of the Corporation.

(ii) Deficit Financing

Unless the Board has specifically authorized such procedure, under no circumstances shall the Manager advance funds to the Corporation on a temporary loan basis whether interest is charged to the Corporation or not in the event of a cash deficit occurring in the Corporation's current account. The Manager shall notify the Board of any anticipated cash

deficit and the Board shall take immediate steps to obtain the necessary funds to cover any such deficit pursuant to the By-laws of the Corporation by either the levying of a special assessment, the delivery of a revised budget, or the exercise of its borrowing authority on behalf of the Corporation.

(iii) Collection of Accounts Receivable Including Common Expenses

The Manager, without limiting its covenants as hereinbefore contained, shall, in addition to its covenant to enforce the By-laws of the Corporation as hereinbefore contained, actively pursue the collection of outstanding Common Expenses from Owners and tenants respectively at all times and with a view to reducing these receivables to the lowest minimum monthly balance and without incurring additional cost save in those instances where legal action including the filing of notices of lien pursuant to Section 32 of the Act is required. It is understood that notice of lien shall be filed in the appropriate Land Registry Office within three months of the default first occurring by the Owner.

In the event that the Manager fails to ensure the filing of a notice of lien covering the arrears of Common Expenses, interest charges and legal costs within the time specified under the Act resulting in any loss or any additional cost to the Corporation, the Manager shall be directly liable for same to the Corporation.

(iv) Fiduciary Relationships

The Manager may engage any parent or subsidiary corporation or any persons, firm or corporation associated, affiliate or otherwise connected with it (hereinafter called the "affiliate") to perform any work or services for the Corporation within the scope of Manager's duties under the provisions of this Agreement, without being in breach of any fiduciary relationship with the Corporation, provided the Manager discloses to the Corporation that it intends to engage an affiliate and the Manager has obtained at least two additional quotations from other competent suppliers or contractors who are not affiliates of the Manager and the Board has approved the work or service to be performed by the Manager's affiliate.

(v) Owner Relationships

(a) The Manager shall promptly deal with all reasonable queries, requests or complaints by the Board or any mortgagee of a Unit relating to the management of the Property or the duties or obligations of the Manager pursuant hereto, and to record in writing any such queries, requests or complaints and the eventual disposition thereof.

(b) The Manager shall maintain business-like relations with Owners whose service requests relating to the Common Elements shall be received, considered and recorded in systematic fashion in order to show the action taken with respect to each request. Complaints relating to Common Elements, the maintenance and repair of which are the responsibility of the Corporation, shall be attended to by the Manager in as prompt and diligent manner as possible.

XVI. TERMINATION

1. Either party may at its option terminate the Managerial Function upon sixty days' written notice to the other, without cause, and upon such termination the Manager shall surrender to the Corporation all contracts, records, files, bank accounts and other documents or information which may be pertinent to the continuing operation of the Property and the Corporation shall pay to the Manager any monies due to it as of the date of termination. For a period of 12 months after such termination and for the purpose of settling any dispute or defending any claim made against the Manager, the Corporation shall provide access to the Manager at all reasonable times and upon reasonable notice to all relevant contracts, records, files and other documents or information.

2. In addition to the rights of the parties to terminate upon notice as hereinbefore set out, the Managerial Function shall terminate upon the happening of any of the following events:

- (a) the insolvency or bankruptcy of the Manager;
- (b) the termination of the Corporation;
- (c) the Manager is insubordinate, reckless or grossly negligent in performing its duties hereunder.

3. Upon termination of the Managerial Function and in addition to the Manager's obligations as hereinbefore set out,

- (a) the Manager shall cease to operate the Corporation's bank account and shall execute all necessary documents in recognition thereof as may be requested by the Corporation or the said bank, and shall as soon as possible thereafter render a final accounting to the Corporation; and
- (b) the Manager shall turn over all keys to the Property in its possession or in the possession of any of its employees; and
- (c) if it has not already done so, the Corporation shall assume the obligation of any and all contracts which the Manager has properly made for the purpose of arranging the services to be provided pursuant to this Agreement;
- (d) the obligations upon the Manager to account shall survive the termination of the Managerial Function.

#### XVII. NOTICE

Any notice required to be given by either party to the other shall be sufficiently given if delivered or mailed by prepaid registered post addressed to the Corporation at the residence on the Property of its President or Vice-President from time to time holding office and to the Manager at 33 Harbour Square, Suite 208, Toronto, Ontario, and any such notice shall be conclusively deemed to have been given and received at the time of its personal delivery by one party to an officer or director of the other, or in the event of service by mail, on the next business day after the day of such mailing, provided that if normal mail service is disrupted by reason of strikes, walk-outs, slow-downs or other irregularities, then so long as such disruptions exist, any notice required or permitted to be given hereunder shall be delivered personally or otherwise shall be deemed to be ineffective for all purposes hereof. Either party may by notice in writing to the other designate another address to which notices mailed more than ten (10) days after the giving of such notice of change of address shall be addressed.

#### XVIII. PARTIAL INVALIDITY

If any portion of this Agreement shall be for any reason declared invalid or unenforceable, the validity of any of the remaining portions of this Agreement shall not be thereby affected, and such remaining portions shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated, and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such portions thereof that might be declared invalid.

#### XIX. SUCCESSORS AND ASSIGNS

This Agreement shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto provided always that this contract may only be assigned with the express written consent of the Corporation.

For the purpose of this paragraph, a sale or disposition of the shares, business or assets of the Manager to another person or firm resulting in a change of control of the Manager shall be deemed to be an assignment of this Agreement requiring the express written consent of the Corporation.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their respective corporate seals, attested by the hands of their respective officers duly authorized in that behalf, this \_\_\_\_\_ day of January 1986.

METROPOLITAN TORONTO CONDOMINIUM CORPORATION NO. 690

Per:

\_\_\_\_\_  
\_\_\_\_\_

JOHN OAKES AND ASSOCIATES LIMITED

Per:

\_\_\_\_\_  
\_\_\_\_\_

DATED December , 1985

METROPOLITAN TORONTO CONDOMINIUM  
CORPORATION NO. 690

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BY-LAW NO. 3

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OLYMPIA & YORK DEVELOPMENTS LIMITED  
1 First Canadian Place  
P.O. Box 20, 32nd Floor  
Toronto, Ontario M5X 1B5

AJF

DATED: January , 1986

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METROPOLITAN TORONTO CONDOMINIUM  
CORPORATION NO. 690

- and -

JOHN OAKES AND ASSOCIATES LIMITED

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CONDOMINIUM MANAGEMENT AGREEMENT

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OLYMPIA & YORK DEVELOPMENTS LIMITED  
1 First Canadian Place  
P.O. Box 20, 32nd Floor  
Toronto, Ontario M5X 1B5  
AJF