

YORK CONDOMINIUM CORPORATION NO. 323
(the "Corporation")

BY-LAW NO. 10

(Mediation and Arbitration Procedures)

WHEREAS Subsection 132(4) of the *Condominium Act, 1998* (the "*Act*") states that every Declaration shall be deemed to contain a provision that a condominium corporation and the unit owners agree to submit a disagreement between the parties with respect to the Declaration, By-laws or Rules to mediation and arbitration in accordance with the *Act*;

AND WHEREAS Subsection 56(1)(o) of the *Act* authorizes the Board of Directors of the Corporation to establish the procedure with respect to the mediation of disputes and disagreements between the Corporation and the unit owners;

AND WHEREAS Section 56 of the *Act* permits the Board of Directors of Corporation to pass a By-law (subject to confirmation by the owners) to govern the management of the property and to govern the conduct generally of the affairs of the Corporation;

AND WHEREAS the Board of Directors of the Corporation deems it appropriate to pass a by-law relating to mediation and arbitration procedures for the Corporation.

NOW THEREFORE be it enacted as a By-law of the Corporation as follows:

A. Application

1. The mediation and arbitration procedures contained in this By-Law apply to any disagreement (the Disagreement) between the Corporation and an owner or owners which disagreement is required to be mediated and/or arbitrated by the operation of Section 132 of the *Act*.
2. This By-Law shall be deemed to be both a mediation agreement and an arbitration agreement between the parties to the Disagreement.

B. Mediation

3. A Disagreement may be submitted to mediation by a party (the Mediation Initiating Party) by service of a written notice of submission to mediation (the Mediation Notice) on the other party or parties to the Disagreement (the Mediation Responding Parties).
4. The Mediation Notice shall include the name of the mediator proposed by the Mediation Initiating Party.
5. If any of the Mediation Responding Parties do not agree with the selection of the mediator proposed by the Mediation Initiating Party, such Mediation Responding Party or Parties must serve, within 7 days of service of the Mediation Notice, on the Mediation Initiating Party a notice (the Mediation Responding Notice) stating the name of a

different proposed mediator.

6. If a Mediation Responding Notice is served within 7 days of service of the Mediation Notice in accordance with paragraph 5 above, the parties to the Disagreement shall make bona fide efforts to select a mediator within 7 days of service of the Mediation Responding Notice. If no mediator is agreed-upon during said 7 day period, the parties are deemed to have consented to the selection of the mediator proposed by the Corporation. The mediator proposed by the Corporation shall be independent of the parties to the Disagreement.
7. If a Mediation Responding Notice is not served on the Mediation Initiating Party within 7 days of service of the Mediation Notice, the parties to the Disagreement are deemed to have consented to the selection of the mediator named in the Mediation Notice.
8. The Mediation Initiating Party shall immediately notify the mediator selected either on consent or by operation of this By-Law (the Mediator) of his/her selection as Mediator.
9. The Mediator shall attempt, within 7 days of written notice to the Mediator of his/her selection, to schedule a mediation session by consulting with the parties to the Disagreement. The mediation session shall be an in-person meeting of all parties to the Disagreement together with the Mediator.
10. If one or more of the parties to the Disagreement does not respond to the Mediator, or if in the reasonable opinion of the Mediator one or more of the parties to the Disagreement does not cooperate in the scheduling of a timely mediation session, the Mediator shall deliver a notice to all parties stating that the mediation has failed, in accordance with clause 132(1) (b) (ii) of the *Act*.
11. The parties to the Disagreement shall, where practical, provide the Mediator with a written statement of the issues in dispute and any relevant documentation prior to the mediation session.
12. All communications at a mediation session, all documents and materials filed with the Mediator, as well as the Mediator's notes and records shall be deemed to be without prejudice settlement discussions.
13. The Mediator shall not disclose to anyone who is not a party to the mediation anything said or any materials submitted to the mediator except when ordered to do so by judicial authority or where required to do so by law.
14. If the mediation session does not result in settlement of the Disagreement, the Mediator shall immediately deliver a notice to all parties stating that the mediation has failed, in accordance with clause 132(1) (b) (ii) of the *Act*.
15. Each party shall pay an equal share of the Mediator's fees and expenses unless the Mediator specifies otherwise or unless a settlement agreement between the parties specifies otherwise. The Mediator may require a deposit prior to the mediation and if so

requested, the parties shall pay a pro rata share of the total deposit to the Mediator to be held on account of and be applied against the Mediator's fees and expenses.

C. Arbitration

16. Thirty (30) days after the Mediator delivers a notice that the mediation has failed or as this By-Law or the *Act* may otherwise permit, any of the parties to the Disagreement (the Arbitration Initiating Party) may submit the Disagreement to arbitration by a single arbitrator in accordance with the *Arbitration Act, 1991* by service of a written notice (the Arbitration Notice) on the other parties to the Disagreement (the Arbitration Responding Party or Parties).
17. The Arbitration Notice shall include the name of the arbitrator proposed by the Arbitration Initiating Party.
18. If any of the Arbitration Responding Parties do not agree with the selection of the arbitrator proposed by the Arbitration Initiating Party, such Arbitration Responding Party or Parties must serve, within 7 days of service of the Arbitration Notice, on the Arbitration Initiating Party a notice (the Arbitration Responding Notice) stating the name of a different proposed arbitrator.
19. If an Arbitration Responding Notice is not served on the Initiating Party within 7 days of service of the Arbitration Notice in accordance with paragraph 18 above, the parties to the Disagreement are deemed to have appointed the arbitrator named in the Arbitration Notice.
20. If an Arbitration Responding Notice is served within 7 days of service of the Arbitration Notice in accordance with paragraph 18 above, the parties to the Disagreement shall make bona fide efforts to select an arbitrator within 7 days of service of the Arbitration Responding Notice.
21. If no arbitrator is selected with 7 days of the service of the Arbitration Responding Notice, the arbitrators proposed by the parties to the Disagreement in the Arbitration Notice and the Arbitration Responding Notice(s) shall agree on the selection and appointment of an arbitrator within 14 days of the service of the Arbitration Responding Notice.
22. If the preceding procedures do not result in the appointment of an arbitrator, any of the parties to the Disagreement may apply to the court for the appointment of the arbitrator in accordance with the *Arbitration Act, 1991*.
23. The Arbitration Initiating Party shall immediately notify the arbitrator appointed either on consent or by operation of this By-Law or by order of the court (the Arbitrator) of his/her appointment as Arbitrator.
24. The Arbitrator, within 7 days of receiving notice of appointment, shall give at least 7 days' written notice of a preliminary meeting to all parties to the Disagreement. The

purpose of the preliminary meeting will be to determine procedural matters before the hearing and the preliminary meeting shall take place not more than 30 days after the appointment of the arbitrator.

25. The Arbitrator shall determine by whom and to what extent the costs of the arbitration are to be paid, which costs include the parties' legal expenses, the fees and expenses of the arbitral tribunal and any other expenses related to the arbitration, pursuant to Section 54 of the *Arbitration Act, 1991*.
26. The Arbitrator may require a deposit or deposits from time to time on account of the Arbitrator's fees and expenses and if so requested, the parties shall each pay an equal share of the deposit or deposits to the Arbitrator to be held on account of and be applied against the Arbitrator's fees and expenses.
27. In the event that the deposit or deposits is less than the Arbitrator's fees and expenses, the balance shall be paid in equal shares by the parties within 30 days of invoice from the Arbitrator.
28. The Corporation may pay the share of any deposit to the Arbitrator or any invoice from the Arbitrator of any owner or occupier who does not do so as required herein. In such event, the Corporation shall be entitled to recover the owner/occupier's share by adding such amount to the common expenses for the subject unit and specifying a time for payment by the owner of the unit, unless the Arbitrator orders otherwise.
29. The Arbitrator shall make an award, including written reasons, within 30 days of the completion of the hearing.
30. To the extent not specified herein, the Arbitrator may determine the procedures to be followed in the arbitration, in accordance with the *Arbitration Act, 1991*.

D. Service

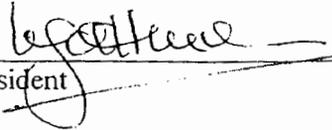
31. Any notice required to be served by this By-Law may be served personally, by prepaid mail, or any of the methods of service permitted by Subsection 47(7) of the *Act*.
32. Service by mail is deemed to be effective on the third day after the mailing.

E. Miscellaneous

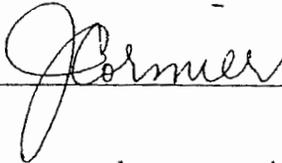
33. The invalidity of any part of this By-law shall not impair or affect in any manner the validity, enforceability or effect the balance thereof.

The foregoing By-law No. 10 is hereby passed by the Directors of the Corporation (subject to the required confirmation of owners) pursuant to the *Act* at a meeting of Directors duly called and held.

DATED this 25 day of SEPT. 2008.



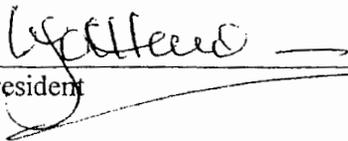
President



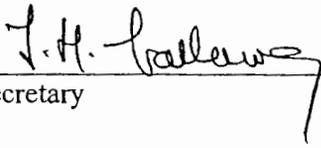
Secretary c/s

The foregoing By-law No. 10 is hereby confirmed to by owners who own a majority of the units of the Corporation at a meeting of the owners duly called and held on this 16th day of April, 2009 in accordance with the requirements of the Act.

DATED this 16th day of APRIL, 2009.



President



Secretary c/s