

Schedule A to the Rules: Occupancy Agreement

Co-operative d'Habitation Demers

Schedule A to the Rules

This Occupancy Agreement is Schedule A to the Rules of Co-operative d'Habitation Demers and is effective as and from the date on which the Rules come into effect and governs Co-operative d'Habitation Demers, a co-operative association incorporated under the laws of the Province of British Columbia,
(the "**Co-op**")

- AND -

Each member of the Co-op in respect of the residential housing unit assigned to the member on the records of the Co-op

(the "**Member**")

in relation to use and occupation of certain residential premises.

Recitals

a The Purpose of the Co-op

The Co-op has been incorporated under the Cooperative Association Act of British Columbia (the "**Act**") as a not for profit housing co-operative for the purposes of acquiring and leasing residential housing units on land owned by the Co-op and more particularly known and described as: Co-operative d'Habitation Demers, 3196 Heather St., Vancouver, BC V5Z 3K3 (the "**Lands**") with the intent that the members of the Co-op may lease the residential housing units thereon (the "**Development**");

b Granting of the Occupancy Agreement

This occupancy agreement (the "**Occupancy Agreement**") is granted to the Member, subject to and under the memorandum of association of the Co-op (the "**Memorandum of Association**") and the Rules of the Co-op (the "**Rules**"), to which this Occupancy Agreement is scheduled, of the Co-op.

c Right to Possession

The right of the Member to possession or occupancy of a residential housing unit assigned to the Member hereunder is dependent upon the Member complying with in all respects the obligations of the Member under this Occupancy Agreement and continuing to be a member in the Co-op and to hold the number of shares of the Co-op (the "**Shares**") required by the Rules.

In consideration of the mutual promises set out in this Occupancy Agreement, the parties agree as follows:

1 Conditions of Possession

1.01 Breach of conditions

This Occupancy Agreement and the term hereby created shall be subject to the conditions herein set forth, and at the option of the Co-op, shall cease and determine upon any breach of or failure by the Member to observe or comply with any of the obligations of the Member herein.

1.02 Rules and policies

The term of the Occupancy Agreement and possession of the Unit by the Member is subject to:

- a. the terms and conditions set out in the Rules and policies of the Co-op from time to time;
- b. relevant and applicable zoning, health, or other laws of the municipal, provincial, or federal governments, and
- c. the terms and conditions of any mortgages or other agreements between the Co-op and any federal, provincial or municipal authority.

1.03 Foreclosure

If an order of foreclosure is made by any court of competent jurisdiction foreclosing the interest of the Co-op in the Lands or the Development, this Occupancy Agreement shall thereupon immediately cease and be void and of no effect.

1.04 Termination in bankruptcy

The Directors shall have the right to terminate the Occupancy Agreement if the Member is declared bankrupt, or makes a general assignment for the benefit of creditors, or a receiver of the Member's property is appointed, or the Member's Shares in the Co-op are claimed, seized or charged under any legal or equitable process, or sold pursuant to any agreement whereby the Shares were attempted to have been pledged as collateral security.

1.05 Trustee has no rights to the Shares

No trustee or receiver of the Member or the Member's Shares or person claiming any interest in the Shares pursuant to any bankruptcy assignment, pledge or security is entitled to any right to or possession of the Unit.

2 Right to Possession

2.01 Term

The Co-op leases to the Member for the term (the "**Term**"), commencing with the date on which

occupancy of the Unit is granted by the Co-op to the Member and ending with the earliest of the withdrawal from, termination or cessation of membership of the Member and the death of the Member, subject always to earlier termination as herein provided, the residential housing unit assigned to the Member on the records of the Co-op or subsequently assigned to the Member (the "Unit").

2.02 Common area

The Co-op hereby grants to the Member during the Term, in common with the other members of the Co-op, the non-exclusive use for their proper purpose, the entrance, passageways, roadways, sidewalks, common grounds and other common areas of the Development throughout the Term.

2.03 Family members

If the Member shall cease to be entitled to occupy the Unit, the right of persons in the Member's household, whether or not members of the Co-op and all other persons occupying or visiting in the premises, to continue to occupy or use the Unit shall cease and determine at the same time and without further notice being required.

3 Parking

3.01 Use of parking

The Member shall be entitled during the Term of this Occupancy Agreement to the use of parking space if available, for parking vehicles owned by the Member or persons residing with the Member.

3.02 Parking policies

The Member agrees to comply with Co-op policies concerning parking allocations, recreational vehicles, and guest parking, as are applicable from time to time.

4 Housing Charges

4.01 Payment of Housing Charge

The Member shall pay the Co-op on the first day of each and every month, commencing on the first day of the month of occupancy (or if occupancy occurs on a day other than the first day of the month then the first payment shall be on the day of occupancy), during the term of the Occupancy Agreement, a housing charge as determined and assessed by the Co-op from time to time (the "**Housing Charge**") and notified to the Member in writing.

4.02 Supplemental charges

The Member shall pay when due to the Co-op the Housing Charge, any additional or supplemental charge and any other amounts due to the Co-op under this Occupancy

Agreement to the Co-op at the office of the Co-op or at such other place as the Co-op may from time to time designate in writing, and in the form and manner determined by the Directors of the Co-op with no right of set-off or abatement under any circumstances.

4.03 Setting the Housing Charge

From time to time the Directors of the Co-op shall set and recommend to the members of the Co-op the monthly Housing Charge payable hereunder by estimating the amount of money which, in the opinion of the Board of Directors shall be required by the Co-op during each fiscal year for the maintenance of the corporate existence of the Co-op and the carrying charges on the Lands and the Development, including taxes, and the sums in lieu of taxes, licenses, assessments, insurance, costs and adequate reserves for repairs, replacements, upkeep, maintenance and operation, and all other fees, costs and expenses incurred in the management of the Lands and the Development, and also including the amount, if any, as may be required to meet any deficit in the preceding fiscal year, all of which shall be approved by ordinary resolution at a general meeting of the Co-op, subject to the requirements as to approval by any federal, provincial or municipal agency or authority having jurisdiction.

4.04 Additional charges

If the members of the Co-op, by ordinary resolution at a general meeting of the Co-op, approve a levy to raise additional funds for any purpose, the Co-op may levy and collect an additional sum from the Member, which sum shall be payable by the Member upon notice to the Member.

4.05 Emergency charges

In addition to the provisions of Subsections 4.03 and 4.04, if an emergency exists requiring additional funds the Directors shall be entitled to levy an additional or supplemental charge upon the Member to cover the estimate of any additional funds required for the current fiscal year, and the additional or supplemental charge shall be payable by the Member immediately upon written notice to the Member.

4.06 Apportionment of charges

An additional or supplemental charge to be imposed or levied under Subsections 4.04 and 4.05 shall be apportioned among all members according to the number of Shares required to be subscribed.

4.07 Failure to pay Housing Charge

Failure of the Member to pay the Housing Charge, any additional or supplemental charge or any other amounts owing to the Co-op in accordance with this Occupancy Agreement shall be cause for termination of this Occupancy Agreement, in the sole and absolute discretion of the Directors, upon written notice from the Directors to the Member and upon such termination, the Member shall vacate the Unit.

4.08 Problem in payment of Housing Charge

If the Member anticipates a problem in making any payment of the Housing Charge or any other charge on time, the Member shall notify the Co-op of this likelihood in advance of the due date of the Housing Charge. Notice by the Member shall not excuse the Member from any obligation hereunder and shall be without prejudice to an action or proceeding which the Co-op may wish to undertake including termination of this Occupancy Agreement.

4.09 NSF Payments

If the Member's cheque for monthly Housing charges is returned for non-payment or as otherwise unacceptable by the Member's banking institution the Member will be deemed to have failed to make payment of Housing Charges as required hereunder and shall be cause for termination of membership by the Directors and termination of this Occupancy Agreement and upon such termination, the Member shall vacate the Unit. In addition the Member shall be liable for bank charges incurred in the processing of the returned cheques and any penalties or fines set by the Directors.

4.10 Payment by bank draft

If the Member's cheque is returned as contemplated in Subsection 4.09 the Member shall, unless excused in writing by the Directors, make all future payments of Housing Charges and supplemental and additional charges by bank draft or money order payable to the Co-op.

4.11 Homeowner grants

The Member shall assign to the Co-op all homeowner, occupier and property tax rebates, grants, concessions and refunds available from municipal, provincial, and federal governments for which the Member may be eligible.

4.12 Financial information

If any Member shall fail to complete any request, approval or other return or to provide any information required in respect of any homeowner, occupier or property tax rebate or grant, concession or refund with respect to the Unit upon written request the amount of any rebate, grant, concession or refund shall be payable in full by the Member to the Co-op immediately upon written notice to the Member.

4.13 Rent supplement

The Member acknowledges rent supplement, assistance or subsidy may be paid by federal, provincial or municipal agencies or authorities to the Co-op with respect to members who meet and comply with the criteria and requirements established by the agencies or authorities for rent supplement, assistance or subsidy. The Member must provide verification of household income and any other proof or information required by the Directors to substantiate eligibility of the Member to receive rent supplement, assistance or subsidy. The Member must report increases in the income or other changes in household composition. The Member authorizes the Co-op to forward to any such agency or authority all verification of income and other information.

4.14 Retroactive assessment

If the member fails to comply with Subsection 4.13, the Directors may, in their sole and absolute discretion, increase the Housing Charge, to be assessed retroactively to the effective date of the Member's failure to comply and the assessed amount shall be payable in full by the Member to the Co-op immediately upon written notice to the Member.

5 Share Payment

5.01 Payment of shares

The Member agrees to pay for all Shares of the Co-op required to be subscribed and paid for at the date of occupancy of the Unit or in accordance with a payment plan agreed to by the Co-op. If the Member fails to pay for the Shares as and when required, this Occupancy Agreement shall be null and void and the Member shall immediately cease to be a Member of the Co-op and agrees to immediately surrender possession of the Unit as directed by the Directors.

5.02 Calls on the Shares

The Directors may make calls on the Member for any of the money unpaid on the Shares and a call is deemed to have been made at the time when the resolution of the Directors authorizing the call was passed.

5.03 Failure to pay for Shares

If the Member fails to pay for Shares as and when required this Occupancy Agreement shall be null and void and the Member shall immediately cease to be a member of the Co-op and agrees immediately to surrender possession of the Unit as directed by the Directors.

6 Payment of Utilities

6.01 Utilities

The Member shall pay all applicable gas, oil, water and electrical, telephone and any utility, cablevision, or similar charges or accounts, except for the cost of heat and hot water incurred in respect of the common areas. If the Member shall fail to pay the same, the Co-op may pay the same or any part thereof and the amount so paid shall be due and payable by the Member to the Co-op immediately on written notice to the Member.

7 Rules and Policies

7.01 Obey Rules and policies

The Members shall obey, observe and strictly conform to, and cause the Member's family, visitors, guests, servants, agents and employees to obey, observe and strictly conform to, all the terms, conditions and provisions of this Occupancy Agreement and the terms and conditions set

out in the Memorandum of Association, the Rules and the policies of the Co-op from time to time and all changes and additions to the Occupancy Agreement to the same extent as if they were herein incorporated.

7.02 Rules and Occupancy Agreement govern

If there is a conflict or inconsistency between the Rules, the Occupancy Agreement and the policies, the Rules and Occupancy Agreement govern.

7.03 Uniform application of Rules and policies

Unless otherwise specifically provided therein, all Rules and policies shall apply to all members of the Co-op uniformly and without preference or discrimination.

7.04 Participation

The Member or persons in the Member's household shall collectively be required to work a minimum number of hours per month as the Directors may determine by policy approved by resolution of the Directors to meet the operational requirements of the Co-op. Any number of hours exceeding the minimum that the Member or persons in the Member's household shall be required to work shall be determined from time to time by the Directors by resolution, and the Directors shall be equitable, as in the discretion of the Directors circumstances may permit, in assigning specific tasks and performance times.

8 Use as Private Residence

8.01 Private residence

The Member shall use the Unit and all parts thereof only as the Member's private, single-family residence, and for no other purpose without the prior written consent of the Directors. Without limiting the generality of the foregoing, the Member shall not permit any other person living in or visiting the Unit to use or conduct from the Unit any active or daily trade, business or profession.

8.02 Good neighbour provision

The Member shall not and shall not permit any person living or visiting the Unit to use the Unit in any way or engage in conduct which interferes with or disturbs other members' quiet or peaceful enjoyment of the Development or unreasonably annoys or interferes with the other members of the Co-op by sound, conduct or other activity, or which obstructs or interferes with the rights of other persons, or obstructs the roads, sidewalks or areas designated as common areas, or injures the reputation of the Co-op, or in any other way breaches this Occupancy Agreement.

9 Insurance Hazards

9.01 Responsibility for hazards

The Member shall not cause or permit any nuisance, or activity in the Unit or in any part of the

Development, nor suffer anything to be done or kept therein which shall increase the cost of fire, liability and other hazards insurance upon the Lands or the Development or the contents therein.

10 Alterations to Property

10.01 Alterations require consent

The Member shall not make or permit any structural alterations, changes or additions in or to the Unit or any alterations, changes or additions in or to the exterior of the Development or any building or structure forming a part thereof, or any part of the interior thereof, except with the prior written consent of the Directors. Consent shall not entitle the Member to reimbursement for any amount expended by the Member for alterations, additions or changes.

10.02 Restoration costs

The Member shall pay all costs of repair and restoration of the Unit which result from alterations, changes or additions made by the Member if the alterations, changes or additions have not been approved by the Directors, and if the Member refuses or neglects for a period of ten days following receipt of written notice from the Directors to repair and restore the Unit to its original condition, then the Directors without further notice to the Member may cause repair and restoration of the Unit to be made, and may enter or cause their agents or servants to enter the Unit for that purpose. All expenses and costs incurred by the Co-op in doing so shall be due and payable by the Member to the Co-op immediately upon written notice to the Member.

10.03 Municipal compliance of alterations

All alterations, changes or additions made by the Member shall comply with applicable municipal by-laws and regulations and provincial and federal building codes and requirements, and the Directors may require such proof of compliance as may be necessary, including further improvements, to bring the said alterations, changes or additions to the standards required, with all costs to be borne by the Member and if the Member fails to comply with the standards required the Directors may cause all measures to be taken so as to comply and may cause their agents and servants to enter the Unit for that purpose. All expenses and costs incurred by the Co-op in doing so shall be due and payable by the Member to the Co-op immediately upon written notice to the Member.

10.04 Compensation for alterations

Upon termination of the Occupancy Agreement, the Member ceasing to be a member, or ceasing to reside in the Unit for any reason, the Member shall not receive any compensation from the Co-op for alterations, changes or additions left in, on or affixed to the Development or the Unit by the Member, and if the Member chooses to remove the alterations, changes or additions, the Unit must be left in the same condition as it was prior to the alterations, changes or additions having been made and if the Member refuses or neglects for a period of ten days following receipt of written notice from the Directors to repair and restore the Unit to its original condition, then the Directors without further notice to the Member may cause repair and

restoration of the Unit to be made, and may enter or cause their agents or servants to enter the Unit for that purpose.

10.05 Compliance with alteration procedures

The Member shall comply with the procedures established by the Co-op from time to time for authorization and installation of alterations, changes or additions to the Unit.

11 Interior Maintenance and Repair of Unit

11.01 Interior condition

The Member shall at the Member's own expense, keep the interior of the Unit in good condition and repair and in keeping with the character of the rest of the Development.

11.02 Damage caused by leakage

The Co-op shall not be answerable or chargeable for any decorations nor for any damage caused to contents of the Unit by leakage or overflow of water, electricity, gas, oil, steam or vapour from any water, steam, drain, or gas or oil pipes or electrical conduits, or from any other source, belonging or appertaining to any other part of the Development.

11.03 Liability for damage

The Member shall be liable for any damage to any part of the Lands, Unit, or the Development caused by a pet of the Member or by those for whom the Member is responsible in law or caused by the wilful negligent act or omission of either the Member or the Member's family, guests, agents, employees or any other occupant of the Unit.

11.04 Repairs as required

The Member shall make all repairs as required by the Occupancy Agreement in a manner acceptable to the Directors, and if the Member at any time fails, refuses or neglects for a period of ten days after having received written notice from the Directors to make repairs, or to maintain the Unit in good condition, the Directors may cause the repairs to be made, or place the Unit in proper condition, and may enter or cause its agents or servants to enter the Unit for that purpose, and all expenses and costs incurred by the Co-op in doing so shall be due and payable by the Member to the Co-op immediately upon written notice to the Member.

11.05 Reports defects

The Member shall immediately report in writing to the Directors any failure or defect of electrical, mechanical, or structural components or systems of the Unit or the Development of which the Member has notice or knowledge.

11.06 Repairs on leaving

The Member shall surrender and deliver up to the Co-op vacant possession of the Unit, including all additions thereto, upon withdrawal from or termination of membership in the Co-op, or upon the termination of the Occupancy Agreement, in the same condition and state of repair as at the date of execution of the Occupancy Agreement, (reasonable wear and tear and damage or loss by fire, tempest, earthquake, the Queen's enemies, and acts of God excepted) and upon such surrender, the Co-op is hereby authorized to make decorations, repairs, changes, alterations or restorations to the Unit as may be necessary or convenient in the Co-op's sole discretion, to put the same in the required condition and state of repair, whereupon the Member will, upon demand pay to the Co-op all costs and expenses of such decorations, repairs, changes, alterations and restorations, which costs and expenses shall be due and payable by the Member to the Co-op immediately on notice in writing to the Member.

11.07 Inspection on termination

The Directors shall cause the Unit to be inspected on, before, or within a reasonable time after termination of the Occupancy Agreement and provide the Member with a written list of cleaning, repairs, changes, alterations and restorations which the Co-op requires to be carried out at the Member's expense.

11.08 Cost of repairs and cleaning

The Directors shall provide the Member as soon as practical after the Member vacates the Unit with a written schedule of estimated charges for cleaning, repairs, changes, alterations and restorations not carried out prior to vacating the Unit by the Member, and the total of the said charges shall be due and payable by the Member to the Co-op immediately on written notice to the Member and the Directors may deduct the charges from the amount paid on account of the Member's Shares.

12 Personal Insurance

12.01 No liability of Co-op for injury

The Co-op shall not be liable for any loss of property or personal injury that a Member or any other person residing or visiting in the Unit may suffer or sustain and the Member shall hold the Co-op harmless from any claim with respect thereto.

12.02 Requirement for personal insurance

The Member shall at the Member's expense take and keep in force third party liability, standard fire and comprehensive insurance coverage on the furniture, fixtures, improvements and all other contents of the Member's Unit to their full replacement value under an insurance policy satisfactory to the Directors and shall provide the Directors with a copy of the insurance policy or other evidence satisfactory to the Directors on written request for the same but no acceptance by the Directors of any insurance policy shall constitute any approval or liability in respect of the adequacy or suitability thereof by the Directors of the Co-op.

12.03 Failure of Member to insure

If the Member fails to take out and keep in force the insurance coverage referred to in Subsection 12.02 the Co-op shall have the right but shall not be obliged to obtain and pay all premiums on an insurance policy to provide all or any part of the insurance referred to in that Subsection and the amount of the premium shall be due and payable by the Member of the Co-op immediately upon written notice to the Member but the Directors and the Co-op shall have no liability as to extent, suitability or adequacy of the insurance or payment of or failure to pay premiums or any renewal thereof.

13 Liens

13.01 Member not to permit liens

The Member shall not cause or permit any builder's liens or any other lien to be placed upon or against the Lands, the Development or the Unit on account of any material or labour used in the making of any decoration, alteration or repairs to the Unit.

13.02 Co-op may pay lien

If any lien is filed, or an attempt is made by any person, corporation or firm to file a lien against the Member's Unit by reason of the action, conduct or omission of the Member, the Co-op may, at its option, pay and discharge any such lien or purchase any such lien and add the amount so paid to the Housing Charge due or to become due hereunder and the amount shall be immediately due and payable by the Member to the Co-op upon written notice to the Member.

14 Assignment and Subletting and Failure to Reside

14.01 Subletting and assignment requires consent

The Member shall not assign this Occupancy Agreement nor sublet in whole or part the Unit nor otherwise part with possession of the Unit nor encumber any interest in and to the Occupancy Agreement, except with the prior written consent of the Directors, consent to be in the sole and absolute discretion of the Directors.

14.02 Failure to reside

The Member shall reside in the Unit on a full-time permanent basis as the principal residence of the Member and shall not without the written consent of the Directors, cease or fail to reside in the Unit on a full-time permanent basis for a period exceeding thirty (30) days.

15 Signs or Notices

15.01 Signs not permitted

The Member shall not place signs or notices on any door, window or wall or other part of the

Unit where they may be visible from the outside of the Unit without prior written consent of the Directors, consent to be in the sole and absolute discretion of the Directors.

16 Termination of Membership and Occupancy Agreement

16.01 Right of occupancy

The right of the Member, and that of any person residing in the Unit, to possession or occupancy of the Unit shall terminate if the membership of the Member is terminated pursuant to the Rules.

16.02 Material conditions

For the purposes of the Rules and this Occupancy Agreement, material conditions of this Occupancy Agreement include, without limitation, Section 3 to Section 15 inclusive and Section 24 in their entirety.

16.03 Termination of Occupancy Agreement

Notwithstanding any other provisions of the Occupancy Agreement and the Rules, the Co-op shall have the right, through its Directors, to terminate this Occupancy Agreement if:

- a. the Member commits a breach of any term of this Occupancy Agreement, the Rules, or the policies of the Co-op; or
- b. the Member fails to pay the Housing Charge or any other assessment herein when due and fails to correct the failure for ten days after receipt of written notice from the Co-op of the default.

16.04 Effective date of termination

If the Directors terminate this Occupancy Agreement pursuant to Subsection 16.03, it shall deliver to the Member at least 30 days' written notice of termination and such notice shall state the effective date on which the Occupancy Agreement is terminated.

16.05 Possession of the Unit

The right of the Member, and that of any person residing in the Unit, to possession or occupancy of the Unit shall terminate if the Directors terminate this Occupancy Agreement as provided herein.

16.06 Oppression remedies and arbitration do not apply

If the membership of the Member is terminated or if the Directors terminate this Occupancy Agreement as provided herein, the Member agrees that Sections 156 (i.e. oppression remedy) and 208 (i.e. arbitration) of the Cooperative Association Act, and any grievance or dispute procedure that may exist in the Rules or the policies of the Co-op do not apply and are

expressly waived and shall not be invoked by the Member.

17 Notice and Delivery of Vacant Possession

17.01 Termination of Occupancy Agreement

This Occupancy Agreement shall be automatically terminated:

- a. in the case of withdrawal from membership in the Co-op, at 12:00 noon on the effective date of withdrawal; or
- b. in the case of termination of membership in the Co-op, at 12:00 noon on the date determined by the Co-op pursuant to the termination proceedings under the Rules.

17.02 Vacant possession

The Member agrees to immediately quit and give-up vacant possession of the Unit upon the effective date of termination of the Occupancy Agreement but if the Member does not immediately quit and give up vacant possession then the Member shall pay to the Co-op an amount equal to the Housing Charges herein prorated on a daily basis for each day that the Member fails to quit and deliver vacant possession together with any loss or damage the Co-op may suffer as a result of the failure to quit and deliver possession but without any other right or license to occupy and without any right or benefit or any entitlement to membership and in addition to any other remedy for recovery of the amount due to the Co-op it may be deducted from any money otherwise payable by the Co-op to the Member.

18 Withdrawal

18.01 Withdrawal from membership

Withdrawal of the Member from membership of the Co-op shall terminate the Occupancy Agreement, and withdrawal shall occur:

- a. upon termination of the Occupancy Agreement at any time by written agreement signed by the Member and the Co-op;
- b. by the Member giving two months' notice of withdrawal in writing, the time being calculated from the last day of the month in which notice is given; or
- c. in the circumstances provided for withdrawal specified in the Rules of the Co-op.

18.02 Share purchase

Upon the Member's withdrawal from membership in the Co-op, or termination of this Occupancy Agreement, the Co-op shall purchase or sell the Member's Shares in the Co-op in the amount and in the manner specified in Section 19 of this Occupancy Agreement.

19 Sale of Shares on Withdrawal or Termination of Membership

19.01 Disposal of Shares

If the Occupancy Agreement is terminated by reasons of termination of membership, withdrawal of membership by the Member, or as otherwise provided herein, the Co-op shall have the right to find a new Member for the Unit and to dispose of the Shares of the Co-op held in the name of the departing Member, and the Co-op shall be the sole irrevocable agent and attorney of the Member for the purpose of finding a new member to purchase the Shares held in the name of the departing Member and to occupy the Unit under a new Occupancy Agreement.

19.02 Sale of Shares to new member

In effecting a sale of Shares to a new member pursuant to Subsection 19.01, the Co-op shall have an uncontrolled discretion in determining the terms and conditions upon which the sale shall be effected including fixing and receiving the price or consideration for the sale.

19.03 Lien on Shares and the proceeds of sale

The Co-op shall without prejudice to other legal remedies have an absolute and pre-eminent lien upon the funds resulting from the sale of the Shares, and shall be entitled to recover and be paid out of such funds all money due to the Co-op by virtue of the Occupancy Agreement together with all other charges, liens, encumbrances upon or appertaining to the Unit, and all costs and expenses to which the Co-op may have been put in recovering possession of the premises or share certificates, and in finding a new member and purchaser, and in repairing and restoring the Unit to good and habitable condition and repair, and other indebtedness of the member to the Co-op and including without limitation, all legal fees on a solicitor-client basis, and all disbursements.

19.04 Balance of share payment

The sum payable to the Member from the sale of Shares pursuant to Subsection 19.01 above, after satisfying the Co-op's lien pursuant to Subsection 19.03, or if the Co-op elects, the redemption proceeds shall be determined by the Co-op, and shall not in any case, exceed the amount the Member has paid for the Shares.

19.05 Balance of indebtedness by the Member

If the amount realized on the sale of Shares pursuant to Section 19 is insufficient to fully satisfy all indebtedness by the Member to the Co-op, any balance of the indebtedness shall be due and payable by the Member immediately upon notice notwithstanding that this Occupancy Agreement has terminated.

20 Rights and Remedies/Waivers

20.01 Cumulative rights

The rights and remedies hereby created are cumulative and are in addition to all common law and statutory rights and remedies, and the use of one remedy shall not be taken to exclude or

waive the right to the use of another, and said remedies may be proceeded under simultaneously or successively.

20.02 Failure to pursue remedies

Any failure by the Co-op to terminate this Occupancy Agreement or the Member's membership because of any breach by the Member of any of the provisions hereof or any extension of time granted to the Member for the payments of any amount due under provisions of the Occupancy Agreement, shall not in any way be construed as a waiver of any of the Co-op's rights hereunder or as implied future waiver or extension on any subsequent default by the Member.

20.03 Non-waiver of remedies

The failure of the Co-op to insist in one or more instances upon a strict performance of the Member of any covenant herein contained, or the failure of the Co-op to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding hereunder, or to terminate the Occupancy Agreement, shall not be construed to be a waive or relinquishment for the future of such covenant, option and right shall continue and remain in full force and effect.

20.04 Waiver to be in writing

The receipt by the Co-op of any sum due by the Member, with the knowledge on the Co-op's part of any breach by the Member of any term, covenant or provisions hereof shall not constitute a waiver of the breach, and the Co-op shall not under any circumstances be considered to have waived any breach unless the waiver shall have been expressed in writing signed by two of the Co-op's officers pursuant to authority thereunder given by a resolution approved by the Co-op's Directors.

21 Ceasing to Occupy Premises

21.01 Termination on abandonment

If in the opinion of the Directors the Member has ceased to occupy the Unit as the principal residence of the Member during the term of the Occupancy Agreement, the Co-op may terminate this Occupancy Agreement or, at its option, without terminating the Occupancy Agreement, enter into the Unit and re-let the same, for the account of the Member, and upon terms and conditions satisfactory to the Co-op; and for the purpose of the re-letting, the Co-op may make any decorations, repairs, restorations, changes, alterations or additions in or to the Unit that may be necessary or convenient, and if a sufficient sum is not realized every month from the re-letting after paying all the costs and expenses of the repairs, restorations, changes, alterations, additions or decorations, and expenses of the re-letting and the collections of the Housing Charges accruing therefrom each month, to satisfy the monthly installments, Housing Charges, or assessments above provided to be paid by the Member, then the Member shall satisfy and pay the deficiency each month upon demand.

22 Management of the Co-op

22.01 Duty to pay

The Co-op shall pay insurance premiums on policies of insurance required to be held by the Co-op in accordance with this Occupancy Agreement, and shall pay the mortgage interest and principal amounts due and owing by the Co-op from time to time.

22.02 Management of Development

The Co-op shall maintain and manage the Development, keeping the same and the grounds surrounding in good condition, and repair, free from obstruction, and shall keep the passageways, roads, sidewalks and common grounds in good repair and order and well lighted.

22.03 Co-op to repair

The Co-op shall keep in good repair the foundations, walls, supports, roof, gutters, beams, pipes, electrical conduits and other equipment or machinery required for the proper operation of the Development and the Co-op may, upon notice as herein required, enter into and upon any portion of the Unit for any of the purposes aforesaid.

23 Insurance of Development

23.01 Insurance by Co-op

The Co-op shall keep the Development insured (except that this does not include insurance of personal property of the Member) against loss or damage by fire and other perils as the Directors in their discretion may determine, and in case any of the Development shall be partially damaged by fire or otherwise, the Co-op shall have the same repaired as speedily as possible at the Co-op's expense and in conformity with the plans and specifications on which the Development was erected, except as may be required by law or by special resolution of the members, and subject to the provisions of any mortgage charging the Lands. In the case of destruction of substantially all of the Development or total destruction of the Development by fire or otherwise, this Occupancy Agreement shall thereupon terminate unless the insurers shall elect to rebuild and shall rebuild the Development within a reasonable time, in which event the Occupancy Agreement shall continue in force with respect to the corresponding premises in the Development so rebuilt, and all assessments herein provided for shall cease from the time of such destruction and until such rebuilding shall have been completed, subject always to the provisions of any mortgage charging the Lands, the provisions of any head lease and all laws having application.

23.02 Damage appraisal

The Co-op shall have an appraisal made of any damage done to each Unit by reason of fire or otherwise, and shall expend any insurance moneys collected by the Co-op proportionately in repairing such damage in accordance with the ratio shown by the appraisal, subject however, to

the provisions of any mortgage charging the Lands and Development.

24 Visitors

24.01 Obligations for visitors

The Member understands and agrees that:

- a. any adult person residing in the Member's Unit who is not accepted as a member of the Co-op shall have visitor status;
- b. the Member shall submit promptly to the Directors the name of any adult person with visitor status and planning to visit the Member for more than 30 days, in aggregate, during a fiscal year of the Co-op;
- c. the Member shall submit on behalf of any adult person with visitor status and visiting the Member for more than 30 days, in aggregate, during the fiscal year of the Co-op an income statement for that person as required by the Directors to the Co-op signed by that person, if the Member with whom the person is visiting is receiving rent supplement assistance or other housing subsidy;
- d. persons with visitor status and residing with the Member for more than 60 days, in aggregate, during the fiscal year of the Co-op may make application to the Co-op for membership.

25 Right to Enter

25.01 Entry for emergency

If any Co-op employee or agent, including the Co-op co-ordinator or manager, or any Director determines that an emergency exists in or about the Unit and the Member cannot be immediately contacted to authorize entry to the Unit, then any Co-op employee or agent may, and is hereby authorized by the Member, without notice, to enter the Unit to remedy the emergency.

25.02 Costs on emergency entry

Any costs associated with the emergency, the entry or remedial measures shall be borne by the party or parties responsible, as shall be determined by the Directors and the costs to be paid by the Member shall immediately become due and payable by the Member to the Co-op upon written notice to the Member.

25.03 Entry for non-emergency

Where an emergency does not exist, a Co-op employee, agent, or Directors shall enter the Member's Unit only if:

- a. the Member consents; or
- b. the Directors give the Member 24 hours' written notice that access is required for a reasonable purpose.

25.04 Definition of "reasonable purpose"

"Reasonable purposes" shall include, entry to access, inspect, or repair structures or systems of the Development, entry for the purpose of determining if the Member has ceased to occupy the premises or has otherwise abandoned same, and entry for the purposes of showing the Unit to a prospective member.

25.05 Time of entry

Entries except in cases of emergency shall be between the hours of 8:00 a.m. and 9:00 p.m.

26 Serving Notices

26.01 Service of notice by the Co-op or by the Member

The Co-op and the Member must serve any notices as required under this Occupancy Agreement in the manner set out in the Rules.

27 Limitation of Liability

27.01 Liability limited

It is a condition of the Occupancy Agreement:

- a. that other than the Member, none of the owners, present or future, of the shares of the Co-op, nor any of the Directors, present or future, of the said Co-op, shall be personally liable upon any of the covenants or agreements of the Co-op contained in this instrument;
- b. that the Member shall indemnify the Co-op against, and save the Co-op harmless from all liability, loss, damage and expenses arising from injury to persons or property caused by the failure of the Member or any person dwelling in or visiting the Member's Unit to comply with any provisions of this Occupancy Agreement, or done wholly or in part to any act, default or omission by the Member or any person dwelling in or visiting the Member's Unit.

28 Miscellaneous Provisions

28.01 Part of the Rules

This Occupancy Agreement is Schedule "A" to, and forms part of, the Rules of the Co-op and is binding on the Member and the Co-op.

28.02 Amendments to the Occupancy Agreement

This Occupancy Agreement may only be amended or modified by a special resolution and any amendment or modification may be of general application to this Occupancy Agreement and

other occupancy agreements between the Co-op and other members of the Co-op.

28.03 Interpretation

Wherever the singular or masculine are used in this Occupancy Agreement, the same shall be construed as meaning the plural or feminine or body corporate where the context or the parties hereto so required, and where there are two or more members party hereto, all obligations to be performed by the Member shall be deemed to be joint and several.

28.04 Successors and assigns

The obligations in this Occupancy Agreement shall be binding upon the Member, the respective heirs, executors, administrators, and successors of the member as if the same had been signed and sealed by the Member. This Occupancy Agreement shall be binding upon and enure to the benefit of the permitted assigns of the respective parties hereto and replaces in its entirety any agreement entered into heretofore with respect to occupancy and use of the Unit.