

TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1831

BY-LAW NO. 3

A by-law to establish procedures with respect to the mediation and arbitration of disputes described in the Condominium Act, 1998 and any successor legislation (the “Act”).

WHEREAS it is the intention of the Act that disagreements between the parties set out in sections 125 and 132 in respect of the agreements and documents mentioned therein be resolved through mediation and arbitration;

AND WHEREAS it is the intention of the Corporation that the procedures set out herein shall be deemed to be incorporated in the said agreements and documents;

AND WHEREAS the Corporation may, pursuant to section 56 (1)(o) of the Act, make a by-law to establish the procedures with respect to mediation and arbitration of disputes;

BE IT ENACTED as a by-law of TORONTO STANDARD CONDOMINIUM CORPORATION NO. 1831 (the “Corporation”) as follows:

ARTICLE 1 - PRE-MEDIATION CONFERENCE

1.1 Pre-Mediation Conference

Prior to submitting a disagreement to mediation, the parties shall meet, on one or more occasions, for the purpose of attempting to resolve the disagreement through good faith negotiations. In the event any one of the parties is unable or unwilling to meet or the disagreement has not been otherwise resolved, any of the parties to the disagreement may give ten (10) days written notice (the “Notice”) to the other party that the disagreement shall be submitted to mediation. For the purpose of section 132 of the Act, a disagreement shall be deemed to be submitted to mediation ten (10) days following the giving of the Notice.

ARTICLE 2 - MEDIATION

Mediation

2.1 Mediation shall be attempted in order to settle the disagreement within 30 days following the giving of the Notice.

Selection of Mediator

2.2 The party serving Notice shall therein set out the names, qualification and experience of three (3) qualified mediators who are available to act.

2.3 Within two (2) days of receipt of the Notice, the other party shall deliver its own list of three (3) qualified mediators who are available to act.

2.4 The parties shall unanimously appoint from the two (2) lists submitted one (1) qualified mediator available to act.

2.5 Should the parties not be able to reach a unanimous agreement on the appointment of the

mediator within seven (7) days of receipt of the Notice, the mediator may be appointed by the Corporation's solicitor, which appointment shall be deemed to be the selection of the parties.

- 2.6 If the other party fails to submit a list of qualified mediators available to act, the mediation shall be deemed to have failed.

The Mediator's Role

- 2.7 The mediator shall assist the parties in negotiating a resolution of their disagreement. However, the mediator will not make decisions with respect to the resolution of the disagreement.

- 2.8 The mediator has no duty to:

- (a) determine who should participate in the mediation, assert or protect the legal rights and responsibilities;
- (b) assert or protect the legal rights and responsibilities of any party;
- (c) raise any issue not raised by the parties themselves.

Confidentiality

- 2.9 The parties acknowledge that mediation is a settlement process which is confidential. Accordingly, anything discussed in the mediation shall be on a without prejudice basis and cannot be used in any other proceeding.

Case Summary

- 2.10 The parties shall provide to the mediator and each other a written summary of the facts surrounding the disagreement and their positions concerning same no later than 3 days before the mediation hearing.

Attendance and Authority to Settle

- 2.11 Each party to the dispute shall attend the mediation in person and have full and complete authority to settle the disagreement.

Legal Representation

- 2.12 The parties may be represented by legal counsel prior to or during mediation. Accordingly, lawyers may be present and participate in the mediation.

Mediator's Fees and Expenses

- 2.13 Each party shall deliver to the mediator, at least forty-eight (48) hours prior to the commencement of the mediation, a certified cheque or money order payable to the mediator, representing such party's share of the mediator's expected fees and expenses. If a party fails to so deliver such certified cheque or money order, the mediation will be deemed to have failed, and the mediator shall issue a notice to this effect.

- 2.14 Each party shall pay the share of the mediator's fees and expenses that the settlement specifies, if a settlement is obtained, or the mediator specifies in the notice stating that the mediation has failed, if the mediation fails.

Record of Settlement

- 2.15 Upon obtaining a settlement between the parties with respect to the disagreement submitted to mediation, the mediator shall make a written record of the settlement which shall form part of the agreement or matter that was the subject of the mediation.

ARTICLE 3 - ARBITRATION

Arbitration

- 3.1 In the event all or part of the disagreement is not resolved due to the failure of the mediation, the withdrawal of a party or of the mediator, or the failure of one of the parties to attend the mediation, the disagreement shall be submitted to arbitration under the *Arbitration Act, 1991* or its successor legislation, and the provisions set out herein.

Initiation of Arbitration

- 3.2 Subject to Articles 2.13 and 2.14, a party may initiate arbitration by delivering a written notice (the "Notice"):
- (a) sixty (60) days after the parties submit the disagreement to mediation, if the parties have not selected a mediator, or if a party has withdrawn from the mediation; or
 - (b) thirty (30) days after the mediator delivers a notice stating that the mediation has failed.

Selection of Arbitrator

- 3.3 The party serving Notice shall therein set out the names, qualification and experience of three (3) qualified arbitrators who are available to act.
- 3.4 Within two (2) days of receipt of the Notice, the other party shall deliver its own list of three (3) qualified arbitrators who are available to act.
- 3.5 The parties shall unanimously appoint from the two (2) lists submitted one (1) qualified arbitrator available to act.
- 3.6 Should the parties not be able to reach a unanimous agreement on the appointment of the arbitrator within seven (7) days of receipt of the Notice, the arbitrator shall be selected by the Corporation's solicitor.

Qualifications of Arbitrator

- 3.7 The arbitrator shall have the following minimum qualifications:
- (a) be a member of the Arbitration and Mediation Institute of Ontario; or
 - (b) be a former judge in Canada who carries on business as a professional arbitrator and who is situated in Ontario;
 - (c) be impartial and independent of the parties to the dispute, having confirmed, if so requested, to the parties that he or she has no current or past relationship of any kind with any of the parties that might otherwise give rise to justifiable doubts as to his or her impartiality or independence in hearing the arbitration.

Pre-Arbitration Hearing

- 3.8 The arbitrator shall conduct a pre-arbitration hearing with the parties and/or legal counsel, no later than fourteen (14) days from the date of selection of the arbitrator. The purpose of such a hearing will be to identify and narrow the issues, to disclose the evidence intended to be submitted, the number and identity of the witnesses to be called, and to determine the approximate amount of time the arbitration hearing will take.

Case Summary

- 3.9 The parties shall provide to the arbitrator and each other, within fifteen (15) business days after the date of the appointment of the arbitrator, a statement of fact and law, a copy of all relevant documents in the party's possession and/or control together with an affidavit attesting to same, and a statement of the relief sought.

Powers of the Arbitrator

- 3.10 All procedural matters, including those related to documents, witnesses, interpreters, evidence, shall be in the discretion of the arbitrator.
- 3.11 The arbitrator shall have the power to make whatever order he or she deems just, including an order for detaining, preserving and/or inspecting property or documents that are the subject matter of the arbitration, an order to pay money as damages, compensation or reimbursement and any other order as further set out in the Arbitration Act, 1991.

Fees and Expenses

- 3.12 Each party shall deliver to the arbitrator no later than forty-eight (48) hours before the commencement of arbitration, a certified cheque of money order payable to the arbitrator for such party's share of the arbitrator's expected fees and expenses. If a party fails to deliver to the arbitrator a certified cheque or money order (the "defaulting party"), the arbitrator shall not allow any documents, evidence or submissions to be put forth by the defaulting party. In the event the defaulting party was the initiator of the arbitration, the arbitrator shall have the discretion to dismiss the arbitration.

The Hearing

- 3.13 The arbitration shall be an oral hearing which shall consist of examinations in chief, cross examinations, and oral arguments. The hearing shall begin not more than forty-five (45) days after the Notice is delivered.

Legal Representation

- 3.14 The parties may be represented by legal counsel at the mediation.

The Arbitrator's Award

- 3.15 The arbitrator shall render an award, together with written reasons therefore, within thirty (30) days following the conclusion of the hearing. A copy of the award shall be delivered to each of the parties immediately following the release of the said award. The award of the arbitrator shall be final and binding, and shall not be subject to appeal under any circumstances, whether with respect to questions of law, fact, or mixed fact and law.
- 3.16 Unless otherwise provided in the arbitrator's award, each party shall be solely responsible for the costs of its own legal counsel and witnesses, and each party shall be responsible for its equal share of costs of the arbitrator. Despite the above, if the arbitrator does not make

an order respecting costs, a party may, within twenty (20) days after release of the award, apply to the arbitrator for an order respecting costs. In allocating costs, the arbitrator shall consider the behaviour of the parties, any unreasonableness or delay of any of the parties, any belligerence or the causing of unnecessary expense, any refusal to participate in the mediation, and the issue of fault as between the parties.

- 3.17 An arbitrator's award and/or order may be filed in the Superior Court of Justice and, at such time, will have the same effect as if it was an order of the said court.

WITNESS the corporate seal of the Corporation this day of July, 2008.

**TORONTO STANDARD CONDOMINIUM
CORPORATION NO. 1831**

Per:

Name: Darryl Condy

Title: President

Name: Jenever Springer

Title: Secretary

We have the authority to bind the Corporation.