

BEECHWOOD WEST #2 HOMES ASSOCIATION INC.

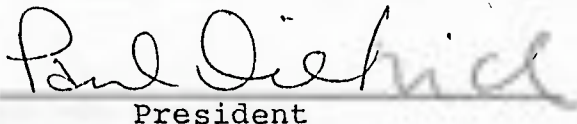
SPECIAL BY-LAW NO. 2

RESPECTING THE BORROWING OF MONEY
BY THE COMPANY

BE IT ENACTED as a By-law of the Company that:

1. The Directors may from time to time borrow money from THE BANK OF NOVA SCOTIA (herein called the "Bank") upon the credit of the Company on cheques, promissory notes, bills of exchange or otherwise in such amounts and subject to such terms as may be considered advisable; AND may assign, transfer, convey, hypothecate, mortgage, charge or pledge to or in favour of the Bank any property of the Company, real or personal, moveable or immoveable, present or future, including book debts, unpaid calls, rights, powers, undertaking, franchises and the Company's own debentures, as security for the fulfilment of any liabilities or obligations, present or future, of the Company to the Bank and may empower the Bank or any person or persons to sell by public or private sale, assign, transfer or convey from time to time any such property; and may sign, make, draw, accept, endorse, execute and deliver on behalf of and in the name of the Company all such cheques, promissory notes, bills of exchange, drafts, acceptances, orders for the payment of money, warehouse receipts, bills of lading, agreements to give security, assignments, transfers, conveyances, hypothecs, mortgages, pledges, securities and other agreements, documents and instruments as may be necessary or useful in connection with the borrowing of money by and other banking business of the Company.
2. The Directors may authorize any one or more directors, officers, employees or agents of the Company to exercise any of the rights, powers and authorities conferred by this By-law upon the Directors.
3. The borrowing of money from the Bank from time to time heretofore under the authority of the Directors of the Company and the giving of security therefor are hereby ratified and confirmed.
4. This By-law shall continue in force as between the Company and the Bank until a By-law repealing this By-law shall have been validly passed and confirmed and a copy thereof, duly certified under the seal of the Company, shall have been delivered to the Bank and receipt thereof acknowledged by the Bank.

PASSED by the Board of Directors and sealed with
the corporate seal this 6th day of Jun , 198 .



President



Secretary

The foregoing By-law is hereby passed by the
directors of the Corporation, pursuant to the Corporations

5. QUORUM AND MEETINGS, BOARD OF DIRECTORS

A majority of the directors shall form a quorum for the transaction of business. Except as otherwise required by law, the board of directors may hold its meetings at such place or places as it may from time to time determine. No formal notice of any such meeting shall be necessary if all the directors are present, or if those absent have signified their consent to the meeting being held in their absence. Directors' meetings may be formally called by the President or Vice-President or by the Secretary on direction of the President or Vice-President, or by the Secretary on direction of two directors, in writing. Notice of such meeting shall be delivered, telephoned or telegraphed to each director not less than two days before the meeting is to take place or shall be mailed to each director not less than two days before the meeting is to take place. The statutory declaration of the Secretary or President that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice. The board may appoint a day or days in any month or months for regular meetings at an hour to be named, and of such regular meeting no notice need be sent. A directors' meeting may also be held, without notice, immediately following the annual meeting of the Corporation. The directors may consider or transact any business, either special or general, at any meeting of the board.

6. ERRORS IN NOTICE, BOARD OF DIRECTOR

No error or omission in giving such notice for a meeting of directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any director may at any time waive notice of any such meeting and may ratify and approve of any or all proceedings taken or had thereat.

7. VOTING, BOARD OF DIRECTORS

Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the Chairman, in addition to his original vote, shall have a second or casting vote. All votes at any such meeting shall be taken by ballot if so demanded by any director present, but if no demand be made, the vote shall be taken in the usual way by assent or dissent. A declaration by the Chairman that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. In the absence of the President, his duties may be performed by the Vice-President or such other director as the board may from time to time appoint for the purpose.

8. POWERS

Subject to the provisions hereinafter contained concerning borrowing, the directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter

and, save as hereinafter provided, generally may exercise all such other powers and do all such other acts and things as the Corporation is by its Charter or otherwise authorized to exercise and do provided, however, the directors shall not be empowered to approve any payment of directors' fees, and provided further that the directors shall serve without remuneration and no director shall, directly or indirectly, receive any profit from his position as such.

9. OFFICERS OF CORPORATION

There shall be a President, a Vice-President, a Secretary and a Treasurer or, in lieu of a Secretary and Treasurer, a Secretary-Treasurer, and such other officers as the board of directors may determine by by-law from time to time. One person may hold more than one office except the offices of President and Vice-President. The President and Vice-President shall be elected by the board of directors from among their number at the first meeting of the board after the annual election of such board of directors, provided that in default of such election the then incumbents, being members of the board, shall hold office until their successors are elected. The other officers of the Corporation need not be members of the board and in the absence of written agreement to the contrary, the employment of all officers shall be settled from time to time by the board.

10. DUTIES OF PRESIDENT AND VICE-PRESIDENT

The President shall, when present, preside at all meetings of the members of the Corporation and of the board of directors. The President shall also be charged with the general management and supervision of the affairs and operations of the Corporation. The President with the Secretary or other officer appointed by the board for the purpose shall sign all by-laws and membership certificates. During the absence or inability of the President, his duties and powers may be exercised by the Vice-President, and if the Vice-President or such other director as the board may from time to time appoint for the purpose, exercises any such duty or power, the absence or inability of the President shall be presumed with reference thereto.

11. DUTIES OF SECRETARY

The Secretary shall be ex officio clerk of the board of directors. He shall attend all meetings of the board of directors and record all facts and minutes and all proceedings in the books kept for that purpose. He shall give all notices required to be given to members and to directors. He shall be the custodian of the seal of the Corporation and of all books, papers, records, correspondence, contracts and other documents belonging to the Corporation which he shall deliver up only when authorized by a resolution of the board of directors to do so and to such person or persons as may be named in the resolution, and he shall perform such other duties as may from time to time be determined by the board of directors.

12. DUTIES OF TREASURER

The Treasurer, or person performing the usual duties of a Treasurer, shall keep full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account and shall deposit all moneys or other valuable effects in the name and to the credit of the Corporation in such bank or banks as may from time to time be designated by the board of directors. He shall disburse the funds of the Corporation under the direction of the board of directors, taking proper vouchers therefor and shall render to the board of directors at the regular meetings thereof or whenever required of him, an account of all his transactions as Treasurer, and of the financial position of the Corporation. He shall also perform such other duties as may from time to time be determined by the board of directors.

13. DUTIES OF OTHER OFFICERS

The duties of all other officers of the Corporation shall be such as the terms of their engagement call for or the board of directors requires of them.

14. COMMITTEES

There shall be the following committees:

1. Finance Committee,
2. Program Committee,
3. Planning and Maintenance Committee.

15. EXECUTION OF DOCUMENTS

Deeds, transfers, licences, contracts and engagements on behalf of the Corporation shall be signed by either the President or Vice-President and by the Secretary, and the Secretary shall affix the seal of the Corporation to such instruments as require the same.

Contracts in the ordinary course of the Corporation's operations may be entered into on behalf of the Corporation by the President, Vice-President, Treasurer or by any person authorized by the board.

The President, Vice-President, the directors, Secretary or Treasurer, or any one of them, or any person or persons from time to time designated by the board of directors may transfer any and all shares, bonds or other securities from time to time standing in the name of the Corporation in its individual or any other capacity or as trustee or otherwise and may accept in the name and on behalf of the Corporation transfers of shares, bonds or other securities from time to time transferred to the Corporation, and may affix the corporate seal to any such transfers or acceptances of transfers, and may make, execute

and deliver under the corporate seal any and all instruments in writing necessary or proper for such purposes, including the appointment of an attorney or attorneys to make or accept transfers of shares, bonds or other securities on the books of any company or corporation.

Notwithstanding any provisions to the contrary contained in the by-laws of the Corporation, the Board of Directors may at any time by resolution direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligations of the Corporation may or shall be executed.

16. BOOKS AND RECORDS

The directors shall see that all necessary books and records of the Corporation required by the by-laws of the Corporation or by any applicable statute or law are regularly and properly kept.

17. MEMBERSHIP

The membership shall consist of the applicants for the incorporation of the Corporation and such other persons as defined hereinafter, as follows:

(a) Regular member shall mean a person, or a member of the family of such person, admitted to membership in the normal manner who has title to land as defined hereinafter, or is a legal tenant of the owner of land as is defined hereinafter.

(b) Inactive member shall mean:

(1) A waiting member, meaning a person admitted to membership subject to acquiring legal title or becoming a tenant, or

(2) A builder member, meaning a person or legal entity who has acquired legal title for the purpose of building for resale but does not qualify for regular membership privileges.

18. LAND

For the purposes of this Association, land shall mean all lots or condominium units now existing or hereafter constituted within Registered Plan Numbers 1510 and 1553, for the City of Waterloo, in the Regional Municipality of Waterloo and Province of Ontario, or any resubdivision thereof.

19. FEES

(a) An initiation fee of \$25.00 shall be payable once only with respect to a lot or unit by each member.

(b) Annual and additional and other dues and levies to be paid by regular members shall be assessed by the board from time to time and will be amounts necessary for the successful operation of the Corporation and to allow it to carry out all its objectives. Such dues and levies shall, until paid, constitute a lien on the land or condominium unit against which they are assessed or levied.

10. ANNUAL AND OTHER MEETINGS OF MEMBERS

The annual or any other general meeting of the members shall be held at the head office of the Corporation or elsewhere in Ontario as the board of directors may determine and on such day as the said directors shall appoint, and in default of such appointment said annual meeting shall be held on the second Monday of March in each year.

Twenty-five percent or more of the members entitled to vote at meetings of the members may requisition the directors to call a general meeting of the members for any purpose that is connected with the affairs of the Corporation. The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the Corporation and may consist of several documents in like form, each signed by one or more requisitionists. Upon deposit of the requisition, the Board shall forthwith call a general meeting of the members for the transaction of the business stated in the requisition. If the Board does not within thirty days from the date of the deposit of the requisition call and hold the meeting, any of the requisitionists may call the meeting, which shall be held within sixty days from the date of the deposit of the requisition.

Any meetings of members may be held at any time and place without notice if all the members are present thereat or represented by proxy.

At every annual meeting, in addition to any other business that may be transacted, the report of the directors, the financial statement and the report of the auditors shall be presented and a board of directors elected and auditors appointed for the ensuing year. The members may consider and transact any business, either special or general, without any notice thereof at any meeting of the members. The board of directors or the President or Vice-President shall have power to call at any time a general meeting of the members of the Corporation. No public notice nor advertisement of members' meetings, annual or general, shall be required, but notice of the time and place of every meeting shall be given to each member by sending the notice by prepaid mail or telegraph, ten days before the time fixed for the holding of such meeting, provided that any meetings of members may be held at any time and place without such notice if all the members of the Corporation are present thereat or represented by proxy duly appointed, and at such meeting any business may be transacted which the Corporation at annual or general meetings may transact.

21. ERROR OR OMISSION IN NOTICE

No error or omission in giving notice of any annual or general meeting or any adjourned meeting, whether annual or general, of the members of the Corporation shall invalidate such meeting or make void any proceedings taken thereat and any member may ratify, approve and confirm any or all proceedings taken or had thereat. For the purpose of sending notice to any member, director or officer for any meeting or otherwise, the address of any member, director or officer shall be his last address recorded on the books of the Corporation.

22. ADJOURNMENTS

Any meetings of the Corporation or of the directors may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as might have been transacted at the original meeting from which such adjournment took place. No notice shall be required of any such adjournment. Such adjournment may be made notwithstanding that no quorum is present.

23. QUORUM OF MEMBERS

A quorum for the transaction of business at any meeting of members shall consist of not less than twenty-five percent of the members, present in person or represented by proxy.

24. VOTING OF MEMBERS

Subject to the provisions, if any, contained in the Letters Patent of the Corporation, each member of the Corporation shall at all meetings of members be entitled to one vote and he may vote by proxy. Such proxy need not himself be a member but before voting shall produce and deposit with the Secretary a sufficient appointment in writing from the member appointing the proxy. No member shall be entitled, either in person or by proxy, to vote at meetings of the Corporation unless he has paid all dues or fees, if any, then payable by him, and is a member in good standing.

Provided that if more than one person is a registered owner of the same lot or condominium unit, only one of such persons shall be entitled to vote at meetings of the members and shall, at or prior to such meetings, file with the secretary a declaration duly executed by all of them, authorizing only one of them to vote in respect of such lot or condominium unit.

At all meetings of members, every question shall be decided by a majority of the votes of the members present in person or represented by proxy unless otherwise required by the by-laws of the Corporation, or by law. Every question shall be decided in the first instance by a show of hands unless a poll be demanded by any member. Upon a show of

hands, every member having voting rights shall have one vote, and unless a poll be demanded a declaration by the Chairman that a resolution has been carried or not carried and an entry to that effect in the minutes of the Corporation shall be admissible in evidence as prima facie proof of the fact without proof of the number or proportion of the votes accorded in favour of or against such resolution. The demand for a poll may be withdrawn, but if a poll be demanded and not withdrawn the question shall be decided by a majority of votes given by the members present in person or by proxy, and such poll shall be taken in such manner as the Chairman shall direct and the result of such poll shall be deemed the decision of the Corporation in general meeting upon the matter in question. In case of an equality of votes at any general meeting, whether upon a show of hands or at a poll, the Chairman shall be entitled to a second or casting vote.

25. FINANCIAL YEAR

Unless otherwise ordered by the board of directors, the fiscal year of the Corporation shall terminate on the last day of December in each year.

26. CHEQUES, ETC.

All cheques, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the board of directors and any one of such officers or agents may alone endorse notes and drafts for collection on account of the Corporation through its bankers, and endorse notes and cheques for deposit with the Corporation's bankers for the credit of the Corporation, or the same may be endorsed "for collection" or "for deposit" with the bankers of the Corporation by using the Corporation's rubber stamp for the purpose. Any one of such officers or agents so appointed may arrange, settle, balance and certify all books and accounts between the Corporation and the Corporation's bankers and may receive all paid cheques and vouchers and sign all the bank's forms of settlement of balances and release or verification slips.

27. DEPOSIT OF SECURITIES FOR SAFEKEEPING

The securities of the Corporation shall be deposited for safekeeping with one or more bankers, trust companies or other financial institutions to be selected by the board of directors. Any and all securities so deposited may be withdrawn, from time to time, only upon the written order of the Corporation, and in such manner, as shall from time to time be determined by resolution of the board of directors and such authority may be general or confined to specific instances. The institutions which may be so selected as custodians of

the board of directors shall be fully protected in acting in accordance with the directions of the board of directors and shall in no event be liable for the due application of the securities so withdrawn from deposit or the proceeds thereof.

28.

NOTICE

Whenever under the provisions of the by-laws of the Corporation, notice is required to be given, such notice may be given either personally or telegraphed or by depositing same in a post office or a public letter box, in a prepaid sealed wrapper addressed to the director, officer or member at his or their address as the same appears on the books of the Corporation. A notice or other document so sent by post shall be held to be sent at the time when the same was deposited in a post office or public letter box as aforesaid or if telegraphed shall be held to be sent when the same was handed to the telegraph company or its messenger. For the purpose of sending any notice the address of any member, director or officer shall be his last address as recorded on the books of the Corporation.

29.

BORROWING

The directors may from time to time borrow money on the credit of the Corporation up to a maximum of \$2,000.00, provided that any amounts in excess of \$2,000.00 shall be authorized by a resolution of the board of directors duly approved by a vote of at least two-thirds of the members present or represented by proxy at a meeting called for the purpose of approving the aforesaid borrowing resolution or resolutions.

30. GENERAL, PROTECTION AND INDEMNITY OF DIRECTORS AND OFFICERS

No director or officer of the Corporation shall be liable for the acts, neglect or default of any other director or officer or for joining in any act for conformity or for any loss or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the board for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any of the monies, securities or effects of the Corporation shall be deposited or for any loss occasioned by an error of judgment or oversight on his part or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same shall happen through his own dishonest or fraudulent act or acts.

Every director or officer of the Corporation and his heirs, executors and administrators and estate and effects respectively shall from time to time and at all times be indemnified and saved harmless out of the funds of the Corporation from and against:

(a) all costs, charges and expenses whatsoever which such director or officer sustains or incurs in or about any action, suit or proceeding which is brought, commenced or prosecuted against him for or in respect of any act, deed, matter or thing, whatsoever made, done or permitted by him in or about the execution of the duties of his office, except dishonest or fraudulent act or acts;

(b) all other costs, charges and expenses which he properly sustains or incurs in or about or in relation to the affairs thereof.

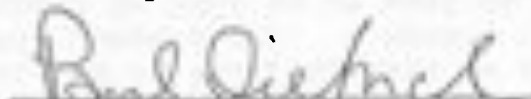
31. AMENDMENT OF BY-LAWS

No amendment, alteration or repeal of this by-law or any part thereof shall be effective until such amendment, alteration or repeal has been confirmed by at least two-thirds of the votest cast by the members present or represented by proxy at a general meeting of members duly called for the above purpose.

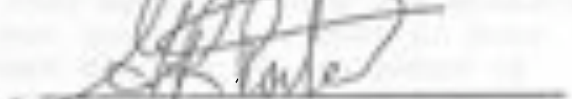
32. INTERPRETATION

In these by-laws and in all other by-laws of the Corporation hereafter passed, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice vers, and references to persons shall include firms and corporations.

Passed by the board of directors and sealed with the corporate seal this 6th day of Juny 18



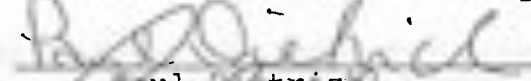
President



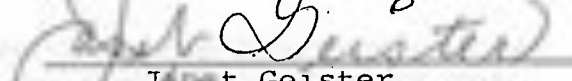
Secretary

The foregoing by-law is hereby passed by the directors of the Corporation pursuant to the Corporations Act, as evidenced by the respective signatures hereof of all the directors.


DATED the 6th day of Juny, 1984.



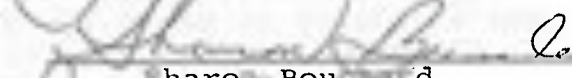
Paul Dietrich



Janet Geister



Robert W. Stealey



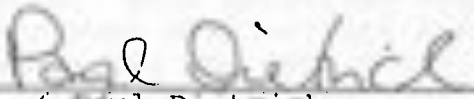
Harold Boucard



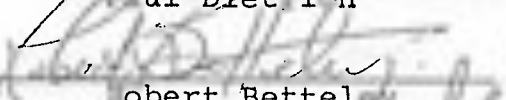
Gordon Porter

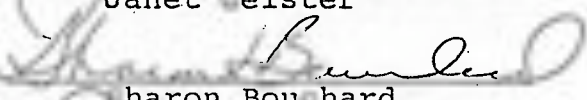
The foregoing by-law is hereby confirmed by all the members of the Corporation pursuant to The Corporations Act, as evidenced by their respective signatures hereto.

DATED the 6th day of June, 1984.


Paul Dietrich



Janet Geister

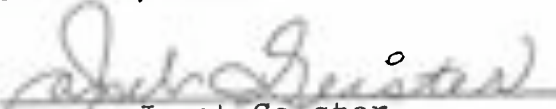

Robert Bettel

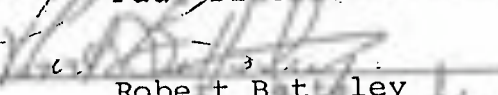

Sharon Bouhard

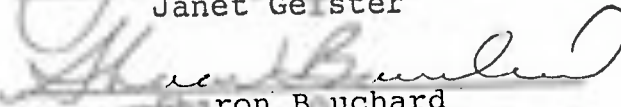

Gordon Porter

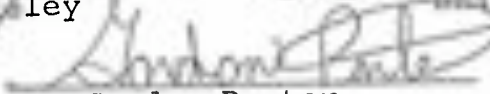
Act, as evidenced by the respective signatures hereto of
all the directors, this 6th day of June, 1984.


Paul Dietrich


Janet Geister


Robert Batley


Sharon B. Buchard


Gordon Porter

