

GARDINER MILLER ARNOLD LLP
BARRISTERS & SOLICITORS

J. ROBERT GARDINER
390 BAY STREET, SUITE 1202, TORONTO, ON M5H 2Y2
PHONE (416) 363-2614 ext. 226 FAX (416) 363-8451
e-mail: bob.gardiner@gmalaw.ca www.gmalaw.ca

Re: GMA's COMPREHENSIVE RULES

Often, when we have the opportunity to review a condominium corporation's rules in order to enforce compliance against a defaulting unit owner, it becomes apparent that the condominium corporation only has its original declarant-prepared, 2-5 page set of rules, or else the original set of rules have been improved, but are missing some crucial provisions or contain rules which are contrary to the case law, human rights criteria or the *Condominium Act*. Our firm has developed a generic menu of rules on 27 pages which address a wide variety of typical nuisance, safety and security issues encountered by condominium corporations. Separate rules packages specifically address different types of issues commonly encountered either at high rise buildings, townhouse complexes, internal recreational facilities or shared facilities jointly managed by two or more condominium corporations. We are forwarding this letter on a complimentary basis in case your board of directors deems it appropriate to reconsider its existing set of rules. This letter addressed several different approaches your board could take in the event it deems it appropriate to upgrade your existing rules.

If you wish us to review your existing Rules in accordance with s. 58 of the new Act, we can approach that in one of several ways:

(a) **GMA's Comprehensive Rules** - The best approach is to ask us to provide GMA's comprehensive set of Rules, whether applicable to high rise buildings or townhouse complexes. Many corporations lack a comprehensive set of rules, including 15 - 35 parking rules, 20 pet rules, 10 moving rules, criteria governing designated safety devices and rules prohibiting harassment of staff, contractors and other unit owners, sexual harassment, human rights abuses, trespassing and loitering or boarding house, hotel and transient lease uses, amongst many other rules.

If your board wishes to proceed, please complete and forward to us the enclosed form of Instructions, whereupon we will generate the appropriate Comprehensive Rules package. Your Rules Committee should review our Comprehensive Rules and carefully assess each rule to ensure it is applicable in the circumstances at your corporation. Please make any applicable deletions, amendments or additions in readable handwriting onto the paper copy of GMA's Comprehensive Rules. Please mail or fax your revisions back to us. We will review and approve your suggested changes and finalize the revisions which are consistent with the *Condominium Act*, declaration, by-laws, major existing leading cases and human rights requirements. Once we have finalized the Comprehensive Rules, we will forward them to you together with a draft form of board resolution and a form of notice to owners to be inserted onto your letterhead. Our fee is \$1,280, plus disbursements (approximately \$45.00 and GST), plus additional charges at our standard hourly rates for time spent in excess of two hours (such as substantial redrafting, extended discussions or attendances at board or owners' meetings). Since the Rules are not registered on title, there is no

cost in that regard. Upon request, we will review your existing rules and adapt them into GMA's Comprehensive Rules, but we will need to charge for the additional time to do so if your board does not wish to undertake that project.

(b) **Revisions to Existing Rules** – Upon request, we will be pleased to compare your existing rules to GMA's modern Comprehensive Rules, note the differences and provide specific revisions and additional provisions. The cost of a full review of your existing rules and detailed amendments to them can vary significantly (from \$1,000 - \$2,200 plus disbursements of approximately \$45 and GST), depending primarily upon the extent, accuracy and quality of legal drafting applicable to your existing rules.

(c) **Simple Compliance Review** – Upon request, GMA will be pleased to simply review your existing rules and regulations as written, to ensure they comply with the provisions of the new Act, taking into account some major leading cases, human rights and other legislative requirements; but without otherwise improving those rules or adding the types of additional rules referred to in items (a) and (b) above. Cost estimate is \$650 - \$800 plus GST.

(d) **Recreation Facilities Rules** – Corporations having various types of recreational facilities require a number of specific Recreation Facility Rules applicable to different kinds of facilities. We can either provide GMA's Recreation Facilities Rules package at a cost of \$980 plus disbursements of approximately \$45 and GST, or review and improve your own existing Recreation Facilities Rules at a cost in the range of \$1,000 - \$2,000, plus disbursements of approximately \$45 and GST.

(e) **Shared Facilities Rules** – If recreation and other facilities are shared with one or more other condominium corporations pursuant to a Reciprocal Agreement, the Shared Facilities Committee should authorize us to undertake that project. Such Shared Facilities Rules must be approved by each of the boards of directors. They should be consistent with the Act, declaration and by-laws of each condominium corporation and should not conflict with the provisions of the Reciprocal Agreement. Such Shared Facilities Rules must be approved as joint rules in accordance with the requirements of s. 59 of the Act. Notice of the joint rules must be given to the owners of each condominium corporation, together with a copy of the Shared Facilities Rules, confirmation as to the date when the Rules will become effective and a statement that the owners have the right to requisition a meeting under s. 46 of the Act within 30 days after the date of giving notice to the owners.

Rules Procedure and Compliance

If you would like GMA to undertake any of the above Rules projects, please complete our attached form of Instructions and fax or mail it to the writer. GMA will provide an article entitled ***Rules Procedure and Compliance*** which discusses a number of issues related to the process to pass rules and enforce compliance. We will also provide a memo explaining the ***Procedure to Pass Rules*** at the time we forward the applicable set of Rules to you. When the board is ready to circulate the finalized Rules to the owners, we will provide a form of resolution of directors and the **Notice of**

Rules to owners. Those documents are provided on a complimentary basis as part of GMA's Comprehensive Rules Package.

Timing

Generally speaking, it is wise to allocate three – five months to allow the Rules Committee and our firm adequate time to complete our respective functions.

Copyright

You will appreciate that in view of the fact these documents have taken a substantial amount of time and effort to create, GMA retains its copyrights and other rights with respect to those documents. Upon payment of GMA's fee by each participating condominium corporation or unit owner, it or him/her is thereby licensed to use those documents only for its/his/her own purposes. Directors, managers and owners should refrain from misappropriating those documents for use by any other condominium corporation without GMA's prior written consent.

Other Issues

A wide range of sophisticated and challenging issues confront directors, managers and condominium lawyers. GMA provides a wide range of condominium legal services, including legal opinions, litigation, mediation, arbitration, corporate governance and preparation of a range of condominium agreements, by-laws, rules and other legal services. GMA is committed to solving your condominium legal problems in a practical and cost-effective manner to a high quality standard.

GMA Condo Documents Upgrade Packages

If you are interested, please ask for GMA's complementary introductory letter explaining any particular topic of interest referred to on GMA's Condo Documents Upgrade Packages list attached to this letter.

Instructions to GMA

Once you have reviewed GMA's complimentary introductory letter pertaining to any of GMA's Condo Documents Upgrade Packages, if your board wishes to instruct GMA to undertake the project referred to in this letter or any of the topics listed on GMA's Condo Documents Upgrade Packages list, you may instruct us to proceed with the chosen project(s) by filling out and returning to GMA our enclosed Condominium Project Instructions.

Conclusion

Please do not hesitate to call if we can be of assistance to you or if you wish to discuss any aspect in greater detail.

Yours truly

GARDINER MILLER ARNOLD LLP

Per: J. Robert Gardiner
JRG:it

Encl. Instructions
Table of Contents
GMA's Condo Documents Upgrade Packages
Condominium Project Instructions