



**MINUTES OF THE ANNUAL GENERAL MEETING
STRATA CORPORATION BCS 1399
THE BENTLEY**

HELD: Monday, October 17, 2005 at 7:00 PM
Metropolitan Hotel, Cristal Room, 645 Howe Street, Vancouver, BC

PRESENT: Owners of Strata Corporation BCS 1399 as per the registration sheet
 Bob Switzer, Senior Vice President Customer Service & Quality Control – Polygon Construction Management Ltd.
 Bob Bryant, Vice President of Development – Polygon Construction Management Ltd.
 Andre Chilcot, Vice President of Sales - Polygon Construction Management Ltd.
 Celina Wong, Sales - Polygon Construction Management Ltd.
 Frank Appa, Customer Service Manager - Polygon Construction Management Ltd.
 Don Dingman, Vice President of Strata Division, Property Manager – Martello Property Services Inc.
 Linnea Bell, Strata Administrator - Martello Property Services Inc.
 Frank Khoshkam – Resident Caretaker

CALL TO ORDER AND INTRODUCTION:

Meeting was called to order at 7:05 pm by Bob Switzer, Senior Vice President Customer Service & Quality Control – Polygon Construction Management Ltd.

On behalf of Polygon Construction Management Ltd., Mr. Switzer introduced himself and welcomed all owners to the first Annual General Meeting for The Bentley, Strata Corporation BCS 1399, and introduced the following individuals:

Bob Bryant, Vice President of Development - Polygon Construction Management Ltd.
 Celina Wong, Sales - Polygon Construction Management Ltd.
 Frank Appa, Customer Service Manager - Polygon Construction Management Ltd.
 Andre Chilcot, Vice President of Sales - Polygon Construction Management Ltd.
 Frank Khoskam – Resident Caretaker
 Don Dingman, Vice President of Strata Division, Property Manager – Martello Property Services Inc.
 Linnea Bell, Strata Administrator - Martello Property Services Inc.

APPOINTMENT OF MEETING CHAIR:

It was noted that, as per the Strata Property Act, the Developer was responsible for calling the first Annual General Meeting of the Strata Corporation and to act as the meeting chair.

On behalf of Polygon Construction Management Ltd., Bob Switzer thanked all owners for taking the time to attend the Annual General Meeting and discussed a number of items pertaining to the building operations. Of particular concern were issues regarding security and the installation of a Security Committee by the new Strata Council. He also discussed concerns which are typical of strata corporations regarding use of visitor parking and reminded owners that visitor parking is reserved for visitor parking and not for residents' use. It was also noted that a regular problem with strata corporation's owners failing to clean up after their pets while on the common property of the Strata Corporation. This is a health and safety concern to all residents.

It was noted that another issue causing concern is excessive noise, and advised that it is the responsibility of all owners and residents of the complex to respect the right of other owners to "the quiet enjoyment" of their strata lot.

Owners were advised that any in-suite deficiencies must be reported to Polygon Construction Management Ltd. – Customer Service (604) 877-1751.



Mr. Switzer also advised that the Developer would be covering the cost of the first Annual General Meeting and had arranged for refreshments and a buffet at the end of the meeting.

The floor was then turned over to Don Dingman, Property Manager, Martello Property Services Inc., who would act as meeting chair for the remainder of the meeting.

REGISTRATION AND CERTIFICATION OF PROXIES AND ISSUING OF VOTING AND BALLOT CARDS:

Don Dingman of Martello Property Services Inc. confirmed that thirty (30) owners were present either in person or represented by proxy which constituted the meeting quorum and the meeting could proceed. It was also confirmed that all owners who were eligible to vote had been issued voting and ballot cards at the registration desk.

FILING PROOF OF NOTICE OF MEETING MAILED SEPTEMBER 30, 2005:

It was moved, seconded (Goy #307/Wylie #1206) and CARRIED UNANIMOUSLY to approve filing proof of Notice of Meeting mailed September 30, 2005.

APPROVAL SEPTEMBER 30, 2005 ANNUAL OPERATING BUDGET FOR RISCAL YEAR NOVEMBER 1, 2005 - OCTOBER 31, 2006:

Don Dingman of Martello Property Services Inc. reviewed the Proposed Annual Operating Budget. Several questions were addressed to, and answered by, Don Dingman, Martello Property Services.

There being no further questions on the Proposed Annual Operating Budget, it was moved, seconded (Samel #1902/van Blokland #302) and CARRIED UNANIMOUSLY to adopt the Annual Operating Budget as presented.

MAINTENANCE FEES (copy of Maintenance Fee Schedule attached):

Owners were reminded that maintenance fees are payable on the first day of each month. New maintenance fees commence November 1, 2005.

Owners were advised they have either one of two (2) options in payment of maintenance fees:

POST DATED CHEQUES - MAINTENANCE FEE PAYMENTS
Owners may submit 12 (twelve) post-dated cheques for the maintenance fees up to October 31, 2006, made payable to Strata Corporation BCS 1399 - The Bentley, and forwarded to the offices of Martello Property Services Inc. at Suite 400 - 1066 West Hastings Street, Vancouver, BC V6E 3X1.

PRE-AUTHORIZED DEBIT OF MAINTENANCE FEES
PLEASE NOTE IF YOU ARE ALREADY ON THE AUTOMATIC WITHDRAWAL SYSTEM YOU WILL NOT NEED TO RESUBMIT ANOTHER PRE-AUTHORIZATION FORM.
Please note if you are not already on the automatic withdrawal system and wish to use the automatic withdrawal system, you will need to contact Linnea Bell, Strata Administrator at Martello Property Services Inc. (604-681-6544) prior to November 15, 2005 in order to be set up for the December 1, 2005 debit.

Please note:
Those owners not already on the automatic withdrawal system wishing to take advantage of the automatic withdrawal system will need to forward a cheque for November's maintenance fees as the automatic withdrawal will not take effect until **DECEMBER 1, 2005.**



REVIEW OF INSURANCE COVERAGES:

Don Dingman of Martello Property services inc. Reviewed the various current insurance coverages of the Strata Corporation noting that the Strata Corporation's Insurance has earthquake, water, sewer back-up, flood, glass breakage, officers and directors errors and omissions, as well as liability coverages.

OWNERS WERE ADVISED THAT THE STRATA CORPORATION INSURANCE POLICY DOES NOT COVER THE OWNERS' PERSONAL BELONGINGS OR NON-FIXED APPLIANCES (i.e. free standing ranges, washers and dryers, refrigerators, microwaves, etc.). IT WAS ALSO NOTED THAT IF OWNERS UNDERTAKE ANY BETTERMENTS OR IMPROVEMENTS TO THEIR STRATA LOTS THE ARE REQUIRED TO FIRST OBTAIN PERMISSION FROM THE STRATA COUNCIL AND ENSURE THAT THE BETTERMENTS AND IMPROVEMENTS ARE COVERED UNDER THEIR INDIVIDUAL INSURANCE POLICY.

ELECTION OF STRATA COUNCIL:

Owners were advised that in accordance with the requirements of the Strata Property Act, the Strata Corporation is required to elect from among the owners present at the meeting a Strata Council which must consist of between three (3) and seven (7) owners. Don Dingman reviewed the responsibilities of the Strata Council Members and opened the floor for nominations and volunteers. The following owners were nominated or volunteered to serve on council;

Christopher Nicholson #2502
Paul Wylie #1206
June Wyse #902

Connie Goy #307
Dennis Yee #305

Jonathan Bones #1606
Margo Koch #606

There being no further nominations, it was moved, seconded (van Blokland #302/Kam #406) and **CARRIED UNANIMOUSLY** to close nominations for Strata Council.

The above owners then **declared elected by acclamation** as the new Strata Council for the upcoming year.

NEW BUSINESS:

1. Emergency Contact and Resident Information:

ALL OWNERS ARE REMINDED THAT IN ORDER FOR THE BUILDING TO FUNCTION SMOOTHLY THEY ARE REQUIRED TO SUPPLY THE STRATA CORPORATION WITH PHONE NUMBERS AND NAMES AS QUICKLY AS POSSIBLE. ENCLOSED IS AN EMERGENCY CONTACT SHEET. IF YOU HAVE NOT COMPLETED THIS FORM AND SENT IT TO THE PROPERTY MANAGER, MARTELLO PROPERTY SERVICES INC., YOU ARE HEREBY REQUESTED TO DO SO AS QUICKLY AS POSSIBLE. THIS IS PARTICULARLY IMPORTANT FOR NON-RESIDENT OWNERS.

2. Form K - Tenant's Undertaking:

Owners who are renting out their strata lots (i.e. Landlords) are reminded that they are required under the Strata Property Act to supply the strata corporation with the required Form K - Tenant's Undertaking within thirty (30) days of occupancy by the tenant. Failure to comply will result in fines being assessed. It should also be noted that landlords are responsible to ensure that their tenants have copies of the Strata Corporation's Bylaws. Landlords will also be held jointly and severally liable for the actions of their tenants.

3. Resident Caretakers:

Council wishes to advise owners that Frank Khoshkam has been hired as the Resident Caretaker for The Bentley. His contact number is 778-688-8048. Any owners wishing issuance of FOB's and enterphone directory changes are required to contact Frank.



4. Amenities Rooms and Spa/Gym:

It was noted to all owners that temporary Amenities Room and Spa/Gym Rules are in place until the new Strata Council reviews them. Hours of operation from 7:00 am – 10:00 pm and there is no smoking within the common areas, Amenities Rooms, Gym and Spa areas. It was also noted that no alcohol or glass bottles are allowed in the spa area.

All owners are reminded that the Amenities Rooms and Spa/Gym are shared facilities and that owners are requested to not abuse the hours of operation, or the facilities; and to limit the number of guests to a maximum of two (2) when using the Amenities Rooms and Spa/Gym facilities.

5. In-suite Deficiencies:

Owners were reminded that any in-suite deficiencies should be addressed to Customer Service Representative, Polygon Construction Management Ltd. (604) 877-4751

6. Common Area Deficiencies:

It was noted that any common area deficiencies should be reported to the Strata Council or Property Manager, Don Dingman, Martello Property Services Inc.

ADJOURNMENT:

There being no further business, it was moved to adjourn the meeting at 8:30 pm on motion from Dennis Yee #305. Owners were then invited to attend to the social.

Immediately following the annual general meeting the newly elected Strata Council met to discuss the following items of business:

1. Election of officers:

In accordance with the requirements of the Strata Property Act the following officers were elected:

- | | |
|----------------|----------------------|
| President | Jonathan Bones #1606 |
| Vice-President | Dennis Yee #305 |
| Finance | Margo #606 |
| Security | Connie Goy #307 |

2. First Meeting of Strata Council:

The first meeting of the new Strata Council will be held on:
Monday, November 14, 2005 at 7:00 pm
at The Bentley Meeting Room, Main Floor Lobby – 1001 Homer Street, Vancouver, BC


Don Dingman, Property Manager
Martello Property Services Inc.

Unit No.	S/L	Unit Entic (SO/L)	Maintenance Fee	10% CRF Contr	Total Maintenance Fee
803	42	81	\$218.45	\$21.85	\$240.30
805	43	73	\$196.88	\$19.69	\$216.56
806	44	81	\$218.45	\$21.85	\$240.30
807	45	56	\$151.03	\$15.10	\$166.13
808	46	47	\$126.76	\$12.68	\$139.43
901	47	47	\$126.76	\$12.68	\$139.43
902	48	56	\$151.03	\$15.10	\$166.13
903	49	81	\$218.45	\$21.85	\$240.30
905	50	73	\$196.88	\$19.69	\$216.56
906	51	81	\$218.45	\$21.85	\$240.30
907	52	56	\$151.03	\$15.10	\$166.13
908	53	47	\$126.76	\$12.68	\$139.43
1001	54	47	\$126.76	\$12.68	\$139.43
1002	55	56	\$151.03	\$15.10	\$166.13
1003	56	81	\$218.45	\$21.85	\$240.30
1005	57	73	\$196.88	\$19.69	\$216.56
1006	58	81	\$218.45	\$21.85	\$240.30
1007	59	56	\$151.03	\$15.10	\$166.13
1008	60	47	\$126.76	\$12.68	\$139.43
1101	61	47	\$126.76	\$12.68	\$139.43
1102	62	56	\$151.03	\$15.10	\$166.13
1103	63	81	\$218.45	\$21.85	\$240.30
1105	64	73	\$196.88	\$19.69	\$216.56
1106	65	81	\$218.45	\$21.85	\$240.30
1107	66	56	\$151.03	\$15.10	\$166.13
1108	67	47	\$126.76	\$12.68	\$139.43
1201	68	47	\$126.76	\$12.68	\$139.43
1202	69	56	\$151.03	\$15.10	\$166.13
1203	70	81	\$218.45	\$21.85	\$240.30
1205	71	73	\$196.88	\$19.69	\$216.56
1206	72	81	\$218.45	\$21.85	\$240.30
1207	73	56	\$151.03	\$15.10	\$166.13
1208	74	47	\$126.76	\$12.68	\$139.43
1401	75	47	\$126.76	\$12.68	\$139.43
1402	76	56	\$151.03	\$15.10	\$166.13
1403	77	81	\$218.45	\$21.85	\$240.30
1405	78	73	\$196.88	\$19.69	\$216.56
1406	79	81	\$218.45	\$21.85	\$240.30
1407	80	56	\$151.03	\$15.10	\$166.13
1408	81	47	\$126.76	\$12.68	\$139.43
1501	82	47	\$126.76	\$12.68	\$139.43
1502	83	56	\$151.03	\$15.10	\$166.13
1503	84	81	\$218.45	\$21.85	\$240.30
1505	85	73	\$196.88	\$19.69	\$216.56
1506	86	81	\$218.45	\$21.85	\$240.30
1507	87	56	\$151.03	\$15.10	\$166.13
1508	88	47	\$126.76	\$12.68	\$139.43



**NOTICE OF ANNUAL GENERAL MEETING
STRATA CORPORATION BCS 1399 – THE BENTLEY**

TO BE HELD: MONDAY, OCTOBER 17, 2005
TIME: REGISTRATION: @ 6:00 P.M.
MEETING: @7:00 P.M
REFRESHMENTS AND SOCIAL - (IMMEDIATELY AFTER MEETING)
PLACE: METROPOLITAN HOTEL
CRISTAL ROOM, 645 HOWE STREET, VANCOUVER, BC

The business conducted at this meeting affects all Owners and we encourage you to attend. However, if you are unable to attend, a Proxy Form is enclosed, for your signature, appointing an alternative representative to attend and vote on your behalf.

Meeting agenda and supporting documents are enclosed. Please review this material prior to the meeting and bring it with you for reference.

In order to vote at the Annual General Meeting your strata lot account must be free of all arrears of maintenance fees owing to the Strata Corporation.

PURPOSE OF MEETING

1. To approve the operating budget for fiscal period November 1, 2005 to October 31, 2006 (Copy of Proposed Operating Budget attached along with Explanatory notes).
2. To elect a Strata Council in accordance with Sections 27 and 28, of the Strata Property Act, R.S. Chapter 43.

"The Council shall be elected, by and from, among owners, or their appointees, and shall consist of not less than three (3), or more than seven (7) members."

PLEASE NOTE: OWNERS MUST BE REGISTERED ON TITLE TO BE ELIGIBLE FOR NOMINATION TO STRATA COUNCIL. APPOINTEES MUST HAVE WRITTEN APPROVAL OF OWNER.

QUORUM

No business shall be transacted at any general meeting unless a quorum of persons entitled to vote is present, at the time when the meeting proceeds to business. One-third of the persons entitled to vote, present in person or by proxy, shall constitute a quorum.

VOTING

In order to vote an owner must be paid up in all arrears of maintenance fees owing to the Strata Corporation. Cheques will not be accepted at the meeting unless certified. If you are not certain of your account status, please telephone 604-681-6544 between 9:00 a.m. and 5:00 p.m. (accounts department). Owners may be represented by Proxies - a blank proxy is attached for your convenience. A spouse who is not registered on title, MUST have a Proxy authorization to vote.



VOTING PROCEDURE

At any general meeting, a Resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is so demanded by any owner present in person, or by Proxy. Unless a poll is so demanded, a declaration by the Chairman that a Resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of voters recorded in favour of, or against the Resolution. A demand for a poll may be withdrawn.

SPECIAL RESOLUTIONS

A Special Resolution must be approved by a majority of not less than three quarters (3/4) of all persons entitled to vote there on, present at the meeting, or represented by Proxy.

PROXIES

An instrument appointing a proxy shall be in writing under the hand of the appointee or his attorney, and may be either in general, or for a particular meeting. A Proxy need not be an owner.

ORDER OF BUSINESS

1. Call To Order and Introduction
2. Registration & Certification of Proxies
3. Filing Proof of Notice of Meeting - Mailed September 30, 2005
4. Approval of Operating Budget for Fiscal Year (November 1, 2005 to October 31, 2006)
5. To Review Insurance Coverages
6. Election of Strata Council
7. New Business
8. Adjournment

**STRATA CORPORATION BCS 1399 - THE BENTLEY
ESTIMATED INTERIM OPERATING EXPENSES
SEPTEMBER 1, 2005 - OCTOBER 31, 2005**



	Interim Budget	Interim Period Sep 1 - Oct 31/05	Estimated Year to Date Oct 31/05
Revenue:			
Strata Fees		\$ 37,562.70	\$ 37,562.70
		\$ 37,562.70	\$ 37,562.70
Disbursements:			
Alarm Monitoring	\$ 2,400.00	\$ 400.00	\$ 400.00
Cleaning and Janitorial	\$ 6,000.00	\$ 1,000.00	\$ 1,200.00
Electricity	\$ 24,000.00	\$ 4,000.00	\$ 4,200.00
Elevator Maintenance	\$ 9,000.00	\$ 1,500.00	\$ -
Enterphone	\$ -	\$ -	\$ -
Fire Equipment Maintenance	\$ 3,600.00	\$ 600.00	\$ -
Garbage/Recycling	\$ 8,400.00	\$ 1,400.00	\$ 2,000.00
Gas	\$ 24,600.00	\$ 4,100.00	\$ 4,500.00
Insurance/Appraisal	\$ 24,000.00	\$ 4,000.00	\$ 4,000.00
Landscape Maintenance	\$ 8,400.00	\$ 1,400.00	\$ 500.00
Legal Fees	\$ -	\$ -	\$ -
Mangement Fees	\$ 15,000.00	\$ 2,500.00	\$ 2,500.00
Mechanical Equipment Maintenance	\$ 3,600.00	\$ 600.00	\$ 375.00
Postage & Photocopying	\$ 1,200.00	\$ 200.00	\$ 400.00
Sundry	\$ 720.00	\$ 120.00	\$ 360.00
Recreation Facilities/Amenities	\$ 4,200.00	\$ 700.00	\$ 250.00
Repairs & Maintenance	\$ 7,200.00	\$ 1,200.00	\$ 1,800.00
Janitorial Supplies	\$ 1,500.00	\$ 250.00	\$ 1,400.00
Security System Lease	\$ -	\$ -	\$ -
Water & Sewer	\$ 12,000.00	\$ 2,000.00	\$ 2,000.00
Window Cleaning	\$ -	\$ -	\$ -
Resident Manager Suite			
Strata Fees	\$1,088.00	\$ 182.00	\$ 182.00
Mortgage (including GST, PTT & Legal)	\$10,620.00	\$ 1,770.00	\$ 1,770.00
Property Taxes	\$1,512.00	\$ 252.00	\$ 252.00
	<hr/>		
		\$13,220.00	\$2,204.00
Resident Manager			
Telephone & Pager	\$ 1,200.00	\$ 200.00	\$ 210.00
Wages & Benefits	\$ 50,400.00	\$ 8,400.00	\$ 7,200.00
Rent Recovery	\$ (6,000.00)	\$ (1,000.00)	\$ (1,000.00)
	<hr/>		
		\$ 45,600.00	\$ 7,600.00
Total Operating Expenses		\$ 214,640.00	\$ 34,499.00
Contingency Reserve (5%)		\$ 10,732.00	\$ 1,724.95
Total Operating Budget		\$ 225,372.00	\$ 36,223.95
Estimated Operating Surplus			<u>\$ 1,338.75</u>



CONTINGENCY RESERVE FUND ANALYSIS (ESTIMATED)
STRATA CORPORATION BCS 1399 – THE BENTLEY
(FOR INTERIM FISCAL PERIOD SEPTEMBER 1, 2005 – OCTOBER 31, 2005)

Developer's Contribution as per Section 12.2 of Strata Property Act	\$10,732.00
Interim Allocation as per Budget	\$1788.70
Interest Earned on Contingency Reserve Fund	<u>\$25.00</u>
Estimated Balance of Contingency Reserve Fund as of May 31, 2004	<u>\$12,545.70</u>

OPERATING SURPLUS ANALYSIS (ESTIMATED)
STRATA CORPORATION BCS 1399 – THE BENTLEY
(FOR INTERIM FISCAL PERIOD SEPTEMBER 1, 2005 – OCTOBER 31, 2005)

Balance as of September 1, 2005	\$0.00
Estimated Current Operating Surplus as of October 31, 2005	<u>\$ 1338.75</u>
Total Estimated Operating Surplus as at October 31, 2005	<u>\$ 1338.75</u>



**STRATA CORPORATION BCS 1399 - THE BENTLEY
FIRST ANNUAL PROPOSED OPERATING BUDGET**

Alarm Monitoring		\$2,400.00
Building Envelope Maintenance		
- Building Inspection Report	\$3,000.00	
- Touchup Painting & Caulking	\$1,200.00	
- Roof Maintenance	\$1,600.00	
Cleaning & Janitorial		\$5,800.00
Electricity		\$12,000.00
Elevator Maintenance ²		\$32,400.00
Enterphone		\$12,000.00
Fire Equipment Maintenance		\$1,200.00
Garbage/Recycling ³		\$5,400.00
Gas		\$12,000.00
Insurance/Appraisal		\$48,000.00
Landscape Maintenance		\$26,400.00
Legal Fees		\$14,400.00
Management Fees		\$240.00
Mechanical Equipment Maintenance		\$30,000.00
Postage & Photocopying		\$5,400.00
Sundry		\$3,000.00
Recreation Facilities/Amenities		\$1,200.00
Repairs & Maintenance		\$6,000.00
Janitorial Supplies		\$12,600.00
Security System Lease ¹		\$1,920.00
Water & Sewer		\$4,140.00
Window Cleaning		\$18,600.00
Resident Manager Suite		
Strata Fees	\$1,569.00	
Mortgage ⁴ (including GST, PTT & Legal)	\$10,620.00	
Property Taxes	\$1,512.00	
Resident Manager		\$13,701.00
Telephone & Pager	\$1,200.00	
Wages & Benefits ⁵	\$50,400.00	
Rent Recovery	(\$6,000.00)	
Total Operating Expenses		<u>\$45,600.00</u>
Contingency Reserve (10%)		\$318,061.00
Total Operating Budget ⁶		\$31,800.10
		<u>\$342,801.10</u>

Note 1: Each Strata lot's monthly contribution to the Contingency Reserve Fund is calculated as follows:

$$\frac{\text{Unit Entitlement of Strata Lot}}{\text{Total Unit Entitlement of all Strata Lots}} \times \text{Contingency Reserve Fund Contribution}$$
 \$12

Note 2: This project budget was prepared in July 2003 and has not been adjusted for inflation or unforeseen increase in gas, electricity, water and sewer rates.

¹The entrance & security system is leased for a period of 66 months of which the first 12 months are paid by Polygon. The budget includes 3 months of monthly lease payments.

²The elevator installation contract will include maintenance for up to 12 months after installation.

³The monthly lease of the garbage compactor included.

⁴The Resident Manager's suite will be purchased at a price of \$176,000 inclusive of GST.

⁵The mortgage is based on 75% of the Purchase Price at a 6.3% interest rate amortized over 25 years.

⁶It is anticipated that the Developer will contribute 10% of the common expenses set out in the interim operating budget to the Contingency Reserve Fund.



**OPERATING BUDGET EXPLANATORY NOTES
THE BENTLEY – BCS 1399**

ALARM MONITORING:

Provision for 24 hour monitoring of security and fire announcer panels.

BUILDING ENVELOPE MAINTENANCE:

- Touch painting and caulking – provision for minor touch-up painting and caulking of common areas
- Building Inspection report – provision for services of building envelope consultant to review building envelope
- Roof and balcony maintenance – provision for services of building envelope maintenance contractor to inspect and attend to minor repairs.

CLEANING AND JANITORIAL:

Provision for cleaning of common area carpets and powerwashing of common areas. Includes services of janitorial contractor to supply weekend janitorial maintenance relief staff.

ELECTRICITY (Common Area):

Provision for electricity for common area lighting, mechanical, HVAC, air conditioning equipment, exercise equipment and baseboard heaters.

ELEVATOR MAINTENANCE:

Provision for monthly inspection and testing of elevators and operating equipment. Includes provision for yearly elevator operating permits

ENTERPHONE:

Provision for payment of monthly leasing fee for enterphone system (first 12 months to be paid by Polygon). Includes provision for repairs not covered under lease agreement.

FIRE EQUIPMENT MAINTENANCE:

Provisions for annual inspection and testing of all common area and in-suite fire safety equipment; repairs to/replacement of fire safety equipment. Annual certification of announcer panels.

NOTE: Under No circumstances are owners/residents to tamper with, or disconnect their in-suite fire safety equipment

GARBAGE COMPACTOR & RECYCLING:

Provisions for payments of monthly leasing fee for garbage compactor pick-up and disposal fees; annual recycling levy by City of Vancouver.

GAS:

Provision for gas supply for common areas mechanical equipment, hot water storage tanks, HVAC system.

INSURANCE/APPRaisal:

Provision for yearly premiums for "Replacement Cost" insurance coverage of the Strata Corporation's building, equipment and site services. Policy includes coverage for earthquake, flood, sewer-back up, glass breakage, liability insurance, Officers and Directors, Errors and Omissions, 3rd party liability and volunteers.

NOTE: All owners should carry their own insurance policy to cover their personal belongings, 3 party liability, betterments and improvements, and in-suite free standing appliances.

Provision for 3 year property appraisal contract to ensure accurate replacement cost valuations.

LANDSCAPE AND IRRIGATION SYSTEM MAINTENANCE:

Provisions for contracted weekly landscape maintenance of lawns, boulevards (including fertilizing, liming, applications of herbicides for weed, moss and pest control), gardens and planters, pruning and pest control of shrubs and trees. Includes servicing and maintenance of irrigation system and seasonal plantings.

LEGAL FEES:

Provision for minor legal costs.



MANAGEMENT FEES:

Provision for contracted professional property management services with Martello Property Services Inc.. These include collection of maintenance fees and levies, screening and paying of invoices, preparation of monthly financial statements, payroll administration, supervision of maintenance contractors and staff, ensure the Strata Corporation is in compliance with their various obligations and duties, attending and transcribing minutes of meetings (Strata Council and General) assisting Strata Council and owners in the day to day operations of the Strata Corporation.

MECHANICAL AND HVAC MAINTENANCE:

Provision for preventative maintenance programs for mechanical and HVAC equipment.

POSTAGE AND PHOTOCOPYING:

Provision for postage charges and photocopying charges for Notices of Meeting, Minutes of Meetings, correspondence, etc.

SUNDRY:

Provision for annual general meeting expenses and other miscellaneous expenses.

RECREATION EQUIPMENT AND FACILITIES/AMENITIES ROOMS:

Provision for spa and fitness equipment, maintenance contracts, repairs of fitness centre exercising equipment, chemicals for spa, supplies for washrooms and amenities rooms.

GENERAL REPAIRS & MAINTENANCE:

Provision for maintenance and repairs to common areas, locks and doors, hallways, stairways, amenities rooms, parkade and outside loading area, graffiti removal, etc. Includes provision for purchase of janitorial and maintenance equipment for resident manager.

JANITORIAL SUPPLIES:

Provision for purchases of janitorial supplies for cleaning of common areas.

SECURITY SYSTEM LEASE:

Provision for monthly lease of security system (includes camera and F.O.B. access system) (first 12 months are paid by Polygon).

WATER & SEWER:

Provision for water and sewer levy charges by City of Vancouver.

WINDOW CLEANING:

Provisions for annual cleaning of all exterior windows, glass skylights/awning, balcony and patio railings and aluminium frames.

RESIDENT MANAGER SUITE EXPENSES:

- **Strata Fees:** Provision for monthly strata maintenance fees as per approved annual operating budget.
- **Mortgage (includes GST, PTT and legal):** Provision for monthly payment of mortgage for resident manager's suite.
- **Property Taxes:** Provision for payment of annual property taxes for resident manager's suite.

RESIDENT MANAGER'S EXPENSES

- **Telephone:** Provision for monthly telephone expense for resident manager/building contact telephone.
- **Wages and Benefits:** Provision for wages and benefits for resident manager (includes CPP, UI, WCB and extended medical and dental premiums).
- **Rent Recovery for Resident Manager's Suite:** Monthly rental charge to resident manager for the resident manager's suite.

CONTINGENCY RESERVE FUND ALLOCATION:

In accordance with Section 81 of the Strata Property Act, the Strata Corporation must set aside funds for "unusual or extraordinary future expenses, other than annual expenditures." This would include large capital expenditures for repairs/replacement of roofs, repainting/sealing of building, replacement of mechanical and fitness centre exercise equipment, parkade membrane resurfacing, common area and amenities room flooring and tiles, and any approved capital improvements. The current allocation is 10% of operating expenses.



INSURANCE

RESIDENTIAL STRATA PROGRAM Certificate of Insurance

Name of Insured & Mailing Address:

The Owners of Strata Plan BCS1399
c/o Martello Property Services Inc
400 - 1066 West Hastings St.
Vancouver, BC V6E 3X1

Name of Broker & Mailing Address:

CMW Insurance Services Ltd.
200 - 3920 Norland Avenue
Burnaby, BC V5G 4K7

Location of Risk: 1001- 1009 Homer Street, Vancouver, B.C.

Period of Insurance: August 8, 2005 to August 1, 2006
Both dated to 12:01 am Standard Time at the address of the Insured.

Total Premium: \$24,766.

Coverage provided under this policy is only for those coverages shown below or contained within the policy wordings.

A. PROPERTY

Master Policy No. CDN 1932
Insurance Company:
Waiver of Subrogation:

Premium (Section A): \$22,867.
Certificate No. RCP00826
As per Schedule of Subscribing Insurers attached
The Insurers rights of subrogation are waived against
Martello Property Services Inc.

Section	Limits of Liability	Description of Coverages
A1.	\$22,200,000.	Property of Every Description
A1.	Not Covered	Business Interruption – 12 Months Indemnity
A2.	Insured	Blanket Glass

Conditions:

All Risks of direct physical loss or damage to property described at Location of Risk shown above.
Basis of Loss Settlement – Replacement Cost including By-Laws. Policy includes Stated Amount Co-Insurance.

Special Conditions:

Property additions, alterations and repairs are subject to a limit of 10% of the Limits of Liability, with a maximum of \$500,000. Any additions, alterations or repairs which are in excess of this sub-limit must be reported to the Insurer(s) prior to the commencement date.

Deductibles:

All Losses \$. except: Water Damage & Sewer Back-up \$5,000.; Water Damage & Sewer Back-up \$10,000.
Vacant Units; Glass \$100.; Master Key \$250.; Earthquake 10% of the Total Insured Value (minimum \$100,000.);
Flood \$10,000.
Loss or damage caused by any growing, cultivation, harvesting, manufacturing, distribution or sale of non-prescription controlled substance(s) - \$50,000.

Loss Payable:

To the Condominium Corporation (Subject to the Strata Property Act or similar statute in the province of jurisdiction)

In consideration of the premium specified herein and subject to the terms and conditions of this Certificate and endorsement(s) attached hereto, insurance is provided to the NAMED INSURED to an amount not exceeding the LIMITS OF LIABILITY specified in this Certificate or in any endorsement(s) attached hereto, but in no event to exceed Fifty Million Dollars (\$50,000,000.) in any one loss or occurrence.

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE

D. PROFESSIONAL LIABILITY

Master Policy No. 501148987 (Section D 1.);
Master Policy No. 501148986 (Section D 2.);
Insurance Company:

Premium (Section D): \$721.
Certificate No. CMW D0817
Certificate No. CMW E0817
ING Insurance Company of Canada
400-2955 Virtual Way, Vancouver, BC V5M 4X6
\$1,000.
\$1,000.
Name of Insured (Section D 2.):
Martello Property Services Inc.

Section	Limits of Liability	Description of Coverages
D 1.	\$2,000,000.	Directors & Officers Liability (Errors & Omissions) Per Wrongful Act and Annual Aggregate
D 2.	\$1,000,000.	Errors & Omissions Liability Per Wrongful Act and Annual Aggregate

E. CRIME PROTECTION

Master Policy No. CMWLIA03
Insurance Company:

Premium (Section E): Not Covered
Certificate No. CMW C1862
St. Paul Fire & Marine Insurance Company
2500-650 West Georgia Street, PO Box 11542,
Vancouver, BC V6B 4N7
\$500.

Deductible (Section E):

Section	Limit of Liability	Description of Coverages
E	Not Covered	Broad Form Money and Securities
E	Not Covered	Employee Dishonesty Coverage- Form A, Comprehensive Dishonesty, Disappearance & Destruction Rider

The insurance providers by this individual Certificate is subject to all terms, conditions, provisions, limitations and exclusions of Master Policy Number CDN1932, CDN1932BM, CMWLIA03, 501148987 and 501148986 and may be canceled by the Insurers by registered mail with thirty days notice or as provided by the Master Policy.

In the event of loss or damage or any change in risk, immediate notice must be given to the insurers or to the broker.

SUBSCRIBING INSURERS

Section A, PROPERTY

Master Policy No. CDN 1932 Certificate No. RCP00826

The interest of each insurer hereunder is individual and not joint, and wherever any right or privilege is retained by the insurers such right or privilege may be exercised by each insurer independently.

Insurers	Section	Interest	Premium
Commonwealth Insurance Company	A.1	50%	\$11,434.
St. Paul Fire & Marine Insurance Company	A.1	50%	\$11,433.
St. Paul Fire & Marine Insurance Company	A.2	100%	<u>Included</u> \$22,867.

August 16, 2005
E&OE/ rev.08/27/04 /BCS1399/CHR/EV


CMW Insurance Services Ltd.
(Authorized Representative)

THIS POLICY CONTAINS A CLAUSE WHICH MAY LIMIT THE AMOUNT PAYABLE