



**Annual General Meeting  
Wednesday 1<sup>st</sup> September 2021**

**QUESTIONS AND ANSWERS**

**QUESTION:** Is it anticipated that the judgment will resolve all pending legal issues. What are aggregate legal fees on this dispute? From MICHAEL VINEBERG

**ANSWER:** MRS CARLINO:

In general terms it's hoped that the judgment will answer all of the questions. The litigation is quite extensive in relation to common areas, rights. So it is hoped that the judgment that is handed down by Justice Charles does answer all of those issues.

Of course, if it is determined that either side would like to appeal, the judgment, that would then cause matters to linger on. But the short answer is "yes", we hope and anticipate that the ruling will resolve any and all the matters between the POA and The Developer.

MR. KING: In reference to the second question on the aggregate legal fees on this dispute. It's something that I started to look into, and it's really it's a gray zone because this dispute has gone on for many years and it went through a mediation phase, and it finally went through a trial phase. What I can say is that through the trial phase, going back to, I believe, 2015 through to 2020 when the trial ended, roughly a quarter million dollars was spent by the POA on litigation.

Now, there were amounts spent prior to that for the mediation and various hearings prior to that point, going back many years. So I haven't looked since the beginning of time, but in the relevant period we're kind of thinking of what's happening in the last five or six years, that's probably a sound number to use. About \$250,000.

**QUESTION:** Is your intention to have a community vote on the actual design and use of the common areas amenities? From ARANTXA KLONARIS

**ANSWER:** MR. KING

I'm one person, obviously, but my direction and answer would be "yes". The community is going to have ample opportunities to provide advice, ideas, and their thinking and thoughts on the development of this livability plan, if you will. Once that is crystallized after that period of interaction with the community, then yes, it would be my intention that ultimately a community vote on do we go forward or what aspects of this plan do we go forward with and when, and I think that is important for the community likewise to be involved with and have a say.

**QUESTION:** Can you please talk about the 660k legal fees budgeted for 2021? From Arantxa Klonaris

**ANSWER:** MR. ANDREWS

I think that's the legal fees that we rollover every year. I think Wolfgang can speak to that a little better as the person that just finished up on the finance.

MR. REICHENBERGER: I think we always budgeted around half a million for our litigation, year after year, and I think as Darryl has mentioned before, we used only a fraction of that over time. But we are ready and still are ready, every year because we don't know when we're going to, as mentioned by Vanessa, when we're going to have an appeal or another motion or have to incur any legal charges. So in any case, we have budgeted for it year after year, and the rest of the legal charges exceeded \$150,000 or \$160,000 other legal expenses that we have for other cases.

**QUESTION:** Please explain the change in the allocation formula. I think that's the rent charge formula.

MICHAEL VINEBERG

**ANSWER:** MR. ANDREWS: Sure. That's kind of difficult to explain. It's probably better to answer privately and explain how we came to it and how it works.

MS. ALVINO: I would say that that was a very long process with many members of the Rent Charge Committee contributing to it. So it deserves a bit more time to answer that question. So what I will say is that we can get that to you after the AGM with a more in depth answer.

MR. KING: I just want chime in again. I said it at the beginning, but that a well-constructed and well-represented Ad Hoc Committee that was created on the rent charge, and Sean and Wolfgang and all the other members really did a great job. It was contentious at times, of course, because you have differing viewpoints and ideas of how to move forward. It was really a great compromise between large, mid and small size lots and the allocation of these kind of cost across those various property properties. So I just want to reiterate, I'm very proud of that committee and what you were able to do and it was not an easy task at all. So congratulations, gentlemen, for going doing that and the committee members who may be attendees here, or not here, that contributed to that as well.

**QUESTION:** Can you please send a letter to all homeowners explaining the rent charge change. From ARANTXA KLONARIS

**ANSWER:** MS. ALVINO: I would just like to say that there was a very long letter sent by the Chairman as a result of that committee, and I could certainly send that to anybody again. Nobody was left out of that e-mail, notice that was sent to the community, but I'm happy if you haven't seen it, just send me an e-mail and I can send it out again.

**QUESTION:** Can we in the future do referendums on all important matters. From ROLF SEGGER

**ANSWER:** MR. ANDREWS: I think we probably all have a different answer to that as Directors. I don't think we have look at that as a consensus. It has always been the community deciding who sits on the Board and the Board makes the decisions for the community.

MR. KING: I think you hit the nail on the head, Sean. Generally when you have a Board of Directors and the Board of Directors are to act in their estimation the best interest of the community, according to the duties and the mandate that they have outlined in the articles and so on. So generally those elements -- I think there may be nothing wrong with it. It may be possible to get feedback from the community via referendum. I think, I'm not sure if Rolf means a binding referendum or if he means an advisory referendum in terms of gauging the interest of the community or the feedback or input in the community on a certain matter. I don't know. Vanessa, do you want to chime in on the mechanistic side of that question.

MS. CARLINO: I think the comment that you and Sean made is accurate. The Board of Directors are elected to represent the interest of the community, and it is the Board of Directors that make those decisions.

Obviously, in this case there are subcommittees that have been formed, for example, the rent charge committee to address that, which took it wider than the Board of Directors. Normally, the mechanism is that the Board of Directors decide. But, of course, that is a Board decision if they'd like to take certain significant decisions to the community. That's a choice for the Board.

**QUESTION:** How do we make sure that HARC/POA do not overstep its boundaries such as telling us how long our grass need to be. From ROLF SEGGER

**ANSWER:** MR. KRISTA: It's a good question. First of all, HARC only interprets the rules and regulations that are written. On our website we've got a bunch of codes and they're all there and we just try to follow those codes and enforce them as the best we can. If a decision is made by HARC and owner is not happy with, there's an appeal process where he can appeal that decision to the Board of Directors, and that way, he'll get exactly more people looking at the problem and trying to solve it.

As far as seeing the documents that went out about grass, etc, and landscaping, I think it was a recommendation only. It wasn't a requirement. So you can probably have your grass a little bit longer, if you want, and I hope that answers that question.

MR. KING: I think I'll chime in and just to add to your response. Bert, I completely understand what Rolf is trying elucidate there in terms of how descriptive is a POA in the community. I think it's important to understand that when we come up with some of the landscaping guidelines and so on, that they're framed in terms of recommendations. So we're trying to find this happy medium between, you know, people who may not be aware to not plant a certain type of tree because that tree is going to fall over or die or whatever, and using some outside expert to help us craft these kind of policy recommendations that if our homeowners follow, it's probably going to be less cost for them in the long run, less cost for the community, and be more environmentally sound and friendly. But I totally understand where Rolf is coming from. We don't want to be too descriptive as a POA or as Board, for that matter, in how we do certain things. There are some things that relate to safety and environmental impact where we have to take a harder line, but I think, in general, when some of the recommendations come out, they have to be viewed as a recommendation for how to approach certain things, including pest control, and so on and so forth. Those are recommendations.