

COWICHAN LAKE RECREATIONAL COMMUNITY

RULES AND REGULATIONS

Updated: June 2021



It is important for everyone to enjoy their time at the Cowichan Lake Recreational Community (CLRC). Clear rules, processes and policies will help to promote understanding and consistency, as well as ensure respect and harmony among the shareholders, renters, and guests.

It is important that all lot owners and park visitors take the time to ensure they are familiar with the contents of this document. **(Please note that the rules in this document are in effect year-round.)**

We should all abide by the most fundamental rules, namely those of common sense, tolerance and goodwill when interacting with others.

The most important rule of all is:
RELAX, ENJOY, AND HAVE FUN

TABLE OF CONTENTS

1. CLRC Rules
 - a. General Governance
 - b. Rentals
 - c. Enjoyable Community
 - d. Common Property
 - e. Individual Lots
 - a. Usage
 - b. Lot Improvements
 - f. Vehicles and Parking
 - g. Docks, Boats and Moorage
 - h. Services (Garbage, Recycling and Returnables)
 - i. Safety
 - j. Insurance
 - k. Compliance and Enforcement
 - l. Exceptions
2. CLRC Processes
 - a. Lot Improvement Request (LIRF) Process
 - b. Share Re-sale Process
 - c. Rule Enforcement Process
 - d. Emergency Gate Access Process
3. CLRC Policies
 - a. Dock and Moorage Policy
4. Governance

Appendices

- 1) Lot Improvement Request Form (LIRF)

1) COWICHAN LAKE RECREATION COMMUNITY (CLRC) RULES

**(A reminder to everyone that these rules are in effect year-round,
365 days a year.)**

a. General Governance

1. Use of the Park or Common Property/Facilities by the general public is not permitted with the exception of:
 - Emergency situations;
 - As permitted by the Board;
 - Circumstances as deemed by the Board to be necessary or beneficial to the shareholders; or
 - As amended and directed from time to time by the Board.
2. A shareholder, renter, or guest may occupy only the area designated for that lot as described in relevant documents, such as the Development/Site Plan, Shareholders' Agreement, consolidated Disclosure Statement, Subscription form, Articles of the Company, these Rules & Regulations, and any other policies by the board from time to time.
3. In order to ensure Board members are able to enjoy their time at CLRC, all issues for the Board should be sent via e-mail. A Board member should not be approached to discuss park issues/concerns unless there is an emergency or arrangements have been made to meet beforehand.
4. Postdated quarterly checks for park strata fees must be provided within 30 days of the Annual General Meeting.
5. Unless there is an emergency situation, no Board expenditure of greater than \$20,000.00 can occur without the support of the majority of the lot owners.

b. Rentals

1. Lot rentals are not encouraged, however they are permitted providing the lot owner is able to well manage the renting of their lot. Well managed means that the renters are fully aware of CLRC Rules and Regulations and respect them. Any lot owner demonstrating that they are not able to well manage the renting of their lot will have their rental privilege revoked.
2. The minimum rental period is 30 days. Rentals do not include allowing family and/or friends the use of a lot owner's lot. (Note: Lot 33 is grandfathered as a short term rental lot and considered exempt from the minimum 30 day rental rule until there is a change in lot ownership or rental privileges are revoked.)

c. Enjoyable Community

1. No business based on CLRC grounds is permitted. This does not include lot rentals.

2. All Park users are expected to respect the rights of others to enjoy the peace and quiet of the Park. Noise and music must be kept at a respectable level at all times so as not to disturb others. This applies to shareholders, renters, and guests alike.
 - No noise shall be overly audible in a neighboring lot before 8:30 a.m. Individual lot work projects must stop by 6 p.m.
 - No noise shall be overly audible in a neighboring lot after 11 p.m.
 - Access to the workshop is not permitted prior to 8:30 a.m. (Please note exceptions may be made for park work projects.)
3. Campfires:
 - Are permitted in an approved fire pit in a lot. No fires are permitted on common property unless pre-approved by the CLRC Board.
 - All campfires must comply with provincial and local campfire regulations.
 - No burning of yard waste is permitted at any time.
 - Burn only materials in fire pits that will minimize the amount of smoke emitted.
 - All fires must be situated and of a size that the fire and smoke is not a hazard or a nuisance to neighboring lots.
 - Each lot owner is responsible for ensuring due care is taken in the building and maintaining of any fire on their lot and must also ensure that they have at hand the necessary provisions to control it.
4. Pets:
 - Owners are responsible for their pets at all times.
 - All pets, including cats, must either be contained within the lot or must be on a leash when outside the lot. (For example: pets must be on a leash when going to and from the boat launch and they are not permitted to run loose on the center lawn area.).
 - Pet owners must immediately clean up after their pets.
 - Pets are only permitted to swim in the boat launch area.
 - Leashed pets are permitted in the boat launch area while their owner is launching a boat.
 - Leashed pets can accompany their owners on the boat dock ramps only to board and deboard boats.
 - Pets are not permitted at any time on the beach or grassy common area. The only exception to this is beach lot owners who are permitted to walk their dogs from their property to and from the boat dock ramps when boarding and deboarding their boat.
 - Barking dogs or noisy pets will not be tolerated. It is the lot owner's or renter's responsibility to ensure that their pets do not cause any disturbance to other Park users.
5. Persons under the age of nineteen (19) years of age shall not be permitted to remain overnight unless accompanied by an authorized adult, who shall be responsible for their conduct and well-being.
6. It is the responsibility of the lot owner to ensure that any of their renters/guests/visitors are aware of and adhere to all Park rules. Shareholders are responsible and liable for their own guest(s) and/or renter's action and conduct within the Park, and

shall ensure they do not deface or otherwise damage any Park buildings and/or assets, other shareholders property, litter on common property or cause a disturbance or be a nuisance. Shareholders are responsible for educating family, guests, and renters of the rules and ensuring that the rules are complied with. Shareholders must give all renters a copy of the Park rules.

d. Common Property

1. Shareholders will not store or park anything on common property, that creates an extension of their lot area, or in particular, use any part of the common property in such a manner that it creates or suggests exclusive use, other than parking in designated parking spaces. Parking on common area property for the use of sleeping type accommodation, in a vehicle, tent, tent trailer, etc. is not permitted.
2. No fencing, planting of shrubbery or trees, or erection of other obstructions shall be permitted on common property without the approval of the Board. As well, no trimming or cutting of plants, shrubbery or trees located on common property will be permitted without the prior approval of the Board.
3. No smoking is permitted on common property.
4. No underage drinking is permitted on common property. Intoxicated minors are not permitted on common property.

e. Individual Lots

1. Usage
 - i. All CLRC lots are restricted to one and only one fully self-contained unit (i.e. recreational vehicle (RV) or mobile home. Mobile homes are restricted to specific lots).
 - i. Lot owners/visitors/renters may have an RV as their designated vehicle, however no extension of living area is permitted (i.e. the RV may not be connected to services nor used as a sleeping area).
 - ii. Lot owners permanently residing in the designated mobile home lots may park an RV on their lot however no extension of living area is permitted (i.e. the RV may not be connected to services nor used as a sleeping area).
 - ii. Lots 6, 7, 9, and 13 are designated mobile home lots and will maintain this designation until such time as 6 months passes without a mobile home on the lot.
 - iii. Non mobile home lots are restricted to one recreational vehicle (RV), either a Park Model, 5th wheel, travel trailer or motor home.
 - iv. A Park Model may not exceed 44' in length and 12' in width, not including bump outs.
 - v. Non Park Model RV's may not exceed 40' in length and 8' in width, excluding bump outs.
 - vi. Units that are new to CLRC must have a LIRF approved by the Board. The Board will assess the age and condition of the unit when processing the LIRF. (Note: A process must be developed for assessing the condition of units over 15 years old.)
 - viii. No tent trailers are permitted.
 - ix. No storage of a second RV or dwelling will be permitted on non-mobile home lots and/or common/limited common property areas except in short-term emergency situations.
 - x. Occasional tenting on a lot is permitted (maximum of 3 consecutive nights). Anything over occasional use requires Board approval.

- xi. All units on the beach (lots 42 through 53, and 17) must be removed from CLRC property at the end of the season in October and can return in the spring. Beach units can not connect to services until advised by the Board. It is highly recommended that the beach lot owners remove everything off of their beach lots during the winter season. The lot owner is responsible for any damage caused by their beach items not removed. The caretaker will dispose of any unsecured items.
- xii. Personal belongings must not be left on the beach (e.g. beach chairs, flotation devices, etc.) at any time. During sunset rounds, the caretaker will dispose of any items left on the beach.
- xiii. Shareholders lots must be well kept/maintained. If not, the Board will have it maintained at the cost of the Shareholder.
- xiv. No second story dwellings/sheds are allowed on any lot.
- xv. Temporary structures which are designed to be used to store boats or to cover units (i.e. aluminum or plastic pipe with canvas, tarps, coverings, etc.), may not be used after May 1 or before October 1. They may not be used as gazebos at any time unless approved by the Board.
- xvi. Shareholders will respect the property boundaries of other lots and not trespass without previous approval.
- xvii. Owners must permit access to their lots to members of the Board and/or their delegate, (i.e. Park Caretaker), in order to undertake the work of the Park and fulfill its obligations. Where possible, 24 hour notice will be provided.
- xviii. Protective roof structures are permitted on permanent units (i.e. units that are not removed during the winter months) provided they adhere to the Board approved design (i.e. attached to the unit, no footings required).
- xix. Only water and toilet waste are permitted in the CLRC septic system.
- xx. Lot owners of lots that are not year round must ensure that the septic outlet is appropriately capped, with a screw on cap, during the winter months.
- xxi. Black water tanks are to be kept closed at all times except when they are being emptied.
- xxii. Hedges must be maintained (i.e. trimmed) and the hedge height must not negatively affect another lot owner. The height of the hedge must not exceed the height of the eaves trough on the unit.

2. Lot Improvements

- i. Proposed changes to a lot, or proposed changes in a unit size or placement of a unit on the lot, must be preceded by the shareholder completing a Lot Improvement Request Form (LIRF) and providing it to the LIRF Sub-Committee. A LIRF is also required for any changes to boat or seadoo moorage and boat slips. (Refer to Section 2a of this document – Lot Improvement Request Process.)

Lot improvements, changes or renovations requiring a LIRF include, but are not limited to:

- Electrical and Water
- Deck structures (any structure over one foot above grade).
- Covering, enclosure of decks.
- Trailers and Park models. [Reflects current practice]
- Gazebos
- Sheds, storage units
- Fencing and gates
- Tree planting, trimming and removal

- Placement, replacement or repositioning of a unit on a lot
 - Brickwork, paving stones and patio areas
 - Boat and seadoo slip assignment and moorage
- ii. The LIRF must be approved by the Board prior to the Shareholder proceeding with the proposed purchase/change. Any changes made without LIRF approval will not be approved by the Board.
- iii. If the BC Assessment Authority deems a lot improvement adds value to the taxation distributed to lot owners, then the lot owner is responsible for paying the additional taxes. (This will be effective for the taxation year commencing July 2019.)

f. Vehicles and Parking

1. All provincial laws regarding the use and operation of motor vehicles apply to all private park roads at all times. The park speed limit of "dead slow" must be observed by all motorized vehicles. No powered scooters, ATV's, golf carts, etc., are to be driven in the park with the exception of the legitimate use of a motorized scooter/wheelchair by a disabled person or the caretaker's golf cart.
2. Vehicle parking is restricted to within the area of a shareholders lot or on common property designated as parking to that unit.
3. One parking spot is designated to each lot, either on or adjacent to their lot. If additional parking is required, use of designated common area parking spots, or indicated guest parking areas is required.
4. Guest parking is primarily for guest use. Lot owners may only park one of their vehicles in the guest parking area
5. Boat trailers and Seadoo trailers are not permitted to be parked on CLRC property and/or limited common property such as designated parking spots at any time.
6. All bicycles are to be operated in a safe manner when ridden in the Park. No bike riding is permitted on the docks or in the beach area.

g. Docks, Boats and Moorage

1. Boats shall be moored to the dock in the designated spot for each lot.
2. All boats may be up to a maximum length of 22 feet long and 8 feet wide, excluding motor and swim grid. Boats exceeding these parameters as of May 2011 are grandfathered until such time as they sell their boat or their lot. After May 2011, shareholders wishing to moor oversized boats at the marina will require prior approval of the Board (see Boat and Moorage policy Section 3 (b)).
3. No changes, alterations, permanent or semi-permanent attachments (including items screwed/nailed to the docks) are permitted without prior approval of the Board. Any changes, etc., made without prior approval, will be removed.
4. All lot owners, renters and guests must operate their vessel within the marina in a safe manner and with due consideration of others. All shareholders, renters and guests are required to know and comply with all navigational and marine regulations.
5. Main dock walkways and fingers, including swim dock, shall be obstacle free of boat supplies, accessories or debris. Any items that impede pedestrian traffic on the two main boat docks or swim dock are not permitted. This includes, but is not limited to, boats, canoes, kayaks, bikes, scooters, wind surfers, umbrellas and paddleboards. Shareholders must ensure that no items are positioned on the docks in such a way that would curtail others' access to the docks, including the fingers. Cords and ropes shall be neatly coiled when not in use. Anything that does not fit

- into a user's boat must be removed from the docks.
6. All boaters must familiarize themselves with the location of the spill kit, and ensure it is used immediately, when necessary. Any spills that may occur are the sole responsibility of the boat owner and must be remedied immediately.
 7. No major repairs, as defined by the CLRC, shall be made to boats while in the boat slip, individual lots or common areas.
 8. All personal watercraft (e.g. seadoos, jet skis) must be moored in a lot's designated boat slip or a specific area of the marina, approved by the Board.
 9. Designated boat slips may contain either a personal watercraft or a boat, but not both.
 10. Vehicles and boat trailers are not permitted in or around the boat launch area, except when actually launching or retrieving a boat.
 11. The use of combustibles for cooking, heating, lighting or any other purpose, which could create a fire hazard on the docks, or on any vessel moored at the docks is not permitted.
 12. Smoking is not permitted on or near the boat or swimming docks. This rule shall be strictly enforced.
 13. The use of glass containers and the consumption of alcoholic beverages while using the swim dock is not permitted. Glass containers are not permitted on the beach (the beach area runs in front of lots 46 thru 52).
 14. Boat launching or retrieval is not permitted prior to 8:30 a.m. and after dusk, unless there is an emergency.
 15. Launching of guest's/visitor's boats/seadoos, including persons renting the suite, requires prior written approval by the Board and proof of insurance is required before the boat/seadoo can be launched.
 16. If a lot owner has guest/visitor arriving via boat, the lot owner may approach another lot owner who has an available/open slip, and get their approval to use the slip, and then get Board approval **prior** to their guest/visitor using the other lot owner's slip. This should not be a regular ongoing occurrence, nor should it be for an extended period of time.
 17. Visitor moorage (2 hrs maximum) is available for lot owner guests/visitors who arrive via the lake, for short/daytime visit periods.
 18. Overnight sleeping on boats is not permitted.
 19. Boats can remain in the water year round. If a lot owner/renter wishes to leave their boat in the water from November thru April, they do so at their own risk and the lot owner/renter is responsible for any dock damage caused by their boat.
 20. Boats must be in seaworthy condition and not constitute a fire hazard, or present a reasonable risk of sinking or causing a risk or hazard to other boats, people or CLRC assets. If a vessel is subject to these conditions, it must be removed from the dock. Time and materials may be charged back to a lot owner at the CLRC's discretion where there is an emergency situation and either CLRC or other owners act to prevent a boat from sinking or prevent damage to other boats or CLRC property.
 21. Seadoo moorage is limited.

h. Services (Garbage, Recycling and Returnables)

1. Only under the counter kitchen and bathroom garbage can be disposed of in the designated garbage bin. ALL other items are not permitted and must be taken home.
2. Only recyclables returnable for cash may be left in the Recycle Shed. All other recyclables must be taken home.

i. Safety

1. Any fuel stored on a lot must be stored in CSA approved containers and vessels, and only in quantities necessary for ordinary camping activities and must be kept under safe conditions at all times.
2. CLRC does not provide lifeguards. Lot owners, renters and guests are responsible for their own safety and the safety of their families when using all facilities within the Park, including the marina and swimming dock areas.
3. Lot owners are to ensure that their families, renters, and/or guests behave in a safe and harmonious manner for the benefit of all. Lot owners, renters and guests should report actions or conditions they think may be unsafe to the Park Caretaker.

j. Insurance

1. All Shareholders are required to carry property insurance, including a minimum of \$1,000,000 general liability insurance extended to their lot/unit for their protection and the protection of neighboring units/property and the Park in general. This includes rental properties. Proof of valid liability insurance must be provided by June 1 each year.
2. All boat owners and Seadoo owners using CLRC docks agree to hold and maintain an insurance policy with general liability limits of at least \$1,000,000. Proof of insurance must be provided prior to launching any motor craft.

k. Compliance and Enforcement

1. Failure to comply with these Rules, with the exceptions noted below in Section 11, may result in a written warning or the assessment of a fine. (The process is described in detail in section 2c of this document.)
2. Shareholders must pay all fees, special assessments, electrical bills, and fines on the dates stipulated at the time of issue.

l. Exceptions

The only exceptions to these rules are as follows:

- a. That as per the resolution of the CLRC Board of Directors, dated October 4, 2009, all permanent unit improvements/changes that were non-conforming to these rules as at October 1, 2009 have been “grandfathered”. This means that unless an official body (e.g. local, provincial, or federal government body), instructs a shareholder to reverse a change, the unit can remain “as is”. A grandfathered non-conformance can remain in place until it is either voluntarily removed by the shareholder, or proposed to be changed by the shareholder. During the unit re-sale process, the shareholder must disclose to the prospective buyer, all unit non-conformance issues that may fall under this rule. All replacement structures or dwellings lose the non-conforming status, and must conform to the current rules. All seasonal and temporary unit improvements/changes that are non-conforming do not qualify for grandfathering and must conform to the current rules.
- b. As well, all existing established uses of Common Property, units, and foreshore areas as at October 1, 2009, that are either inconsistent with, or not clearly defined by, the Development Plan, are grandfathered in perpetuity, with the exception of Unit 53. Examples include, the placement of fences on units 35 – 40, the extension of unit 41 by 15 linear feet, the placement of all fencing along the exterior borders of the Park, the dedicated fenced parking space for unit 46, the established uses of the foreshore, the established use of unit 16 as the visitors

car park, the established use of unit 8 for communal use, the trade-off of area for unit 54, common access for RV and vehicles across the foreshore by the owners of units 47-53 and the new unit 17, and the relocation of unit 17 to be comprised of part Common Property/ part of the old unit 53 with the unauthorized second hook-up now being sanctioned for use by the new unit 17 only.

- c. The placement of the unit on lot 18 perpendicular to the lake is grandfathered in perpetuity. The fence design on lot 18 will be changed to conform to the rules and regulations when replacement is needed. (as per November 2014 AGM).

2) COWICHAN LAKE RECREATION COMMUNITY (CLRC) PROCESSES

a. Lot Improvement Request (LIRF) Process

As a community with sites of many sizes, varying shapes and designations, what works for some lots may not work for others. To provide fairness and consistency for all, anyone wishing to make changes, improvements or renovations to their lot, must first fill out a Lot Improvement Request Form (LIRF), and submit the completed form to the LIRF Sub-Committee for approval. A LIRF is required for any changes as listed in Part 1 section e(2)(i). The LIRF template is contained in Appendix A of this document plus it is available on the CLRC website.

The LIRF Sub-Committee must approve all lot and motorcraft changes/purchases to avoid misunderstandings and ensure the CLRC remains a place of pleasure and relaxation for all Shareholders. **No changes may be initiated until the LIRF has been approved by the LIRF Sub-Committee and/or the Board.** A “Lot” is the personal use licensed area of land that is associated with each Unit as defined by the Shareholders’ Agreement.

A LIRF is not required when a lot owner is performing maintenance or making repairs on their lot provided that the lot owner is replacing old/damage items with **exactly** the same type of items. If in doubt as to whether a LIRF is required, it is best to be on the safe side and submit one.

All LIRF Sub-Committee members are volunteers. Every shareholder must understand and acknowledge that if an official body (e.g. CVRD, provincial government, etc.) later assesses an improvement/change to be non-compliant, it is the shareholder’s responsibility to make the modifications as outlined by the official body and assume the responsibility of any expenses incurred.

The intent of the LIRF process is to enhance communication, facilitate effective park management and streamline the approval process. (Examples of a lot change requiring the LIRF process include change in size or location of an RV, placement of a shed or gazebo, the removal of trees or limbs, new plantings, erection of fences, construction of decks, patios, fire pits, barbeques etc.) This list shall not be considered all inclusive.

It is the responsibility of CLRC shareholders and permanent renters submitting the LIRF to ensure that neighbors and other affected by any proposed changes to a lot are informed and their input is solicited. Comments from neighboring lots or those affected by the lot change should be included in the application package to

the LIRF Sub-Committee. The LIRF Sub-Committee will take these comments into consideration when considering the LIRF application.

Each and every improvement is unique. The LIRF Sub-Committee will reference the CLRC Shareholder's agreement, CLRC Rules, Processes and Policies and other documents in making its assessment. Any exemptions to the LIRF guidelines (see Part 3 (a)) will be reviewed by the Board and if warranted will be provided to the owners for a 5-day review period.

The LIRF Process:

1. All Shareholders and permanent renters must submit a CLRC Lot Improvement Request Form, along with drawings of what their lot looks like prior to commencing improvements as well as what the lot will look like after the improvements are complete.
 - All plans must include a site plan of the lot clearly identifying the location of where the changes are to take place. A detailed drawing of the lot outlining the dimensions and the location of the services is required.
 - Identifying the location of existing services is in the Shareholders best interest. Allowing for access will prevent structures having to be moved at a later date to allow for repair or replacement. It shall be clearly understood that CLRC is under no circumstances responsible for any existing structure that exists overtop of a site's services. Any repairs of changes to the services and/or removal of a structure to facilitate the repair/changes are the sole responsibility of the owner(s).
 - It is to be understood that all sheds, decks, fences, patios, fire pits, gazebos, and shelters are not to be permanent structures and need to be constructed in a manner that allows for complete removal with ease if needed.
 - The LIRF must contain a description in writing of how the work will be done, how long the work will take, start and completion times and dates, what kind of special equipment will be needed (heavy or noisy), what type of materials, and how they will be used, and an indication if the work/change will affect any of their neighbors. Failure to provide this information when submitting your request may result in a delay of the approval process.
 - Confirmation is required from the unit owner that the people doing the work have the proper skills, understand what they are getting into, and are willing to take full responsibility to ensure that the work will be done to agreed standards, and in the time frame committed.
 - Comments from neighbors and any affected parties should also be included.

2. The completed LIRF form is submitted to the LIRF Sub-Committee for review and approval. The LIRF Sub-Committee will review the LIRF for reasonableness and either approve the LIRF, contact the lot owners to make modify the LIRF document or refer the LIRF to the Board. Any LIRF applications requesting an exemption will be reviewed by the Board if warranted will be provided to the owners for a five day review period. These comments are sent directly to the Chair of the LIRF sub-committee.

The LIRF Sub-Committee can not commit to a set turnaround time for processing LIRF requests, but will make every reasonable effort to ensure all request are processed in a timely fashion.

3. The Chair of the LIRF Sub-Committee will contact the lot owner with the outcome of the LIRF request. If the request is approved, the lot owner may initiate work on the proposed change. If the request is denied by the LIRF Sub-Committee, the Shareholder has the right to appeal to the Board of Directors. The result of such appeal is binding on the shareholder. The LIRF result is posted on the CLRC website.
4. The LIRF Sub-Committee has the authority to monitor the progress of a LIRF, and if the work is not being done to the agreed to standards, the LIRF Sub-Committee has the authority to issue a stop work order and request an independent evaluation and/or completion of the work by a company of its choosing, and that these costs will be assessed against the shareholder, that are not paid within the specified timeframe, will result in interest charges being applied at 2% per month until full payment is made. The CLRC Board of Directors reserves the right to suspend utility services, or impose other sanctions in the event that the shareholder refuses to comply.
5. Failure to follow the process stated above will result in immediate action by the LIRF Sub-Committee and the Shareholder(s) may be required to remove the structure, reverse the site change and/or modify it in such a way that it is in compliance with the guidelines.

Note: All LIRF's (approved or denied) are kept on the CLRC website.

b. Share Re-sale Process

1. A contract of purchase and sale or a written agreement in principle between the seller and purchaser is to be provided to the CLRC solicitor, and a copy to the Board. Details that will be required include the following: Sellers' and Purchasers' names/ addresses and telephone numbers, Unit number, price, deposit amount, desired date of completion (please allow at least 2 weeks), whether a trailer, (RV, Park Model, Park Mobile) is included in the purchase price and if so indicate the breakdown in the price between the Unit (lot) number and the trailer.

CLRC Solicitor: Christian Höy Sitka Law Group 202-3750 Shelbourne Street Victoria, BC, V8P 4H4

2. Once the proposed transfer is approved by the Board, the corporate solicitor will prepare the closing documents for the parties to sign (with the exception of any transfer documents relating to a transfer of a trailer or RV which the parties must look after on their own, through their ICBC insurance agent). The deposit should be given to the CLRC corporate solicitor, by way of a bank draft or certified cheque payable to **Sitka Law Group In Trust**. A personal cheque will only be accepted if it is received at least two weeks prior to the closing date, to allow time for it to clear.
3. The CLRC corporate solicitor acts for CLRC and may act for the seller if the seller doesn't wish to have separate representation. The CLRC corporate solicitor cannot act for purchaser and the purchaser is strongly recommended to

have their own lawyer review the documentation and advise them on the transaction. The purchaser will be responsible for the costs charged by the CLRC corporate solicitor (at time of writing, this is approximately \$ 600. 00 plus disbursements and taxes), and any other legal fees they may incur independently.

4. The closing documents to be prepared by the CLRC corporate solicitor include an application for Approval of Share Transfer, a Purchasers' statement of Adjustments and the Shareholders' Agreement to be signed by the purchaser, Vendors' Statement of Adjustments to be signed by the seller, and the new share Certificate and a certified copy of the Directors' resolutions approving the Share Transfer to be signed by the authorized signatory for the Board prior to completion of the share transfer.
5. The old Share certificate for the unit must be signed over by the seller. Once all the closing documents have been executed, the purchaser must deliver a certified cheque or bank draft to the offices of the CLRC corporate solicitor on or before the closing date for the balance of the purchase price including adjustments to the CLRC corporate solicitor's account. The seller is then paid out and given copies of their signed closing documents and the purchaser is given the new share certificate and copies of the signed shareholders' agreement and their closing documents. The Share Certificate copy and the signed Shareholders' Agreement will be filed at the corporate solicitor's office.
6. Since this is a re-sale of a share (and not an initial share sale from treasury), the Subscription Form, and Consolidated Disclosure Statement/Amendments are not included as part of the transfer agreement. However, the Board encourages prospective purchasers to review this documentation as well as the current Rules and Regulations prior to completing a purchase of a share.
7. The Rules and Regulations (a named schedule of the shareholders' Agreement) have been revised, and there is a considerable focus on managing the Company and the Park in a more organized and democratic manner. Additional information on these activities is also available from the Board. The Board strongly advises prospective purchasers to take the necessary time, and do the necessary due diligence, to become fully informed about the potential and identified risks. New owners will be required to sign a document indicating that they have read and understand the Rules and Regulations.

c. Rule Enforcement Process

All lot owners and the CLRC Caretaker play an important role in rule enforcement. In addition, lot owners are responsible for their renters and guests.

1. The CLRC Caretaker/lot owner witnessing a rule infraction should approach the offending lot owner/ renter/guest and explain the rule. (If a lot owner is not comfortable approaching another lot owner/renter/guest, they need to report the rule violation to the Caretaker or a Board member and they will contact the lot owner.)
2. The Caretaker will log the infraction. If the situation is deemed to have been of a serious nature, the Caretaker/lot owner will notify the Board immediately and a written reprimand or a fine may be levied at this time.
3. If the Board receives a notification of a repeat of an infraction, they will issue a written reprimand or levy a fine.

4. If a fine is levied, the amount of the fine will be determined based upon the seriousness of the infraction. If a lot owner wishes to dispute the fine, they may file a written appeal to the Board. The Board will review and make a determination. The decision of the Board will be communicated via email to the lot owner, and will be final.
5. Continued rule contravention may also incur additional fines.
6. In the event that the offender refuses to conform and/or pay the fine assessed, the Board of Directors reserves the right to impose other sanctions such as suspending utility services, correct the infraction at the owner's cost, or take other enforcement measures as required. Any fines or costs assessed against the offender that are not paid within the specified timeframe, will result in interest charges being applied at 2% per month until full payment is made. The Board reserves the right to withhold any share transfer related to that unit, until these payment amounts are settled in full.

d. Emergency Gate Access Process

The following process is in place to ensure authorized access to the Park through the emergency access gate located off Sa-Seen-Os Point Road next to Unit #23. This process is in place to ensure usage is appropriate and accountable.

The emergency access gate is for emergency use only and not for day to day activities. Emergency use is defined as evacuation as well as the entry and exit of recreation vehicles where required. All requests for emergency access must be made to the Chair of the Operations Sub-/committee. Once approved, the Park Caretaker will provide access. All entries or exits will require two traffic controllers. All requests for other use of the emergency access gate must be made to the Chair of the Operations Sub-Committee.

Procedure:

- a. The shareholder will send a letter (Postal or email) the Chair of the Operations Sub-Committee requesting permission to use the Emergency gate. The letter will stipulate the time, date and reason for the request. Requests are to be submitted with as much lead time as possible.
- b. The Chair will approve the request and provide direction to the Park Caretaker.
- c. The Caretaker will confirm arrangements with the Shareholder.
- d. In order to reduce disruption to the roadway, the trailer must be in position at the appropriate time – for both exiting and entering the Park.
- e. The Shareholder must provide two traffic controllers, one at the south end of the Park property on Sa-Seen-Os Road and one at the ball park to ensure time for drivers to stop if needed.
- f. The Caretaker will open the gate and once the trailer has entered or exited, close the gate.

3) COWICHAN LAKE RECREATION COMMUNITY (CLRC) POLICIES AND GUIDELINES

a. Lot Improvement Guidelines

- a. Placement of R.V.'s
 - i. Unit placement will take into consideration the privacy of their neighbors.
 - ii. No placement that would hinder the moving in or out of a nearby RV, Park Model or Park Mobile is permitted.
- b. Deck Structures and Patios
 - i. All decks/patios must be capable of being disassembled for easy access to any services that may be buried underneath, as well as the movement of nearby RV, Park Model, etc.
 - ii. The LIRF Sub-Committee must approve deck and patio designs through LIRF process, including general finishing details.
 - iii. There are no restrictions on the size of 'on ground' patios, although gardens and landscaping should be maintained in some form to assist in the appearance of the Park.
- c. Fencing
 - i. The LIRF Sub-Committee is required to approve all lot boundary fencing.
 - ii. Fence height cannot exceed six feet above grade.
- d. Gazebos
 - i. Gazebos are permitted up to a maximum of 10' x 12' in size and if possible should be located in such a way as to not intrude on neighbor viewscapes.
- e. Sheds
 - i. Shed location must be approved by the LIRF Sub-Committee.
 - ii. In keeping with the temporary nature of all structures and CVRD bylaws, sheds must be movable and must not be constructed on permanent foundations.
 - iii. Maximum roof peak height is nine feet six inches from the base.
 - iv. Maximum floor plan for lots 1 thru 14 is 10' x 10' sheds (i.e. 100 square feet using inside finished measurements). Maximum floor plan for all other lots 8' X 10' (i.e. 80 square feet using finished inside measurements).
 - v. No sewer or plumbing connections are allowed in the storage shed.
 - vi. Multiuse sheds must have a functioning smoke detector, fire extinguisher and adequate egress for safety purposes.

- vii. The shed may be wired from a fused distribution point separate from the park electrical connection.
- viii. LIRF Sub-Committee approval is required on finished appearance to maintain park aesthetics.
- f. Electrical
 - ii. A LIRF is required to change/upgrade an existing RV's power outlet or to change the location of a unit's power.
 - iii. Only a fused device can be connected to the park RV outlet.
- g. Water/Septic
 - i. The CVRD potable water supply must be conserved where possible, and under no circumstances should this service be used for irrigation. Only the irrigation system may be used for irrigation purposes, and must not be allowed to run more than one hour per 24-hour period.
 - ii. A LIRF is required to relocate or alter the sewer lines on a lot.
 - iii. There shall be no alteration to the water service beyond the cold weather shut off valve. No changes to the location of a unit's water source is permitted without a LIRF.
- h. Roofs or Protective Structures over RV's
 - i. Are permitted on permanent units (i.e. units that are not removed during the winter months) provided they adhere to the Board approved design (i.e. attached to the unit, no footings required).

b. Dock and Moorage Guidelines

The objective of the Dock and Moorage Policy is to ensure best management practices, safety, and provide clarity and direction to meet a variety of shareholder needs, requirements and obligations.

This policy applies to the CLRC docks, ramp structures and dock fingers that are used for the purpose of mooring boats/Seadoos, providing access to and from moored boats/Seadoos and for the use and enjoyment of CLRC shareholders in general. For the purpose of this policy all aspects of the dock systems will be referred to as the "Docks".

1. The docks are the exclusive property of the CLRC. Allocated permission for exclusive use of a designated slip does not convey title of rights.
2. All CLRC shareholders are entitled to the exclusive use of one designated boat slip per unit to moor their boat.
3. Under the direction of the Board, the LIRF Sub-Committee is responsible for updating the boat moorage plan and allocating moorage for boats and Seadoos, as per the policy.
4. Permissions for the exclusive use of a designated slip or Seadoo spot do not typically have a fixed term or expiry date. They are granted for as long as the shareholder has a need for the slip/spot, until the shareholder sells their lot, or such time as the CLRC terminates, withdraws or changes the allocation. The latter would take place only under certain circumstances (e.g. management considerations; a need to accommodate a higher volume of users that is not feasible under the current plan: non-compliance with the requirements, special considerations or safety needs, etc.)
5. All permissions for a designated slip/spot expire once a lot is sold. New shareholders will be provided a dedicated slip/spot based on their needs. New shareholders can

- apply to the LIRF Sub-Committee in writing for use of the slip/spot currently allocated to that lot. Decisions will be based on management and operational requirements and shareholder needs.
6. A list will be established for shareholders wishing to exchange their boat slip and/or Seadoo spot for a slip/spot that better meets their needs. Shareholders will contact the LIRF Sub-Committee in writing for inclusion on the list, stating their preferences and requirements. When an opening comes up, the LIRF Sub-Committee will base their decision on management and operational requirements and shareholder needs.
 7. Shareholders can approach other shareholders to see if a slip/spot trade can be made. A LIFT must be submitted and approved by the LIRF sub-committee for proposed voluntary exchanges. CLRC reserves the right to approve or reject proposed changes based on management and operational requirements and assessment of shareholder needs.
 8. A LIRF is required when shareholders are replacing their boat.
 9. A LIRF is required when shareholders are buying or replacing a Seadoo are cautioned to check as to whether a moorage spot is available. Seadoo moorage is limited so there are no guarantees when a spot may come available.
 10. In using the docks and moorage facilities, all users agree at all times to hold the CLRC harmless against any and all claims and demands arising from the negligence or wrongful acts of a shareholder, his or her agents, guests and or any other users of the docks. All users specifically acknowledge that the CLRC is not liable under any circumstances for any loss of damage to a user's boat, person or property, except as the result of intentional misconduct on the part of the CLRC.
 11. Application of management and operational requirements and assessment of shareholder needs will consider:
 - i. Safety is imperative
 - ii. Special considerations – eg. Owner mobility/health issues, etc.
 - iii. The list of requests from section 6 above
 - iv. Appropriate slip allocation according to the boat – deck boat, boat size, PWC, etc.
 - v. Preserve and manage the viewscape
 - vi. Length of season the boat will be in the water
 - vii. Priority for owners over renters
 - i. Appropriate slip allocation according to the boat – deck boat, boat size, PWC, etc.
 - ii. Preserve and manage the viewscape
 - iii. Length of season the boat will be in the water
 - iv. Priority for owners over renters

4) GOVERNANCE

The CLRC Park property is governed by a Board of Directors, duly elected annually at the Annual General Meeting (AGM) and consists of: President, Secretary, Treasurer, and four to six members at large.

The ongoing, day-to-day operations/maintenance of the Park is overseen by a Board member who chairs one of the following Sub-Committees:

- Operations
- Infrastructure
- Planning
- Finance
- LIRF
- Social/Fundraising
- Website Management

Appendix A: LOT IMPROVEMENT REQUEST FORM (LIRF) Application



COWICHAN LAKE RECREATION COMMUNITY
LOT IMPROVEMENT REQUEST FORM (LIRF)

DATE (M/D/Y) _____ LOT # _____

SHAREHOLDER/OWNER NAME(S) _____

1) REQUEST TO: (please check appropriate box)

- | | |
|---|---|
| <input type="checkbox"/> CONSTRUCT/MODIFY PATIO OR DECK | |
| <input type="checkbox"/> CONSTRUCT/MODIFY/MOVE FIRE PIT | |
| <input type="checkbox"/> CONSTRUCT/MODIFY SHED | <input type="checkbox"/> PLANT/MOVE/MODIFY |
| LARGE TREES/BUSHES | |
| <input type="checkbox"/> CONSTRUCT/MODIFY/MOVE FENCING | <input type="checkbox"/> REPLACE OR RELOCATE |
| RV | |
| <input type="checkbox"/> MODIFY ELECTRICAL/SEPTIC/WATER | <input type="checkbox"/> REPLACE OR MOOR |
| WATERCRAFT | |
| <input type="checkbox"/> REQUEST OR MOVE MOORAGE SLIP | <input type="checkbox"/> OTHER (use description |
| area below to clarify) | |

2) DESCRIPTION OF REQUESTED IMPROVEMENT/MODIFICATION (please describe your request- please attach any further descriptions, scale drawings, forms, photos, etc as required under CLRC Rules, Regulations and Policies)

3) DECLARATION

I, we, have thoroughly read and understand all CLRC's Rules, Regulation and Guidelines and LIRF Policies in respect to the above stated request(s).

SHAREHOLDER

SIGNATURE(S) _____

THIS AREA FOR CLRC BOARD USE ONLY

DATE M/D/Y

LIRF PASSED

CLRC SIGNING OFFICER

LIRF DENIED

SIGNATURE