



**BYLAWS OF THE
RED DEER AND DISTRICT REAL ESTATE BOARD CO-OP
LTD.
Operating as
CENTRAL ALBERTA REALTORS® ASSOCIATION**

BY THE MEMBERS

AT THE

GENERAL MEMBERSHIP MEETING

ARTICLE 1 – INCORPORATION AND DEFINITIONS	4
SECTION 1 - Name	4
SECTION 2 - Definitions and Interpretations	4
SECTION 3 - Time Periods	7
SECTION 4 - Head office	7
SECTION 5 - Seal	7
SECTION 6 - Fiscal Year	7
SECTION 7 – Disposition of Annual Surplus Funds	7
SECTION 8 – Dissolution of the Cooperative	7
SECTION 9 – Notice to Members	8
ARTICLE 2 – MEMBERSHIP	8
SECTION 1 - Classes of Membership	8
SECTION 2 – Brokerage Membership	9
SECTION 3 – Broker Membership	10
SECTION 4 - Associate Broker Membership	10
SECTION 5 - Associate Membership	11
ARTICLE 3 - FEES & DUES	12
SECTION 1 - Payment of Fees and Dues	12
ARTICLE 4 – MEETINGS	13
SECTION 1 – Meetings of the Co-op Members	13
ARTICLE 5 - ELECTION OF DIRECTORS	14
SECTION 1 – Nominating Committee Process	14
SECTION 2 – Election of Board of Directors	14
ARTICLE 6 - BOARD OF DIRECTORS	16
SECTION 1 – Election of Officers	16
SECTION 2 – Duties of the Chair	16
SECTION 3 – Composition of Board of Directors	16
SECTION 4 – Directors’ Meetings	17
SECTION 5 – Other Officers	17
SECTION 6 – Indemnification of Directors and Officers	18
SECTION 7 – Audit	18
SECTION 8 – Supplementary Rules; Co-op Policy & MLS® Rules & Regulations	18
ARTICLE 7 – COMMITTEES	19
SECTION 1 – Committees, Task Forces, Ad Hoc	19
SECTION 2 – Duties of Committees, Task Forces, Ad Hoc	19

ARTICLE 8 – ARBITRATION	19
SECTION 1 – Binding on All Members	19
ARTICLE 9 – BYLAW AMENDMENTS	20
SECTION 1 – Bylaw Amendments	20
ARTICLE 10 – STANDARDS OF BUSINESS PRACTICE	20
Competition	20

ARTICLE 1 – INCORPORATION AND DEFINITIONS

SECTION 1 - Name

- 1.1 The corporate name of the Cooperative is Red Deer and District Real Estate Board Co-op Ltd. operating as the Central Alberta REALTORS® Association.
- 1.2 The Cooperative will be organized and operated and will carry on business on a Cooperative basis.
- 1.3 The Cooperative does not have undistributed patronage.
- 1.4 The Cooperative does not have provision for Member loans and therefore does not have a maximum rate paid on Member loans.
- 1.5 The Cooperative is to be incorporated without Membership share capital.
- 1.6 The Cooperative does not have provision for Membership shares; therefore, it does not have maximum dividends.
- 1.7 There shall be no investment share capital. "The capital shall consist of the present capital assets and, in the case of future new Members, there shall be payable entrance fees as provided in the Bylaw."

SECTION 2 - Definitions and Interpretations

- 2.1 For purposes of this Bylaw, the term:
 - a) **“Act”** means the Real Estate Act (Alberta) (as amended from time to time);
 - b) **“Assistant”** means a person who is not licensed by the Real Estate Council of Alberta (RECA) and is not part of their jurisdiction. However, RECA holds an associate, associate broker and/or the broker responsible for an assistant’s activities. For example, Real Estate Act Rule requirements state an industry member must provide supervision and ensure the public has full knowledge the assistant is unlicensed;
 - c) **“Associate”** means an Associate as defined in the Act who has complied with all of the provisions of the Act;
 - d) **“Association”** or **“Cooperative”** or **“Co-op”** shall be the Red Deer and District Real Estate Board Co-op Ltd. Operating as the Central Alberta REALTORS® Association;
 - e) **“Arbitration Act”** shall mean the *Arbitration Act*, R.S.A. 2000, c. A-43 amended and any successor legislation;
 - f) **“AREA”** shall mean the Alberta Real Estate Association or any successor organization;
 - g) **“Associate Broker”** shall mean a person registered as an Associate Broker under the Act;

- h) **“Broker”** shall mean a person registered as a Broker under the Real Estate Act, who is the director, officer, or shareholder, in the case of a corporate Member, the sole proprietorship Member, or partner in the case of a partnership Member, or who is or has been designated as the principal Broker of the Member for the purposes of the Real Estate Act, this Bylaw, or the relationship between the Member and the Co-op;
- i) **“Board of Directors”** or **“Directors”** shall mean the Board of Directors of the Co-op as further described in Section 3 of Article 6 hereof; and **“Director”** means a person who is a Member of the Board of Directors; and **“Directors”** means the Board of Directors, unless the context indicates otherwise;
- j) **“Business Day”** shall exclude a Saturday, Sunday or statutory holiday;
- k) **“Bylaw”** shall mean this Bylaw, and any addition or amendment hereto;
- l) **“CARA”** shall mean The Central Alberta REALTORS® Association;
- m) **“CREA”** shall mean The Canadian Real Estate Association;
- n) **“CREA Code of Ethics”** shall mean the Code of Ethics and Standards of Business Practice adopted or amended from time to time by CREA;
- o) **“Committee”** shall mean any Committee described in this Bylaw and includes any Committee established by the Directors;
- p) **“Cooperative Act”** means the *Cooperatives Act*, R.S.A. 2000., C.C-28.1;
- q) **“Director of Cooperatives”** means the Director of Cooperatives appointed under the *Cooperatives Act*;
- r) **“Employed”** shall mean employed, appointed, or authorized, whether by an employment contract (either oral or written) or by any other contract and, without limiting the generality of the foregoing, shall include any independent contract relationship; and **“employ”**, **“employs”**, **“employment”**, and **“employee”** shall have such similar expanded definitions;
- s) **“Ex-Member”** means a person who has been suspended or expelled from the Co-op;
- t) **“Executive Officer”** shall mean the chief staff person responsible for the general operation of the Co-op;
- u) **“Former Member”** means a person who was previously a Member in good standing with the Co-op;
- v) **“Member in Good Standing”** means a Member who has paid in full all current dues, fines, and other charges as applicable;

- w) **“Members”**, unless the context indicates otherwise, shall mean only Members of the Co-op, including Brokerage Members, Broker Members, Associate Broker Members and Associate Members, all as further described in Article 2 hereof;
 - x) **MLS[®] and MLS[®] Service** identify professional services rendered by Members in good standing of the Co-op and of CREA to affect the purchase and sale of real estate as part of a “plural system arrangement”, also known as a co-operative selling system (the MLS[®] services”), in compliance with CREA’s By-Laws and Rules, and the REALTOR[®] Code, and in compliance with all applicable federal and provincial/territorial laws and regulations;
 - y) **“Owner”** means a person who has a financial interest in a Brokerage and is personally a member of AREA, CREA, RECA or CARA, they do have voting rights and as a Broker Representative can run for the Board of Directors;
 - z) **“Real Estate Act”** means the “Real Estate Act” of Alberta;
 - aa) **“REALTOR”** shall mean a trademark that identifies real estate professionals in Canada who are Members of CREA and/or the National Association of REALTOR[®] (USA) and as such, subscribe to a high standard of professional service and to a strict Code of Ethics;
 - bb) **“RECA”** shall mean the Real Estate Council of Alberta, or its successors;
 - cc) **“RECA Code of Conduct”** shall mean the Code of Conduct and Standards of Practice adopted or amended from time to time by RECA;
 - dd) **“Suspension of Membership”** shall mean the withholding of all Co-op services or privileges, including but not limited to the right to use the MLS[®] Service, attendance at meetings or vote thereat.
- 2.2 In this Bylaw, unless the context otherwise requires:
- a) words importing the singular shall include the plural, and vice versa;
 - b) words importing the masculine gender shall include the feminine gender, and vice versa;
 - c) “may” is construed as permissive; and “shall” is construed as imperative.
- 2.3 Where there is any reference made in the Bylaw, Supplementary Rules and Co-op Policy, the Rules and Regulations, and any special resolutions of the Co-op, to any Statute or any part of it, such a reference shall also be deemed to include any amendment, re-enactment, or successor legislation of that Statute, as the case may be.
- 2.4 Except where expressly provided, the division of this Bylaw into Articles, sections, and subsections, and the insertion of headings, subheadings, marginal notes, and table of contents or index (if any) are for convenience of reference only and shall not affect the construction or interpretation of this Bylaw.
- 2.5 One printed copy of the Bylaw, Supplementary Rules and Co-op Policy and MLS[®] Rules & Regulations, will be provided to each Brokerage. The Bylaw, Supplementary Rules and Co-op Policy,

and MLS® Rules & Regulations shall be published on the Co-op's website at www.carassociation.ca. Any individual Member, who wants their own copy of the Bylaw, Supplementary Rules and Co-op Policy, and MLS® Rules & Regulations, may request a copy from the Co-op.

SECTION 3 - Time Periods

- 3.1 Each calendar day shall be counted when calculating any time periods stipulated in this Bylaw, unless otherwise stipulated.

SECTION 4 - Head office

- 4.1 Until changed by resolution the head office of the Cooperative shall be located at:
4922-45 Street, Red Deer, Alberta T4N 1K6

SECTION 5 -Seal

- 5.1 The seal shall be the Corporate Seal on the Co-op.
- 5.2 The seal of the Cooperative shall not be affixed to any instrument except by authority of a resolution of the Directors. The Chair and Secretary or Executive Officer, or such other person or persons as the Directors may appoint for the purpose, shall sign every instrument to which the seal of the Cooperative is so affixed.

SECTION 6 - Fiscal Year

- 6.1 The fiscal year of the Cooperative shall end on the 31st day of December in each year.

SECTION 7 – Disposition of Annual Surplus Funds

- 7.1 Annual surplus funds may, at the discretion of the Directors, be utilized for the purpose of promoting the education and/or professional aims of the Co-op and/or Operations. No part of the income of the Cooperative is to be payable to or made otherwise available for the personal benefit of any Member.

SECTION 8 – Dissolution of the Cooperative

- 8.1 If the Cooperative is dissolved, then, after all debts and liabilities of the Cooperative are paid, any remaining assets shall be given to such charitable organization or other organization whose objectives are beneficial to the community.
- 8.2 A notice required to be made by publication by Section 323 (4) of the Cooperatives Act shall be deemed good and sufficient by one (1) insertion in the Red Deer Advocate, a newspaper published and distributed in the City of Red Deer, or in such other manner as may be otherwise directed by the Court of Queen's Bench.
- 8.3 A notice required to be made by publication by Section 346 of the Cooperatives Act shall be deemed good and sufficient by one (1) insertion in the Red Deer Advocate, a newspaper Published and distributed in the City of Red Deer, or in such other manner as may be otherwise directed by the Court of Queen's Bench.

SECTION 9 – Notice to Members and Directors

- 9.1 A notice to a Member or Director may be sent by mail addressed to or may be personally delivered to:
- a) a Member at the Member’s latest address as shown in the records of the Cooperative, and
 - b) a Director at the Director’s latest address as shown in the records of the Cooperative or in the notice filed with the application for incorporation pursuant to section 9.2 or a notice of change sent to the Director of Cooperatives.
- 9.2 If a Cooperative sends a notice or document to a Member or Director in accordance with section 9.1 and the notice or document is returned on 2 consecutive occasions because the Member or Director cannot be found, the Cooperative is not required to send any further notices or documents to the Member or Director until the cooperative is informed in writing of the Member’s or Director’s new address.

ARTICLE 2 – MEMBERSHIP

SECTION 1 - Classes of Membership

- 1.1 There shall be the following types of Membership in the Co-op:
- a) Brokerage
 - b) Broker
 - c) Associate Broker
 - d) Associate
- 1.2 Membership in the Co-op shall be individual and is non-transferable, except as herein otherwise provided.
- 1.3 Each Member shall at all times be a Member in good standing of the Canadian Real Estate Association and the Alberta Real Estate Association.
- 1.4 A Member may voluntarily withdraw from Membership on the terms and conditions provided in the Bylaw by giving written notice to the Co-op.
- 1.5 Unless provided otherwise, the withdrawal is effective on the later of:
- a) The date stated in the written notice; or
 - b) The date on which the Co-op receives the written notice.
- 1.6 The Board, may by resolution, authorize the Cooperative to enter into an agreement on terms acceptable to the Board, with a third party to allow the third party access to information provided by the Cooperative to the Membership or access to the services provided by the Cooperative to the Membership, or both. Notwithstanding the foregoing, in no event shall any third party that enters into an agreement with the Cooperative as described in this section 1.6 become a part of the Membership of the Cooperative.

SECTION 2 – Brokerage Membership

- 2.1 Any sole proprietor, partnership, corporation, trust company, or any other company that is registered as a Real Estate Brokerage under the Real Estate Act of Alberta may become a Brokerage Member, provided that:
- a) The applicant agrees in writing to adopt and abide by the Bylaw, Supplementary Rules and Co-op Policy, the MLS® Rules and Regulations of the Co-op, the CREA Code of Ethics and the RECA Code of Ethics;
 - b) The applicant shall apply in writing on the approved application form, accompanied by the appropriate fee;
 - c) The Broker of the applicant has been approved by the Board of Directors, and shall successfully complete the educational, orientation, and computer training courses as prescribed;
 - d) The applicant, if requested, shall provide a Letter of Financial standing signed by a Chartered Accountant, or Certified General Accountant, or Certified Management Accountant, or has provided the Firms' Opening Financial Statement signed by a Chartered Accountant, Certified General Accountant or Certified Management Accountant AND a credit check has been obtained, at the discretion of the Directors.
- 2.2 It is a condition of admission of an applicant as a Brokerage Member, and a condition of continued Membership of a Brokerage Member, that:
- a) Said Brokerage shall not employ any person who is not licensed as either a Broker, Associate Broker, or Associate, under the Real Estate Act to trade in real estate on its (or his/her) behalf;
 - b) Said Brokerage shall not cause any Broker, Associate Broker, or Associate, referred to in Sub-section (a) above to be shown as an employee of the Brokerage Member for the purpose of allowing that Broker, Associate Broker or Associate to maintain registration in accordance with the Act.
 - c) Said Brokerage shall not cause any Broker, Associate Broker or Associate referred to in Sub-section (a) above, to be shown as an employee of the Brokerage Member if any Broker, Associate Broker, or Associate ceases to be a Member of the Co-op.
 - d) Said Brokerage shall cause any Broker, Associate Broker, or Associate referred to in Sub-section (a) above to maintain General Liability Insurance coverage, in the amount of not less than \$5,000,000 per occurrence, covering bodily injury and property damage.
- 2.3 When a Brokerage Member terminates from the Co-op, the Brokerage Member shall notify the Co-op in writing, and the Brokerage Member's termination shall take effect immediately.
- 2.4 Notwithstanding anything herein otherwise contained, in the event of the death of the Broker Member of a Brokerage, the Directors may by a majority vote, relax all or any part of the provisions of these Bylaw relating to Membership in the Co-op for a period not to exceed six (6) months.
- 2.5 Notwithstanding anything herein otherwise contained, where the status of a Brokerage changes by reason of incorporation, change in partnership, sale of business, or for any other reason, such Membership may be transferable upon approval of the majority of the Directors.
- 2.6 Non-compliance with any of the above-noted conditions of membership is a breach of this Bylaw,

and may result in the refusal, suspension or termination of the Membership of the Brokerage from the Co-op at the discretion of the Board of Directors.

SECTION 3 – Broker Membership

- 3.1 A Broker is an individual who:
- a) holds the qualifications of a Broker;
 - b) is licensed as a Broker by the Real Estate Council of Alberta;
 - c) is employed by, or associated with a Brokerage Member;
 - d) is registered with and authorized to operate a Brokerage in Alberta;
 - e) is registered with and authorized to trade in real estate on behalf of that Brokerage.
- 3.2 Any individual registered as a Broker under the Real Estate Act, and who owns their own Brokerage, or is employed by a Brokerage Member to trade in real estate on behalf of the Brokerage, shall become a Broker Member provided that:
- a) the applicant agrees in writing to adopt and abide by the Bylaw, Supplementary Rules and Co-op Policy, MLS® Rules and Regulations of the Co-op, the CREA Code of Ethics, and the RECA Code of Ethics;
 - b) the applicant applies in writing on the approved application form, the application shall be endorsed by the Brokerage Member by which he is to be employed, and accompanied by the appropriate fee(s).
 - c) the applicant maintains General Liability Insurance coverage in the amount of not less than \$5,000,000 per occurrence, covering bodily injury and property damage.
 - d) the applicant successfully completes the educational, orientation, and computer training courses as prescribed by the Co-op;
 - e) in the event he/she fails to complete and/or pass the Orientation Course offered, within four (4) months of being granted temporary approval application, that Member shall be terminated until he/she completes and passes the course; vi. the Board of Directors shall consider the applicant a Contingent Member until such time their application receives approval.
- 3.3 Non-compliance with any of the above noted conditions of membership is a breach of this Bylaw, and may result in the refusal, suspension or termination of the Membership of the Broker from the Co-op at the discretion of the Board of Directors.

SECTION 4 - Associate Broker Membership

- 4.1 An Associate Broker is an individual who:
- a) holds the qualifications of an Associate Broker;
 - b) is licensed as an Associate Broker by RECA;
 - c) is employed by or associated with a licensed Brokerage Member;
 - d) is registered with and authorized to trade in real estate on behalf of that Brokerage;
 - e) is approved by the Directors.
- 4.2 Any individual registered as an Associate Broker under the Real Estate Act and is employed by a

Brokerage Member to trade in real estate on behalf of the Brokerage Member shall become an Associate Broker Member provided that:

- a) the applicant agrees in writing to adopt and abide by the Bylaw, Supplementary Rules and Co-op Policy, MLS® Rules and Regulations of the Co-op, the CREA Code of Ethics, and the RECA Code of Ethics;
- b) the applicant applies in writing on the approved application form;
- c) the application shall be endorsed by the Brokerage Member by which he is to be employed accompanied by the appropriate fee;
- d) the applicant maintains General Liability Insurance coverage, in the amount of not less than \$5,000,000 per occurrence, covering bodily injury and property damage;
- e) the applicant successfully completes the educational, orientation, and computer training courses as prescribed by the Co-op.

4.3 In the event he/she fails to complete and/or pass the Orientation Courses offered, within four (4) months of being granted temporary approval of application, that Member will be terminated until he/she completes and passes the course.

4.4 The Board of Directors shall consider the applicant a Contingent Member until such time their application receives approval.

4.5 Non-compliance with any of the above noted conditions of membership is a breach of this Bylaw, and may result in the refusal, suspension, or termination of the Membership of the Member from the Co-op at the discretion of the Board of Directors.

SECTION 5 - Associate Membership

5.1 An Associate Member is an individual who:

- a) holds the qualification of an Associate;
- b) is licensed as an Associate by the RECA;
- c) is employed by or associated with a licensed Brokerage Member;
- d) is registered with and authorized to trade in real estate on behalf of that Brokerage;
- e) is approved by the Directors.

5.2 Any individual registered as an Associate, under the Real Estate Act, and who is employed by a Brokerage Member to trade in real estate on behalf of the Brokerage, shall become an Co-op Member provided that:

- a) the applicant agrees in writing to adopt and abide by the Bylaw, Supplementary Rules and Co-op Policy, the MLS® Rules and Regulations of the Co-op, the CREA Code of Ethics and the RECA Code of Ethics;
- b) the applicant maintains General Liability Insurance coverage, in the amount of not less than \$5,000,000 per occurrence, covering bodily injury and property damage. iii. the applicant applies in writing on the approved application form, the application endorsed by the Brokerage Member for which he/she is to be employed, accompanied by the appropriate fee;

- c) the applicant has successfully completed the educational, orientation, and computer training courses as prescribed;
- d) in the event he/she fails to complete and/or pass the Orientation Courses offered, within four (4) months of being granted temporary approval of application, that Member will be terminated until he/she completes and passes the course; vi. The Directors shall consider the applicant a Contingent Member until such time the application receives approval.

5.3 Notwithstanding the foregoing, upon payment of the prescribed entrance fee and provided the application is in order to the Executive Officer or his/her nominee, an applicant as an Associate or Associate Broker shall be granted a temporary status which grants the privilege of participating in the MLS® Service by means of listing, selling, and advertising multiple listings, until the applicant has successfully completed such educational requirements as may be set from time to time by the Directors. Other rights and privileges of Membership shall not be granted the applicant until such education requirements are met, however, said applicant shall be subject to the Rules and Regulations, the Code of Ethics and the Bylaw of the Co-op.

5.3 Non-compliance with any of the above noted conditions of membership is a breach of this Bylaw, and may result in the refusal, suspension or termination of the Membership of the Member from the Co-op at the discretion of the Board of Directors.

ARTICLE 3 - FEES & DUES

SECTION 1 - Payment of Fees and Dues

- 1.1 Members and applicants for Membership shall pay fees and dues, which shall be due and payable as and when prescribed herein, as determined by the Directors from time to time.
- 1.2 Each Applicant shall pay the applicable entrance fee at the time of submission of their application, as determined from time to time by a resolution of the Board of Directors.
- 1.3 A Former Member re-applying for Membership shall be required to pay the Membership fee, provided the re-application for Membership is received not more than twenty-four (24) months from the date the previous Membership ceased to exist.
- 1.4 A transfer fee and a Membership fee shall be set for all classes of Membership with the amount to be determined by the Directors from time to time.
- 1.5 Where a current Member applies for a Brokerage Membership, the amount of the entrance fee the Member originally paid shall be applied against the current Brokerage Membership entrance fee.
- 1.6 A Brokerage Member who made application and received approval for Membership shall not be required to again pay the membership fee if he/she terminates the Brokerage Membership and then applies to re-activate the Brokerage Membership within twenty- four (24) months from the date of termination, provided he/she has maintained continuous Membership within the Co-op.

- 1.7 Where one or more Members that have maintained an active and continuous Membership in the Co-op create a new Brokerage through amalgamation, merger, or share transfer, the entrance fee for Brokerage Membership to the Co-op shall be waived upon the new Brokerage filing with the Co-op a copy of the agreement detailing the changes including, if applicable, any name change.

ARTICLE 4 – MEETINGS

SECTION 1 – Meetings of the Co-op Members

- 1.1 The Annual General Membership Meeting of the Co-op shall be held during the month of January, February, or March, and on the day, hour and place as shall be determined by the Directors.
- 1.2 Prior to the Annual General Membership Meeting, the Directors shall review and approve the Annual Report, which shall cover the activities of the Co-op for the preceding twelve (12) months.
- 1.3 At the Annual General Membership Meeting the Directors shall present to the Members the Annual Report dealing with the affairs of the Co-op for the previous year, an audited financial statement of the Co-op as required by the Cooperatives Act, the Auditor's report, and such other information as the Board of Directors may determine.
- 1.4 The Members may, at the Annual General Membership Meeting, appoint an Auditor who will hold office until the next Annual General Membership Meeting, except that, if no such appointment is made, the Auditor in office shall continue in office until his successor is appointed.
- 1.5 A Co-op Solicitor may be appointed on the recommendation of the Board of Directors, subject to ratification at the Annual or a Special Membership Meeting, and such appointment shall continue until a successor is named.
- 1.6 A Special General Membership Meeting may be summoned by the Directors at such time, and held in such place, as the Directors shall determine.
- 1.7 The Directors shall summon a Special General Membership Meeting whenever requested in writing to do so by 10% or more of the Members in good standing. A written request shall state clearly the nature of the business to be transacted at such meeting. If, after receiving a written request, the Directors do not within fourteen (14) days thereafter summon a Special General Membership Meeting of the Co-op, the Members making the written request or any other 10% or more of Members in good standing may themselves summon the said meeting.
- 1.8 At least ten (10) business days prior to any Annual or Special Membership Meeting a written notice, stating the time and location of the meeting, along with details of the nature of the business to be transacted at the meeting, shall be communicated by electronic facility, delivered to each Member.
- 1.9 40 Members, representing at least 3 different brokerages, in good standing and present at the beginning of and throughout an Annual or Special Membership Meeting, shall constitute a quorum at any Membership Meeting of the Co-Op.

- 1.10 Members in good standing and present shall have one (1) vote at all meetings of the Co-op. Proxy votes are forbidden.
- 1.11 Only a Member entitled to vote has the right to vote on:
 - a) Any matter relating to Co-op finances;
 - b) Amendments to the Bylaw
- 1.12 The Executive Officer shall be entitled to attend any Membership meeting of the Members.
- 1.13 At the discretion of the Board of Directors, other Co-op employees may attend Membership meetings of the Members to conduct secretarial duties.
- 1.14 With respect to the Annual Membership Meeting, a written or electronic notice shall be sent to the Auditor and Legal Counsel of the Co-op at least ten (10) days prior to the day of the meeting.
- 1.15 At all Membership meetings the Chair shall Chair the meeting, or in his/her absence the Chair-Elect shall be the Chairman.

ARTICLE 5 - ELECTION OF DIRECTORS

SECTION 1 – Nominating Committee Process

- 1.1 Nominations for Directors shall be made by a Nominating Committee, which shall be appointed by the Chair.
- 1.2 The Committee shall have at least four (4) Members, which represents the Membership
- 1.3 No Member of the Nominating Committee shall be nominated by the Nominating Committee.
- 1.4 In the event any appointee is unable to act, the Chair shall appoint one or more Members to complete the Nominating Committee. The Chair shall act as the Chairman of the Nominating Committee.

SECTION 2 – Election of Board of Directors

- 2.1 Each year there shall be an Election for the purpose of electing the Members to replace the Directors whose terms are expiring.
- 2.2 To be eligible to become a Director a candidate must first be a Member of the Co-op for a minimum of twenty-four (24) full continuous and consecutive months and be a Member in good standing.
- 2.3 To fill the office of Chair, Chair-Elect or the following qualifications shall apply:
 - a) to be eligible for the office of Chair a candidate must have served a minimum of one (1) full and consecutive years as a Director of the Board, immediately prior to assuming the

position.

- b) to be eligible for the office of Chair-Elect, a candidate must have served a minimum of one full year as a Director, immediately prior to assuming the position.
 - c) Immediately re-elected Directors shall be eligible for the office of Chair-Elect.
- 2.4 If the term of the Member who is the Chair-Elect expires prior to that Member serving his/her term as Chair, that Member shall be appointed as Chair for a one-year term by the Directors.
 - 2.5 If the term of the Member who is the Chair expires prior to that Member serving his/her term as Past-Chair, that Member shall be appointed as Past-Chair for a one year term by the Directors.
 - 2.6 The Directors, upon election or declaration of their acclamation, shall assume office for a three-year term, and shall remain in office until their successors are elected or appointed.
 - 2.7 Retiring Directors shall be eligible for re-election to the Directors.
 - 2.8 At no time shall more than two (2) Members of any one real estate Brokerage, partnership, or business serve on the Board of Directors where the two individuals hold interest, but at no time shall more than three (3) Members of any one real estate Brokerage, partnership, or business serve on the Board of Directors.
 - 2.9 Notwithstanding the restrictions set out in 2.8, if during the course of his/her term as Director a Member becomes employed with a Brokerage that already has three Members sitting as Directors, which would cause the Member to become the fourth Director employed with the same Brokerage, the Board of Directors may waive the restriction in 2.8 and, at their sole discretion, permit said Member to complete his/her term of office.
 - 2.10 Sub-section 2.8 above shall not prevent more than three Members from the same Brokerage from running for election to the Board of Directors, provided that those Members must agree before the election who will withdraw his/her name should more than three of the Members from the same Brokerage be elected, and provided that the Voting Members are, at some time before the Election Meeting, advised of this provision and the possibility that one or more of those Members may decline to take office even if elected.
 - 2.11 Immediately following the election, the Chair or delegate shall notify all successful Candidates of the election results. In addition, the names of the elected Candidates shall be printed on the next published bulletin.

ARTICLE 6 - BOARD OF DIRECTORS

SECTION 1 – Election of Officers

- 1.1 Until it is changed in accordance with the requirements of the Cooperatives Act, there shall be NINE (9) Directors; FIVE (5) who shall represent a majority and must be present at the beginning and throughout a meeting to constitute a quorum.
- 1.2 At the Next Immediate Directors' meeting following the date of the election the Directors shall meet and shall:
 - a) appoint the Chair-Elect as Chair;
 - b) appoint the Executive Officer who shall serve as Executive Officer of the Co-op for the subsequent year.
- 1.3 At the Next Immediate Directors' Meeting the Directors shall elect from among them a Chair-Elect and who shall serve as officers of the Co-op for the year elected

SECTION 2 – Duties of Chair

- 2.1 When present, the Chair shall Chair all meetings of the Co-op. In the absence of the Chair, the Chair-Elect shall perform the duties of the Chair and/or, at the Chair's discretion, assist the President as may be required.
- 2.2 Beyond their duty to act as Chairman, the Chair may not unilaterally (without the Board of Directors' approval) make any decisions relating to the business of the Co-op.
- 2.3 The Chair may vote upon any question but having done so shall not have a casting vote in the event of a tie. In the event of there being no majority in favour of a motion, the motion shall be declared lost.
- 2.4 The Chair shall be an ex-officio Member of all Committees, unless specifically excluded from them.
- 2.5 When an Executive Officer is not available the Chair shall sign all required documents on their behalf.

SECTION 3 – Composition of Board of Directors

- 3.1 The Board of Directors shall consist of NINE (9) Directors and shall be made up as follows:
 - a) the Chair
 - b) the Chair-Elect
 - c) the Immediate Past Chair
 - d) six (6) other Directors
- 3.2 No fewer than two (2) and no more than four (4) of the Directors shall be Broker/Owner Members.

- 3.3 The remaining Directors shall be Associate Brokers and/or Associate Members.
- 3.4 The AREA Representative shall be invited to attend all regular Directors' meetings as ex-officio to give an AREA report.

SECTION 4 – Directors' Meetings

- 4.1 The Directors shall hold regular meetings at such times and places as they may from time to time determine, provided that they shall meet at least eight (8) times per year.
- 4.2 Five (5) Directors at any regular or special meeting of the Directors shall constitute a quorum for the transaction of business, but any lesser number present may adjourn from time to time until a quorum is obtained.
- 4.3 The Directors, may by resolution, determine to hold regular or special meetings via video conference communication. To make a quorum five (5) Directors must be physically present.

SECTION 5 –Other Officers

5.1 Executive Officer

- 5.1.1 The Directors shall employ an Executive Officer and may delegate to him or her all or part of the duties of the Secretary and of the Treasurer and may otherwise prescribe the Executive Officer's duties. The Directors may also employ such other persons as may be necessary to conduct the activities of the Co-op.
- 5.1.2 Reporting to the Board of Directors the Executive Officer shall be the chief administrative officer, responsible for day-to-day management and administration of the Co-op office and its employees.
- 5.1.3 The duties of the Executive Officer may be modified or altered at the discretion of the Directors.

5.2 Secretary

- 5.2.1 It shall be the duty of the Secretary to attend all meetings of the Co-op and of the Directors and to keep the records and correct minutes of all such meetings. The Secretary shall have charge of the correspondence, records, and books of the Co-op.
- 5.2.2 The Secretary shall issue necessary notice to all Members and shall have custody of the seal of the Co-op and shall conduct all correspondence. The Secretary shall keep a roll of all the Members and shall countersign all Membership cards if issued and shall have charge of all the records and papers of the Co-op, except those pertaining to the duty of the Treasurer. The Secretary shall transact such other business as authorized by the Board of Directors.

5.3 Treasurer

- 5.3.1 The Treasurer shall keep books of accounts of the business of the Co-op in such manner as may be directed by the Directors. The Treasurer shall have charge of the collection, custody, and control of the funds of the Co-op, subject to the supervision and approval of the Board of

Directors.

- 5.3.2 The Treasurer's accounts shall be audited at regular intervals by an auditor appointed at the Annual General Meeting. The Treasurer shall submit a written report to the Directors when required to do so. All cheques and vouchers must be signed by any two (2) of the following Treasurer, Chair, Past Chair, Chair-Elect or other Director member as appointed by the Board of Directors.

SECTION 6 – Indemnification of Directors and Officers

- 6.1 Every person, including, but not limited to, each Director, Executive Officer, Committee person and employee of the Co-op and their heirs, executors and administrators, and estate and effects respectively shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Co-op, from and against:
- a) all costs, expenses and charges whatsoever which such Director, Executive Officer Committee person and employee of the Co-op sustains or incurs in or about any action, suit or proceeding which is brought, commenced, or prosecuted against him/her, for or in respect of any act, deed, matter or thing whatsoever heretofore, or hereafter made, done, or permitted by him/her in or about the execution of his/her duties as a Director, Executive Officer, Committee Member, and employee of the Co-op and;
 - b) all other costs, expenses or charges which such Director, Executive Officer Committee person, and employee of the Co-op sustains or incurs in or about or in relation to the affairs and/or duties to the Co-op, except where these costs, expenses and charges are the result of his/her own wilful neglect or default;
 - c) for the purpose of this section only, deemed to be included are the Members of the Professional Standards Committee, Discipline Committee and Arbitration Committee, and Appeal Panels thereto.

SECTION 7 – Audit

- 7.1 No person holding office in the Co-op shall be eligible for appointment as Auditor of the Co-op.
- 7.2 At each Annual Membership Meeting the Members shall appoint an auditor.
- 7.3 The report of the Auditor shall be presented at the Annual General Membership meeting of the Co-op called following the completion of the audit.
- 7.4 The fiscal year of the Co-op shall close on the 31st day of December in each year.

SECTION 8 – Supplementary Rules; Co-op Policy & MLS® Rules & Regulations

- 8.1 In order to deal with matters not provided for in this Bylaw, and to carry out the purposes and operation of the Co-op, the Directors may from time to time establish, approve, amend, and repeal the Supplementary Rules and Co-op Policy as it relates to the operation, business, and affairs of the Co-op, and establish, approve, amend, and repeal rules and regulations relating to the operation of the Multiple Listing Service® of the Co-op, provided that such are not inconsistent

with this Bylaw.

- 8.2 Said Supplementary Rules and Co-op Policy, MLS® Rules and Regulations, and any repeal, and amendments thereto made by the Directors, and providing they are not inconsistent with this Bylaw, shall immediately come into force and apply to the Co-op and all its Members.
- 8.3 Subsequent to the approval, amendment, or repeal by the Directors of any Supplementary Rules and Co-op Policy, and/or MLS® Rule and Regulation, the Executive Officer shall distribute it to the Members, in any manner she/he deems proper or appropriate.
- 8.4 A Member shall not violate any Rule or Regulation of the Co-op.

ARTICLE 7 – COMMITTEES

SECTION 1 – Committees, Task Forces, Ad Hoc

- 1.1 The Directors shall from time to time initiate any Committee, Task Force, or Ad Hoc and any thereof.
- 1.2 The Directors shall from time to time specify the Terms of Reference and Job Description of each Committee, Task Force, or Ad Hoc.

SECTION 2 – Duties of Committees, Task Forces, Ad Hoc

- 2.1 Committees, Task Forces, and Ad Hoc may determine the rules pertaining to its own affairs, however, all recommendations shall be brought to the Board of Directors for approval prior to any changes coming into effect.

ARTICLE 8 – ARBITRATION

SECTION 1 – Binding on All Members

- 1.1 Each Member agrees that if any dispute between Brokerage Members is unable to be resolved by the Brokerage Members involved it shall be determined by Arbitration pursuant to the provisions of the *Arbitration Act* (Alberta) and the provisions of the Bylaw, Supplementary Rules and Co-op Policy, Code of Ethics, Standards of Business, and Rules and Regulations of the Co-op. The Arbitration Award shall be conclusive and binding on each Applicant and Respondent and the persons claiming under them.
- 1.2 The provisions of the Arbitration Act shall apply to each Arbitration pursuant to the Bylaw, Supplementary Rules and Co-op Policy, Code of Ethics, Standards of Business Practice, and/or Rules and Regulations, but if the provisions of the *Arbitration Act* (Alberta) are inconsistent with the express provisions of the Bylaw, Code of Ethics, Standards of Business Practice and Rules and Regulations, the express provisions of the Bylaw, Code of Ethics, Standards of Business Practice and Rules and Regulations shall prevail.
- 1.3 Notwithstanding the provisions of the Bylaw, Supplementary Rules and Co-op Policy, Code of Ethics, Standards of Business Practice and Rules and Regulations, at a Directors' meeting and by a

majority vote of two-thirds (2/3), the Directors may determine that any specific real estate commission or other financial matters dispute shall not be determined by arbitration.

ARTICLE 9 – BYLAW AMENDMENTS

SECTION 1 – Bylaw Amendments

- 1.1 The Bylaw of the Co-op, or any part thereof, may be repealed, altered, or amended by other Bylaw passed at any meeting called for that purpose or any Annual General Meeting of the Co-op provided, in each case, at least ten (10) business days notice of such intention to repeal, alter or amend the said Bylaw has been sent to each Member entitled to vote. The notice must specify in detail each proposed repeal, alteration, and amendment.
- 1.2 Only Broker Members, Associate Broker Members, and Associate Members are entitled to vote, and this Bylaw may be amended, repealed, or altered by a majority of not less than two-thirds (2/3) of the aforesaid Members in good standing present at the meeting. A minimum of 10% of the aforesaid Members constitutes a quorum.
- 1.3 No new Bylaw or amended Bylaw or repeal of a Bylaw shall have any force or effect until the day on which the bylaw or amendment is made, or on any later date specified in the bylaw or amendment or in the resolution adopting either of them.
- 1.4 All Bylaw amendments shall be submitted to the Co-op Legal Counsel for review.

ARTICLE 10 – STANDARDS OF BUSINESS PRACTICE

SECTION 1 – Code of Ethics, Standards of Business Practice, Privacy Code and Principles of

Competition

1.1 CODE OF ETHICS

Under all is the land. Upon its wise utilization and widely allocated ownership depend on the survival of growth of free institutions and of our civilization. Through the REALTOR® the land resource of the nation reaches its highest use and private land ownership its widest distribution. The REALTOR® is instrumental in molding the form of his or her community and the living and working conditions of its people. Such functions impose grave social responsibilities, which REALTOR® can meet only by diligent preparation, and considering it a civic duty to dedicate themselves to the fulfillment of a REALTOR'S® obligations to society. The REALTOR® therefore must be zealous to maintain, and continually strive to improve, the professional standards of his or her calling:

- a) by keeping informed as to developments and trends in real estate, ii. by endeavoring to protect the public against fraud, misrepresentation, or unethical practice in connection with real estate transactions,
- a) by rendering services and opinions based only on the REALTOR'S® knowledge, training, qualifications and experience in real estate,

- b) by seeking no unfair advantage over, nor injuring directly or indirectly, the reputation of, nor publicly disparaging the business of other REALTOR®, and
 - c) by being loyal to the REALTOR'S® Real Estate Association and Provincial/Territorial Association and active in their work.
- 1.2 In the interpretation of his or her obligations, the REALTOR® can take no safer guide than that which has been embodied in the Golden Rule - "Do unto others as you would have them do unto you".
- 1.3 No inducement of profit and no instructions from clients or customers can ever justify departure from the ideals of fair dealing and high integrity resulting from adherence to a lofty standard of moral conduct in business relations.
- 1.4 Accepting this standard as his or her own, each REALTOR® pledges to observe the spirit of the Code in all dealings and to conduct business in accordance with the Standards of Business Practice as adopted by The Canadian Real Estate Association.
- 1.5 The Co-op hereby adopts the Code of Ethics Standards of Business Practice, Privacy Code and Principle of Competition of the Canadian Real Estate Association (CREA), and by this reference they are deemed to be part of this Bylaw.
- 1.6 The Co-op is a member of CREA and by virtue of this membership, all Members of the Co-op are deemed to be members of CREA and are subject to its Bylaws, Supplementary Rules and Policies.
- 1.7 The Co-op shall adopt such Bylaws, Supplementary Rules and Regulations, Policies and MLS® Rules and Regulations as are necessary from time to time in order to enforce through its professional Standards Committee the provisions of the Code of Ethics and Standards of Business Practice.

SIGNED BY EACH OF THE DIRECTORS AT THE CITY OF RED DEER, IN THE PROVINCE OF ALBERTA, THIS
_____ DAY OF _____, 20_____.

(_____

(ALLAN MELBOURNE, PRESIDENT

(

(_____

(LINDSAY OLVER, PRESIDENT ELECT

(

(_____

(RICHARD POCHYLKO, PAST PRESIDENT

(

(_____

(DENA ARNOLD, VICE PRESIDENT

(

(_____

(ARNOUD COLOMBIJN, DIRECTOR

(

(_____

(LARRISSA KALYN, DIRECTOR

(

(_____

(MELANIE ASPLUND, DIRECTOR

(

(_____

(MICHAEL GOUCHIE, DIRECTOR

(

(_____

(KELLY JONES, DIRECTOR

WITNESS TO ALL SIGNATURES