

BAYWATER ESTATES RV RESORT INC.
(the "Company")

WHEREAS:

- A. Article 19 of the Company's Articles permits the Company to appoint a committee consisting of one or more directors;
- B. the directors of the Company hereby wish to engage a committee (the "Committee") to govern and engage in all matters relating to the RV Resort located at 6050 Island Highway West, Qualicum, British Columbia (the "RV Resort"), as outlined in Schedule "A" to this resolution;
- C. the directors of the Company agree that the Committee is in the best interests of the Company; and
- D. the directors of the Company agree the Committee will remain operating and in effect until a majority of directors have signed a directors' resolution agreeing to rescind the Committee's right to operate.

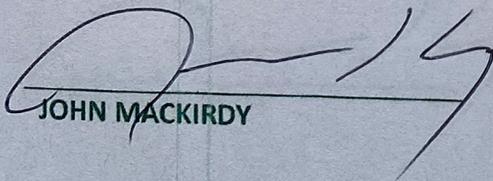
THEREFORE BE IT UNANIMOUSLY RESOLVED THAT:

- 1. the directors hereby approve and agree to engage the Committee and agree to the terms of power, governance and operation of the Committee, as outlined in the attached Schedule "A" to this resolution; and
- 2. the directors hereby agree that the Committee will remain in operation until majority director approval is obtained to eliminate the Committee.

Dated this 7th day of June, 2024.

The undersigned being all the directors of the Company hereby agree to the resolutions as of the date above.

For greater certainty, these resolutions may be executed electronically, delivered by facsimile, email or other functionally equivalent electronic means of transmission, and in two or more counterparts which, and, such counterparts will together constitute one and the same instrument.


JOHN MACKIRDY


EDWIN G. KUNTZ

BAYWATER CAMPER SHAREHOLDERS GOVERNANCE MODEL

A. GENERAL - GOVERNANCE TERMS OF REFERENCE

B. ELECTED OFFICERS ROLES & RESPONSIBILITES

C. SUB COMMITTEES REPORTING TO THE EXECUTIVE

D. APPENDICES

Updated: May 7, 2024

A. GENERAL - GOVERNANCE TERMS OF REFERENCE

PURPOSE & AUTHORITY

The Baywater Executive Committee and Camper Shareholder Board Members are elected stewards of the Baywater Estates RV Resort Inc. Cooperative and, as such, govern Baywater Estates on behalf of its camper shareholders (known as 'members') on the terms and conditions approved by the general membership and as set out in the Baywater Estates Disclosure Agreement and the Rules and Regulations (and shareholder approved amendments) within it.

The Baywater Executive Committee is responsible for:

- managing the day-to-day operations of the Baywater Estates RV Resort comprised of the Baywater Camper Shareholders (a self-managed cooperative association).
- maintaining agreements, licenses, and rules and regulations outlined in the Baywater Disclosure Statement.
- ensuring the park observes and respects federal, provincial, and regional policies, rules, and bylaws.
- establishing governance policies, processes, and procedures to effectively sustain the park where all shareholders can enjoy use of their assignments; and
- providing prudent fiscal management of the park's finances and reserves.

The Baywater Executive Committee ("BEC") may establish ad-hoc committees to assist in discharging its duties. See Page 7 for a full list of ad-hoc committees reporting to the Executive.

COMPOSITION & MEMBERSHIP OF EXECUTIVE COMMITTEE & CAMPER SHAREHOLDER BOARD

The BEC will consist of five (5) executive officers namely President, Vice President, Secretary, Treasurer, and Director (Baywater Inc.)¹

In addition to these executive members (also known as table officers), a further five (5) members will be elected to join the executive officers to form the Baywater Camper Shareholder Board ("CSH Board"). Four (4) will be elected to be Campsite Representatives and one (1) will be elected to be a Rental Representative. It is desirable that representation of these additional Board members be from various locations in the park to ensure the whole park is represented and have a voice on the CSH Board.

Election of all members (table officers) of the CSH Board will take place at the Cooperative's Annual General Meeting (AGM). Executive officers will hold two (2) year terms to facilitate a continuity of leadership and direction for the park. These terms may be staggered. Other board positions will be elected annually for a one (1) year term.

All table officers will have liability insurance coverage annually.

EXECUTIVE COMMITTEE/BOARD CHAIR

The Chair for the BEC and the CSH Board will be the elected President. The Chair shall:

- Establish agendas.

¹ Note: Director (Baywater Inc.) position will cease once the developer has fully exited from Baywater Inc. and the three existing board positions are returned to the park

- Call meetings to order.
- Chair meetings using Roberts Rules.
- Chair meetings of the general membership with or without the assistance of an external facilitator at the discretion of the chair. Outside facilitators are currently used for the Annual General Meeting and the Spring Meeting.
- Designate another executive officer to chair in the absence of the President.
- Report out to shareholders on the tasks carried out by the BEC, CSH Board as well as any ad hoc committees established by and reporting to the Executive.

MEETINGS & MINUTES

- The BEC will meet once per month. Meetings will be scheduled monthly. Minutes will be taken and circulated to all shareholders. Every second meeting will be a meeting of the full CSH Board.
- The BEC and ad hoc committees will meet at least every 2nd month. Minutes may or may not be taken and circulated to all shareholders.
- Two (2) “Business Meetings” defined, as the Annual General Meeting (AGM), typically early October and the Spring Meeting, typically late April, will be held each calendar year. These meetings will be in person subject to provincial health orders. Minutes will be taken and circulated to all shareholders.
- Other ‘Special Meetings’ may be called if needed at the discretion of the President (Chair).
- The Secretary officer, as instructed by the chair, shall take minutes at meetings and the Chair shall approve the minutes. Once approved, minutes will be distributed (target is 7-14 days) to all Shareholders. Minutes will be kept and stored in accordance with the Cooperative’s organizational practices.

QUORUM

A ‘Quorum’ shall be a simple majority (50% plus one) of the voting executive committee officers present at a meeting.

DECISION MAKING

The BEC and CSH Board shall strive for consensus when making decisions. If consensus cannot be reached, the committee members must agree on how to deal with the outstanding issue whether that be a vote; continued discussion to seek consensus; or to table the issue until the next meeting.

When voting, majority (50%+1) rules with quorum present.

STRATEGIC PLANNING

- The BEC and CSH Board shall periodically engage in long term planning to develop direction for the Cooperative.
- Under the direction of one or more of the Executive Committee members an ad-hoc committee may develop long range plans related to specific needs for the park.
- As the park evolves, more ad-hoc committees may be established to develop long-term plans and/or goals for the cooperative.

FINANCIAL AND OPERATIONAL PERFORMANCE

- The CSH Board approves the Cooperative’s annual budget and monitors budget performance over the course of the year.

- The CSH Board regularly oversees the Cooperative’s financial performance by receiving interim and annual financial reports from the Treasurer; approves all major expenditures prior to initiating planned projects and carrying out operational tasks and activities.
- The BEC and CSH Board will work within the annually budget presented and approved by all shareholders at the AGM.
- Any unplanned or non-emergency expenditures in excess of \$1,500 that are not included in the approved budget must be presented to all shareholders for approval prior to proceeding with the project/expense.
- The CSH Board cannot commit the use of the Cooperative Association’s financial resources without the approval or prior approval of both the President and the Director (on behalf of the Developer).

SUSTAINABILITY/ETHICS

- All elected officers are to uphold and exemplify ethical, and social standards that demonstrate mutual respect for all member shareholders.
- The BEC and the CSH Board are to function in such a manner that the best interests of the Cooperative as ‘a community of the whole’ shall always be the goal. Individual or self-interest must not guide the decision-making process.

COMMUNICATIONS

- Ensure the member shareholders are regularly informed governance matters and/or operational developments on a timely basis. This may take the form of periodic emails or newsletter updates throughout the year.
- Ensure all officers appropriately and effectively engages with its member shareholders in a transparent manner but also ensure that disclosure of information is to the rightful and appropriate parties.

B. ELECTED OFFICER – ROLES AND RESPONSIBILITIES

PURPOSE & AUTHORITY

Elected ‘Table Officer’ of the BEC and CSH Board members are all responsible for engaging in the work with other members for the benefit of the Cooperative association. Each member or volunteer serves as one voice in deliberations, discussions, and decisions. No individual member has authority to make unilateral decisions, enter commitments, or instruct any staff or employees unless authority for engaging in such an act has been assigned or delegated in advance by an all-member shareholders vote or as assigned by the BEC.

RESPONSIBILITIES

All BEC, CSH Board or Ad Hoc Committee members must carry out their fiduciary duties honestly; in good faith; and in the best interests of Baywater Estates RV Resort while exercising care, diligence, and the skills of a reasonably prudent person.

Each member is required to fulfill the following responsibilities to the best of their abilities and to be:

- a member in good standing (having fully paid Annual fees and Hydro bills)
- familiar with the Baywater Disclosure Statement and Rules & Regulations,

- be willing and able to fulfill all responsibilities and duties outlined in the specific duties below.
- study and analyze all reports and recommendations made to the BEC or CSH Board and to be prepared to discuss them during proceedings.
- contribute thoughtful and constructive input brought before the BEC or CSH Board.
- help ensure that the BEC or CSH Board considers all aspects of an issue before making a decision, asking questions, sharing perspectives, and requiring information as appropriate.
- participate on ad-hoc committees at the discretion of the Executive.
- attend meetings of the BEC, CSH Board and any ad-hoc committees that the executive officer is a member, either in person, by telephone, or via teleconference/zoom procedures.
- to provide advance notice if possible, or failing advance notice, to provide reasons as soon as possible if unable to attend a scheduled meeting.

SPECIFIC RESPONSIBILITIES

President:

The President is responsible for the successful operation of the park community. He or She establishes meeting agendas, chairs the Annual General Meeting (AGM), and BEC or CSH Board and special meetings, maintains order, and keeps the discussion on topic. The President is responsible for the daily execution of the park's business and is the primary contact for Baywater Estates RV Resort. This position and/or the Director will conduct membership approvals for potential new shareholders. In the carrying out of his/her duties, the President unites the community by leading the cooperative association and its volunteer committee members to work together to address in the needs and services of the association. Overall, the President provides direction to build a strong community and a well-maintained resort/park that values diversity. This position is also a signatory on cheques, banking, etc.

Vice- President:

The Vice President is the President's right-hand person and takes over the President's duties in their absence. The President and Vice President work together as a team to carry out the responsibilities to help with knowledge transfer and skills building. This position serves as the internal communication link from the BEC and CSH Board to shareholders and vice versa. He or She will foster and organize community-building activities including social events and new member welcome/orientation. The Vice President will lead the development of regular newsletters and updates to park members. Overall, the Vice President's key duty is to support the president and help take on additional responsibilities and tasks as needed.

Treasurer:

The Treasurer provides both financial oversight and a bookkeeping function for the Cooperative Association. The Treasurer is a signatory on cheques, banking, and legal documents, etc. In terms of **financial oversight**, the role includes: monitoring revenues, expenses and the overall financial health of the association; preparing the annual budget (with the Executive committee) for approval by the board and all CSH; presentation of financial reports and statements at meetings of the Executive, Board and all CSH; analysis of revenues and expenses to ensure sufficient cash flow is available for smooth day to day operations; communicating immediately with the President and Executive on urgent issues; presenting recommendations based on availability of funds; working with the Accountants to ensure the annual financial statements are ready for presentation at the Spring CSH meeting. In terms of **bookkeeping**, the role includes: accurately recording all revenues and expenses; paying all expenses in a timely manner; communicating with CSH to pay maintenance fees & hydro bills on time; depositing and recording all payments received for hydro bills and maintenance fees; collecting coins from laundries and depositing all cash as needed;

collecting and keeping a log of mail received at the corporate mailbox; working with the Hydro Volunteer to ensure accurate and timely billing is sent to all CSH; working with the Rentals Rep to ensure that all rental fees are recorded and paid for any rented sites.

Secretary:

The Secretary helps the cooperative association run smoothly and efficiently. Handling of general correspondence, maintaining records, preparation of meeting agendas in conjunction with the President and providing minutes of meetings are key duties of this position. The secretary's job is to accurately record the proceedings of business meetings in minutes and distribute them for approval. Once approved they become part of the public record and the BEC can make them available for real estate transactions, mortgages, insurance, and other legal purposes. This position may also draft messages and responses for the BEC or CSH Board to shareholders or external parties.

Director (Baywater Estates RV Resort Inc.)

The Director is one (1) of three (3) directors serving on the board of Baywater Estates RV Resort Inc. The Director is elected by the shareholders and serves as a link or liaison between the developer and the park. In this capacity the Director provides input, direction and feedback acting as a resource to the developer while representing the interests of Baywater's 72 camper shareholders. This position and/or the President will conduct membership approvals for potential new shareholders and this position provides oversight on park finances for Baywater Inc. as a signatory on cheques, banking, and all legal documents etc.

Baywater Campsite Committee (BCC)

The elected four (4) Campsite Representatives and (1) Rental Representative are members of the Baywater Campsite Committee ("BCC"). The focus of the Campsite Representatives will be to serve as a liaison and connection between the camper shareholders (cooperative members) and the Baywater Executive. They will bring forward the campers' voice to discussions of the CSH Board. The BCC reviews shareholder requests for campsite changes which must be requested ahead of work being undertaken as per the rules and regulations. The requests received are for site improvements or alterations such as building sheds, decks, fencing, planting hedges, adding gravel to a site, pouring a cement patio, having any tree work done, doing anything electrical, moving in a RV, or add landscaping features. In addition, shareholder complaints will also come to this committee to investigate and provide options for resolution. The role of this committee is to recommend approval or denial of a request with rationale to the Executive. The final response to the camper shareholder request will be issued by the Baywater Executive Committee. In short, any site alteration, renovation, or improvement requires the approval of the BCC.

The focus of the Rental Representative is to monitor and manage the Rental Program for the shareholders of the park. In this role, He or She will work closely with the BEC, reviews and recommends rental applications for campsites in accordance with the Baywater Rental Program. Should shareholder complaints about a renter be lodged, the Rental Rep. will strive to resolve all issues. A rental database is maintained and reported periodically to the Treasurer and/or CSH Board. The Rental Rep. monitors the rental generic email and keeps rental documentation/forms updated. For RVs coming into the park under the Rental Program, the Rental Rep. works closely with the President and Director to review; approve the RV; confirm it has the required insurance coverage; and is situated correctly on the site.

RELATED KNOWLEDGE, SKILLS, AND ABILITIES:

Baywater Executive Committee and CSH Board members need to have good organizational and interpersonal skills. Each member will be working closely with various people and different personalities, so he/she needs to be a team player that has good leadership skills and is open, approachable, and fair. Being able to multitask, prioritize and have basic computer skills would be considered an asset.

ETHICAL OBLIGATIONS OF ELECTED EXECUTIVE AND BOARD COMMITTEES

Elected Members must conduct themselves to a standard of ethical behaviour that will serve the Cooperative in providing actions and decisions that always reflect the best interest of Baywater Estates as a whole and its member/shareholders as individuals. The following ethical obligations are to serve as a Code of Conduct for Executive and Board Committees.

Elected officers are to ensure that his or her conduct always reflects well on the BEC or CSH Board as well as Baywater Cooperative, always acting in a manner consistent with the Baywater Disclosure Agreement and the Baywater's Rules & Regulations.

- To support members of the Executive and Board in furthering goals for the park.
- To support and follow the processes leading to all governance decisions, maintaining the integrity and confidentiality of such processes throughout his or her term and beyond.
- To lead by example, fostering a positive environment of support, and respect for the contributions of fellow table officers.
- To declare promptly all conflicts of interest to the BEC/CSH Board Chair.
- To keep strictly confidential all matters discussed *in camera*.
- To monitor incoming Executive member correspondence/communications between meetings and to respond as appropriate and in a timely manner.
- All discussion and dialogue at BEC or CSH Board meetings, correspondence, email, and related communication should be considered privileged information and therefore remain the privy of the Executive and/or Board.

C. SUB COMMITTEES REPORTING TO THE EXECUTIVE

GENERAL

The Executive Committee will have various Ad Hoc Committees ("working committees") comprised of volunteers to support ongoing operations for the park. At least once a year a general call for volunteers will be issued to all Shareholders. This allows for shareholders to have input and provide insight into the operations of the resort working on a part time basis. Each Ad Hoc Committee will be chaired by an Executive Committee (BEC) member.

SPECIFIC SUB COMMITTEE GOALS

Hydro Meter Reading

This volunteer(s) will work with the Treasurer to read meters, track usage, and distribute Hydro bills to Shareholder including answering questions about them.

Communications

This committee will assist the Executive to update Shareholders on governance matters and/or operational developments on a timely basis. This may take the form of a newsletter or other electronic means.

Social /Community Building

The group of volunteers will work with the chair to organize events (potlucks, socials, music events, communal fires, etc.) at Baywater that will provide opportunities for shareholders to come together, socially interact and build a positive sense of community.

Park Maintenance

This Committee provides shareholders an opportunity to assist in the upkeep of the park. In discussion with the Executive, required maintenance tasks will be prioritized ranging from grounds keeping to various minor structural or cosmetic repairs.

Park Health & Safety

This Committee comprised of the President, Vice President and Director will work with other volunteers to ensure health and safety concerns in the park are addressed in a timely manner.

Post Exit Documentation/Transition

This committee co-chaired by the President and Director will work to move the park out of the developer's control ensuring that governance, share sale(s) and share registry, and cooperative documentation are properly prepared. This will provide the necessary support and framework for the park to become self-managed and under the control of the 72 camper shareholders.

D. APPENDICES

D1 - SHAREHOLDER DELEGATION - PRESENTATION & PROCESS

All Delegations requesting permission to appear before the Baywater Camper Shareholder (CSH) Board are required to submit a written request including the presentation topic, summary and the specific action being requested of the Board using this Delegation Request Form. Baywater CSH Board meetings are held every second month. Meetings take place the 3rd Sunday at 10am of the month.

Deadlines: Delegation requests and all correspondence must be submitted by **noon, the Wednesday before the meeting date.**

Number of Delegations: Only **two (2)** delegations will be heard per meeting, with a maximum time of 10 minutes each including time for questions/answers from the Board. Delegations are scheduled on a first come, first served basis. If a delegation presentation time is no longer available, the Board will try their best to accommodate the presentation on the next available agenda. Delegations are heard at the beginning of Board meetings immediately following approval of the meeting agenda and minutes.

Audio/ Visual Presenters: If you would like to conduct a power point presentation, you will be required to email a copy of your presentation at least one day prior to the meeting to baywaterstates2@gmail.com. For in person meetings - Presenter(s) will be required to provide 10 copies of their presentation (one for each board member). For zoom meetings, you will be required to share your screen during the Zoom meeting to conduct your power point presentation.

Delegation Confirmation – The meeting Chair will confirm your Delegation Request by 4:30 pm the Wednesday prior to the meeting. For Zoom meetings, you will be provided a Zoom meeting invite and instructions on how to participate and share your screen if you have a power point presentation.

D2 – BAYWATER CAMPSITE COMMITTEE GUIDELINES (April 2024)

The elected four (4) Campsite Representatives and one (1) Rental Representative are members of Baywater Campsite Committee (BCC).

The focus of the Campsite Representatives will be to serve as a liaison and connection between the camper shareholders (cooperative members) and the Baywater Executive. They will bring forward the campers' voice to discussions of the CSH Board. The BCC reviews shareholder requests for campsite changes which must be requested ahead of work being undertaken as per the rules and regulations. The requests received are for site improvements or alterations such as building sheds, decks, fencing, planting hedges, adding gravel to a site, pouring a cement patio, having any tree work done, doing anything electrical, moving in a new RV, or adding landscaping features. In addition, shareholder complaints will also come to this committee to investigate and provide options for resolution. The role of this committee is to recommend approval or denial of a request with rationale to the Executive. The final response to the camper shareholder request will be issued by the Baywater Executive Committee. In short, any site alteration, renovation, or improvement requires the approval of the BCC.

SHEDS

All sheds must follow these specifications.

Shed exteriors must be cedar or Hardie Plank. If using Hardie Plank the colour must be a natural, brown, or neutral shade. Shed roofing must be either cedar shakes, asphalt shingles, or metal. If using asphalt shingles colour must be brown or black, if using metal roofing the colour must be brown or black.

Sheds constructed in Phase 1 (waterside) are to be no larger than 6 feet X 6 feet with 7 feet maximum height. The roof pitch must be 4/12.

Sheds constructed in Phase 2 & 3 (forest side) must be no larger than 8 feet X 8 feet with 7 feet maximum height. The roof pitch must be 4/12.

All shed constructions must have a diagram attached showing the location of the shed on the Campsite.

DECKS

All decks must be constructed on the Shareholders site and cannot be placed on another site owner's property.

All decks must have a diagram attached showing the location of the deck.

Decks can be constructed of any type of wood or a composite vinyl product.

HEDGES

No approval is required if Hedge is replacing an existing hedge.

New Hedges must have a diagram showing where the hedge will be situated.

Hedges must include the type of hedge that will be planted and maintained at a height specified in the Rules and Regulations unless agreement is made between neighbours. For hedges in sites 1 to 13, hedges must be maintained at 4' height to maintain water views from roadway and other waterside sites.

FENCING

No fencing will be allowed between sites.

Fencing over 4' will be only allowed by exception and will require a variance approved by the Executive.

BARRIERS/DECORATIVE FENCES

All requests must be accompanied by a diagram of where the barrier will be constructed.

All fencing requests must adhere to a height restriction which is a maximum of 4'.

Fencing must be constructed of cedar.

PATIOS

All requests for pouring a cement patio must include a diagram showing size and location of cement patio. This is also required for patios being constructed of pavers.

All patio's must be on your site completely and cannot be placed partially on another Shareholders site and must not be placed on the Foreshore lease common property.

TREE WORK

All requests for tree maintenance work (cutting low hanging branches, spiral pruning, or removal of a tree) on your site must receive approval before work is started.

If a tree is approved for removal, a replacement tree must be planted. Removal of trees on the waterside will require a permit from the Regional District of Nanaimo.

ELECTRICAL WORK

All requests for Electrical Work must be approved before work commences and must be done by our Electrical Contractor who at this time is Oceanside Electrical. No Shareholder must do their electrical work themselves.

NEW RV'S

All new RV's coming into Baywater must be approved prior to arriving on site. All RVs are limited to a length of 38 feet except in sites 49 to 72. We realize some sites can handle a larger RV than 38 feet. If you wish to put a larger RV on your site, you must obtain a Variance (discussed below). All variances must receive approval from the Baywater Executive and meet the 400 square foot maximum size set by the Regional District of Nanaimo.

GRAVEL

If you wish to apply to gravel your whole site, you must receive approval to do this. If you are just adding new gravel to existing gravel, you do not need approval to do this work. Take into account that our desire is to promote a green park as per our Rules and Regulations.

LAWN REQUESTS

New lawns do not require approval. Artificial Turf does require approval. A diagram must be submitted showing where the Artificial Turf is going to be laid.

VARIANCE REQUESTS

A Variance is required for any work that is outside of what is allowed for in the current Rules and Regulations. A variance is only granted by the Baywater Executive and not the BCC. For example – You want to purchase a 40-foot RV, but only 38-foot RVs are allowed, then you would need a variance for your site to allow this.

The process for a variance is as follows:

1. Request for site improvement or new RV is sent to Campsite Committee (CC) as per standard practice.
2. Where the CC cannot approve the request, it is then sent to the Executive for consideration of a variance.
3. When considering a variance, the Executive will request feedback on the request from neighbouring/potentially affected shareholders for consideration by the Baywater Executive Committee.
4. Executive (President, VP and Director) will issue any approved variance in writing.