

**SPECIAL GENERAL MEETING MINUTES FOR  
STRATA CORPORATION KAS - 2662  
“PEMBERTON VALLEY LODGE”**

**HELD:** Thursday, March 31st, 2011

**LOCATION:** The Holiday Inn  
700 Old Lillooet Road, North Vancouver, BC

**PRESENT:** As Per the Registration Sheet, Evan Iveson & Rob Moore (WRM)

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**1.0** After certification of proxies and owners in attendance, a quorum was deemed present.

**2.0** The meeting was called to order at 7:10 pm.

**3.0** Carl Van Noort was elected Chairperson for the meeting. Rob Moore was asked to facilitate.

**4.0 Approval of the notice of meeting dated March 11<sup>th</sup>, 2011:** It was, moved, seconded, and carried to approve the notice of meeting.

**5.0 Special Resolution 01-11 - Ratification of the assignment of the Management Agreement**

There ensued a question and answer period regarding details of the termination of the management agreement with Bellstar and the creation of a new management model in cooperation with the Adara Hotel in Whistler. It was reported by the Chair and members of the Council that Bellstar had been charging the hotel significant unauthorized expenses and the Council has been pursuing Bellstar for the monies against these charges. The Chair reported that there was currently approximately \$10K in contested charges. It was noted that the two hotels working together would be better equipped to pursue Bellstar legally. It was noted that if it was necessary to go to court, the issues surrounding the termination of the Bellstar agreements with the properties would become “public domain” and would negatively impact the reputation of Bellstar. The Council members reiterated that the two properties working together would endeavour to pursue the unauthorized expenses in the most cost effective method possible.

Further discussions ensued regarding the new management model. The agent then read the resolution and it was moved, seconded, and carried to put the resolution to a vote. It was then moved, seconded, and ***unanimously carried*** to approve the resolution (resolution enclosed).

**6.0 Special Resolution 02-11 – Amendments to the PVL Hotel Management and Rental Pool Agreement**

The agent read the resolution and it was moved, seconded, and carried to put the resolution to a vote. It was then moved, seconded, and *carried* to approve the resolution **48 in favour, 7 opposed** (resolution enclosed).

There being no further business the meeting adjourned at 8:05 PM

**WHISTLER RESORT MANAGEMENT LTD 604 932 2972**

Rob Moore ext.232

Strata Property Agent

rob@wrm.bc.ca

**THE OWNERS, STRATA PLAN KAS2662**  
**("Strata Corporation")**  
**¾ VOTE RESOLUTION – RENTAL MANAGEMENT**  
**presented to the Special General Meeting on March 31, 2011**

WHEREAS:

- A. The Strata Corporation is party to a Hotel Management and Rental Pool Agreement dated March 1, 2009 ("**Management Agreement**") between the Strata Corporation, Bellstar Hotels & Resorts Ltd. ("**Bellstar**"), and the owners of the hotel strata lots ("**Owners**"), with an initial term of 20 years subject to renewal as set out in the Management Agreement, pursuant to which Bellstar provides rental management services to the Owners with respect to their strata lots;
- B. Pursuant to a letter agreement dated March 3, 2011 ("**Letter Agreement**"), Bellstar has agreed to assign the Management Agreement to a new corporate entity to be formed by the Strata Corporation ("**Management Corp**");
- C. Pursuant to Section 16.1 of the Management Agreement, Bellstar may assign its interest in that agreement only with the consent of the strata council, subject to consultation by the strata council with the Owners;
- D. Pursuant to Section 4.4 of the Management Agreement, that agreement may be amended with the approval of the owners by a Special Resolution pursuant to the agreement, being a resolution passed by at least 75% of the votes cast by eligible voters present in person or by proxy at a meeting convened pursuant to section 4.1 of the agreement;
- E. This Special General Meeting is a meeting properly convened pursuant to section 4.1 of the Management Agreement;
- F. The hotel strata lots are subject to a restrictive covenant registered in the Land Title Office under no. KW105515 ("**Restrictive Covenant**"), in favour of strata lot 8 ("**Lobby Strata Lot**"), which is owned by the Strata Corporation, pursuant to which the owners of the hotel strata lots may only be offered for rental to the public through a booking system operated by the owner or occupant from time to time of the Lobby Strata Lot

THE STRATA CORPORATION ADOPTS THE FOLLOWING RESOLUTIONS PURSUANT TO THE STRATA PROPERTY ACT:

1. Resolved as a ¾ vote resolution pursuant to section 128 of the Strata Property Act that the bylaws of the Strata Corporation are amended by addition of the following:

- “8.1 Without restricting the strata corporation’s legal capacity pursuant to the Strata Property Act, the strata corporation may cause a corporation to be formed for the purpose of providing hotel rental management services to the owners of one or more strata lots, and may hold and dispose of shares in such a corporation.”
2. Resolved as a  $\frac{3}{4}$  vote pursuant to section 82 of the Strata Property Act that the Strata Corporation incorporate the Management Corp as a share capital company for the purpose of providing hotel rental management services to the owners of one or more strata lots, and acquire and hold all issued shares of that company.
  3. Resolved that the Owners ratify the Letter Agreement, and direct the Strata Corporation pursuant to section 27 of the Strata Property Act:
    - (a) to cause the Management Corp to accept an assignment of the Management Agreement from Bellstar and to assume the obligations of Bellstar pursuant to that agreement; and
    - (b) as owner of the Lobby Strata Lot, to give the Management Corp possession of the Lobby Strata Lot and to require all owners to offer their units for rental to the public only through the Management Corp.

THE OWNERS ADOPT THE FOLLOWING RESOLUTIONS PURSUANT TO THE PVL MANAGEMENT AGREEMENT:

1. Resolved that the Owners ratify the assignment of the Management Agreement by Bellstar to the Management Corp and the assumption by the Management Corp of Bellstar’s obligations pursuant to the agreement, on terms to be negotiated and settled by the strata council.
2. Resolved that the Owners approve, by Special Resolution pursuant to the Management Agreement, the amendment of the Management Agreement as set out in Schedule “A”.

## **Schedule “A”**

### **Amendments to Pemberton Valley Lodge Hotel Management and Rental Pool Agreement**

1. The definition of “Hotel Expenses” in Section 1.1 is amended by deleting the phrase “the Management Fee and the Incentive Fee” in sub-paragraph (a) and replacing it with “any amount payable to one or more managers or agents engaged by the Manager to discharge any or all of its duties pursuant to this Agreement.”

2. Section 5.1, Operating Plan and Budget, is deleted and replaced with the following:

“5.1 On or before November 1 of each year, the Manager will prepare and deliver to a duly convened meeting of the Strata Council in accordance with this Agreement a preliminary Operating Plan and Budget for the following Operating Year and the Manager will review such preliminary Operating Plan and Budget with the Strata Council at such meeting. The Strata Council will, within a reasonable time, place the preliminary Operating Plan and Budget together with the comments of the Strata Council before a meeting of the Strata Corporation pursuant to Section 4.1 for approval by Majority Vote Resolution, whereupon it will be the Approved Operating Plan and Budget for the relevant Operating Year. If the preliminary Operating Plan and Budget is not approved by Majority Vote Resolution, the Manager must, within 30 days, prepare a new Operating Plan and Budget and submit it to the Strata Council to be placed before a further meeting of the Strata Corporation pursuant to Section 4.1 for approval by a Majority Vote Resolution. If the new Operating Year begins before an Operating Plan and Budget is approved for that Operating Year, the previous Approved Operating Plan and Budget will remain in effect for all purposes under this Agreement until a new Operating Plan and Budget is approved pursuant to this section. The Manager makes no assurances that actual performance of the Hotel will correspond to such estimates contained in the Approved Operating Plan and Budget. However, the Manager will use its best efforts to operate the Hotel within the Approved Operating Plan and Budget.”

3. Article VII, Management Fees, is deleted.

4. The following Section 16.2 is added to Article XVI, Assignment by Manager:

“16.2 Agents of Manager

The Manager may retain or appoint one or more agents to perform some or all of its duties and functions pursuant to this Agreement. If the Manager retains such agent or agents:

- (a) the Manager will remain liable for performance of its functions and duties pursuant to this Agreement;
- (b) the Manager will promptly notify the Strata Council of the duties and functions to be performed by such agent, and performance by the agent will satisfy the obligation of the Manager hereunder;
- (c) any fees paid to such agents will be Hotel Expenses fully charged to the Owners.”