

THE REAL ESTATE COUNCIL OF ALBERTA

Case: 009375  
Process: Section 39 & 83 of the *Real Estate Act*  
Industry Member: Keri Ann Roszko  
Authorization: Real Estate Broker  
Registration: Celtic Management Services Inc.  
Document: ADMINISTRATIVE PENALTY  
Penalty: \$1,500.00

**Payment**

This Penalty must be paid **within 30 days** of the date this Notice was issued.

**If you fail to pay the Penalty** the Executive Director may commence collection under Part 6 of the *Real Estate Act* and may suspend your authorization under section 38.1 of the Rules.

**If you pay the Penalty**

- You will have satisfied the Administrative Penalty and no further proceedings under Part 6 will be taken against you.
- You cannot be charged under the *Real Estate Act* with an offence for the contravention(s) in this Administrative Penalty.

**TO: Keri Ann Roszko**

The Executive Director of the Real Estate Council of Alberta (RECA) has determined there is sufficient evidence you have contravened **section 25(d) of the *Real Estate Act*** and this is conduct deserving of sanction.

Section 25 – *An Industry member who is required by the rules to keep and operate a trust account shall:*

*(d) disburse money received or held in trust in respect of a dealing or trade in the business of the industry member only in accordance with the rules and with the terms of the trust governing the use of that money.*

## Particulars of the contravention(s):

1. In or around June 2017, you failed to disburse money received in trust in accordance with the rules and with the terms of the trust governing the use of that money, contrary to section 25(d) of the *Real Estate Act*:
  - a) Your brokerage was holding funds in trust for a Condo Corporation and providing condominium management services. The aspect of holding funds in trust required a licence.
  - b) During May 2017, the Condo Corporation agreed to the brokerage managing a balcony replacement project on behalf of the Condo Corporation. That agreement stated that the brokerage would earn a 5% fee. The agreement stated that payments would be authorized only after approved by the Board upon satisfaction of the work performed by contractors.
  - c) May 2, 2017, a board meeting took place where express instructions were given that payment for any invoices associated with the balcony project must have board approval.
  - d) June 21, 2017, your brokerage paid a \$6,548.29 invoice associated with the balcony project. This invoice was payment to the brokerage. Your brokerage can provide no information showing board approval for this invoice. This was a failure to follow the terms of trust governing the trust funds.

The Executive Director considered the following aggravating and mitigating factors:

### *Aggravating Factors*

- You received an Advisory Note in May 2018 for failing to get board approval for an expense. Specific deterrence is required in this case to reinforce the importance of following the terms of trust governing trust funds.

### **Appeal**

You have the right to appeal this Administrative Penalty to a Hearing Panel. See **section 83.1 of the *Real Estate Act*** for what you must do to appeal.

In an appeal you will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel in relation to the contraventions alleged.

Your written notice of appeal must comply with section 83.1 and must be received by the Executive Director **within 30 days** of you receiving this Administrative Penalty.

If you appeal, payment of the Penalty will not be required until an order to pay a penalty is issued by the Hearing Panel.

If you have any questions regarding particulars or the appeal process, please contact:

Name: CS, Professional Conduct Review Officer  
Phone: 403.228.2954; Toll Free: 1.888.425.2754  
Fax: 403.228.3065  
Address: Real Estate Council of Alberta  
Suite 202, 1506 11 Avenue SW  
Calgary, Alberta, T3C 0M9

Issued at Calgary, Alberta, on February 24, 2020.

Charles Stevenson, Acting Executive Director  
of the Real Estate Council of Alberta