

2013 Revised



## **BY-LAW**

Approved by OREA Board of Directors: March 4-5, 2013

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# ARTICLE 1

## Definitions & General Corporate Matters

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### **ARTICLE 1 - SECTION 1 - Name**

**1.01** The name of the Corporation shall be the Sarnia-Lambton Real Estate Board.

### **SECTION 2 - Definitions and Interpretations**

**2.01** For purposes of this By-law, the term:

- (a) “Act means the Real Estate and Business Brokers Act 2002 and its regulations, and any successor legislation;
- (b) “Arbitration Act” means the Arbitration Act, 1991, SO 1991, c. 17, as amended, and any successor legislation;
- (c) “Board” means the Sarnia-Lambton Real Estate Board;
- (d) “Board of Directors” means the Board of Directors of the Sarnia-Lambton Real Estate Board, as further described in Section 1.02 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;
- (e) “Branch Office” means any office of a Member that is a Firm other than the main office, which is registered in accordance with the Act, and at which the business of trading in real estate is conducted;
- (f) “Brokerage” means a “broker” as defined in the Act;
- (g) “By-law” means this By-law, and any addition or amendment hereto as may be approved by the Board of Directors and confirmed in accordance with the provisions of Article 13 hereof, and includes any rule or regulation in force as approved by the Board of Directors from time to time, including rules and regulations governing the Multiple Listing Service® of the Board;
- (h) “CREA” means the Canadian Real Estate Association or any successor organization;
- (i) “Committee” means any Committee described in this By-law and includes any Committee established by the Directors;
- (j) “Corporations Act” means the Corporations Act, RSO 1990, c. C-38, as amended and any successor or replacement legislation;
- (k) “Employ” means to employ, appoint, authorize or otherwise arrange to have another person act on one’s behalf, including as an independent contractor and “employed”, “employs”, “employment”, “employer” and “employee” shall have such similar expanded definitions;

# ARTICLE 1

## Definitions & General Corporate Matters

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### **SECTION 2 - Definitions and Interpretations** (Continued)

**2.01** For purposes of this By-law, the term:

- (l) “Executive Officer” shall mean the chief staff person responsible for the general operation of the Board;
- (m) “Firm” shall mean a “brokerage” as defined under the Act;
- (n) “Member” shall mean a Salesperson, Broker or Firm granted membership pursuant to Article 2 and “Members” and “Membership” shall have a corresponding meaning.
- (o) “MLS®” means the Multiple Listing Service® operated by the Board under the MLS® trademark, which trademark is protected throughout Canada for the use of members of CREA in connection with services defined as listing to affect the purchase and sale of real estate;
- (p) “OREA” shall mean the Ontario Real Estate Association or any successor organization;
- (q) “OREA By-law” means the By-law, rules and regulations enacted by OREA, as same may be amended from time to time by OREA;
- (r) “Person” includes, where applicable, an individual, a partnership, a corporation, an organization, and a business; (Effective December 12, 2007)
- (s) “Principal Broker” means, at the choice of the Member that is a Firm:
  - (i) the person who is the broker of record of that Firm for the purposes of the Act, if the Firm’s broker of record under the Act is a Member of the Board; or
  - (ii) a Member who is a Broker who has been designated as the Principal Broker for the purpose of the relationship between Member that employs him and is a Firm and the Board, if that Firm’s broker of record under the Act is not a Member of the Board; or
  - (iii) a Member who is a Broker and has been designated as the Principal Broker for the purpose of the relationship between the Member that employs him and is a Firm and the Board, even if the Firm’s broker of record is a Member of the Board,and every Member that is a Firm shall advise the Board of whom it has designated as its Principal Broker and shall immediately advise the Board when that designation changes;
- (t) “REALTOR® Code” means the Code of Ethics and Standards of Business Practice of CREA, as may be amended from time to time;

# ARTICLE 1

## Definitions & General Corporate Matters

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### ARTICLE 1

#### **SECTION 2 - Definitions and Interpretations** (Continued)

- (u) “REBBA Code of Ethics” means, after March 31, 2006, the Code of Ethics for all registrants contained in the regulations to the Act, and any successor Code, all of which is sometimes also referred to as the RECO Code of Ethics. Before March 31, 2006, the RECO Code or REBBA Code means Code of Ethics for all registrants contained in the RECO by-laws;
- (v) “RECO” means the Real Estate Council of Ontario, or its successors, from time to time;
- (w) “Salesperson” means a “salesperson” as defined in the Act;
- (x) “trade” includes a disposition or acquisition of or transaction in real estate by sale, purchase, agreement for purchase and sale, exchange, option, lease, rental or otherwise and any offer or attempt to list real estate for the purpose of such a disposition, acquisition or transaction, and any act, advertisement, conduct or negotiation, directly or indirectly, in furtherance of any disposition, acquisition, transaction, offer or attempt, and the verb “trade” has a corresponding meaning; (Effective December 12, 2007)

#### **2.02** In this By-law, 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
- (d) “shall” is construed as imperative.

#### **2.03** Where there is any reference made in the By-law and any special resolutions of the Board, 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.

#### **2.04** Except where expressly provided, the division of this By-law into Articles, sections, and sub-sections 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 By-law.



# **ARTICLE 1**

## **Definitions & General Corporate Matters**

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### **ARTICLE 1**

#### **SECTION 3 - Purpose**

- 3.01** The purposes and objectives of this Board shall be those as set out in the Letters Patent of the Province of Ontario, incorporating the Board on the 15<sup>th</sup> day of August, 1967.
- 3.02** If there is any conflict between what is stated in the Preamble to this By-law, and the Letters Patent, the provisions of the Letters Patent shall govern.

#### **SECTION 4 - Jurisdictional Area**

- 4.01** The jurisdictional area of the Board shall be as described as the entire County of Lambton in the Province of Ontario.

#### **SECTION 5 - Head Office**

- 5.01** The Head Office of the Board shall be located at 555 Exmouth Street, in the City of Sarnia, Province of Ontario.

#### **SECTION 6 - Seal**

- 6.01** The seal, an impression of which is stamped hereunder, shall be the Corporate Seal of the Board.

#### **SECTION 7 - Fiscal Year**

- 7.01** The first fiscal period of the Board shall end on the 31<sup>st</sup> day of December, 1967, and after that, the fiscal year of the Board shall end on the 31<sup>st</sup> day of December in each year or on such other date as the Directors may by resolution determine.

#### **SECTION 8 - Dissolution of the Board**

- 8.01** If the Board is dissolved, then after paying all debts and liabilities of the Board, any remaining assets shall be given to such charitable organization or other organization whose objects are beneficial to the community, as may be allowed in accordance with the Corporations Act.

## **ARTICLE 2**

### **Membership**

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#### **ARTICLE 2 - MEMBERSHIP**

##### **SECTION 1 - Membership**

1.01 There shall be one class of membership in the Board.

##### **SECTION 2 - Membership Conditions**

2.01 Any person, sole proprietor, partnership, corporation, or any other entity which is registered as a salesperson, broker or brokerage under the Act may become a Member provided that:

- (a) The applicant agrees in writing to adopt and abide by the By-law of the Board, the REALTOR<sup>®</sup> Code and the REBBA Code;
- (b) The Principal Broker of an applicant which is a Firm shall have successfully completed all the educational courses as prescribed;
- (c) The applicant shall have successfully completed all educational courses as prescribed if he or she is a Broker or Salesperson;
- (d) The applicant, if a Broker or Salesperson, shall be endorsed by a Firm that is both a Member of the Board and the employer of the applicant;
- (e) The applicant, if a Broker or Salesperson, shall be employed by a Member that is a Firm to trade in real estate on its behalf;
- (f) The applicant shall apply in writing on the approved form and the form shall be accompanied by the appropriate fee; and
- (g) There are no amounts owing to the Board as described in Article 4, section 3.07.

2.02 It is a condition of admission to Membership of an applicant which is a Firm registered under the Act, and a condition of the continued Membership of a Firm as a Member in the Board, that:

- (a) it does not employ any Salesperson or Broker registered under the Act to trade in real estate on its behalf and who is working within the jurisdictional area of the Board, unless that Salesperson or Broker is a Member in good standing of the Board;
- (b) it shall not cause any Salesperson or Broker referred to in Sub-section (a) above to be shown as an employee of the Member for the purpose of allowing that Salesperson or Broker to maintain registration in accordance with the Act, unless that employee is a Member in good standing of the Board; and
- (c) if it has a Branch Office outside the jurisdictional area of the Board, and if that Branch Office is a Member of the Board, or if any Broker or Salesperson

## **ARTICLE 2**

### **Membership**

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registered under the Act who is working out of that Branch Office is a Member of this Board, then all Brokers or Salespersons registered under the Act who work out of that Branch Office shall be required to become Members of this Board.

In addition to all of the above-noted sub-sections being conditions of admission as a Member and conditions of continued membership of a Member, noncompliance with any of the above-noted conditions is a breach of this By-law.

#### **SECTION 3 - Application Approval Process**

3.01 Applications for Membership by a Firm which is registered under the Act shall be dealt with as follows:

(a) The application shall be reviewed and processed by the Membership Committee who shall report thereon to the Directors. If the application is complete in all aspects, and if the appropriate registration under the Act is confirmed and all the conditions in Sections 2.01 and 2.02 are met, the application may be temporarily approved by the Membership Committee. Such temporary approval shall only allow the applicant access to the Board's MLS® services and shall not be deemed to include any other Membership privileges;

(b) The Board of Directors shall consider the report of the Membership Committee, which report shall include:

- (i) the application, which in accordance with paragraph (a) shall be complete in all aspects; and
- (ii) the temporary approval, if temporary approval was granted in accordance with paragraph (a),

and shall grant Membership to the applicant, unless any condition for approval has not been met; and

(c) If the Membership is denied, reasons are to be provided to the applicant.

3.02 Applications for Membership by either a Broker or Salesperson registered under the Act shall be dealt with as follows:

(a) The application shall be reviewed and processed by the Executive Officer who shall report thereon to the Directors. If the application is complete in all aspects and if the appropriate registration under the Act is confirmed and all the applicable conditions in section 2.01 or 3.01 are met, the application may be temporarily approved by the Executive Officer. Such temporary approval shall only allow the applicant access to the Board's MLS® services and shall not be deemed to include any other Membership privileges; and

## **ARTICLE 2**

### **Membership**

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- (b) For each application for Membership by a Broker or Salesperson registered under the Act, the Board of Directors shall consider the report of the Executive Officer, which report shall include:
- (i) the application, which, in accordance with paragraph (a) shall be complete in all aspects; and
  - (ii) the temporary approval, if temporary approval was granted in accordance with paragraph (a),

and shall grant Membership to the applicant unless any condition for approval has not been met.

#### **SECTION 4 - Effect of Refusal of Membership**

- 4.01 Where the Board of Directors does not approve the application of an individual for Membership, and the Board has so notified the Member which employs the non-approved applicant, the Member that is the Firm that employs the non-approved applicant, if it has already registered such non-approved applicant as an employee in accordance with the provisions of the Act, shall be in breach of this By-law if such employment is not terminated immediately, upon receipt of such notice. In the event of membership refusal or termination, the Board of Directors must specify reasons for such refusal or termination.

#### **SECTION 5 - Cancellation of Previous Memberships**

- 5.01 All memberships in the Board, which may have existed, including Affiliate Memberships and Honorary Memberships, are cancelled and cease to exist as of 12 December 2013 except that those who were Salesperson Members, Broker Members or Firm Members of the Board as of 11 December 2013.

#### **SECTION 6 - Members Generally**

- 6.01 All Members shall be deemed to have received and to have read the By-law of the Board, the REALTOR<sup>®</sup> Code and the REBBA Code, and have agreed to abide by them. Any breach of the By-law of the Board or the REALTOR<sup>®</sup> Code by any Member may be dealt with by the PSC Sub-committee, Professional Standards Committee and the Discipline Committee as provided for in this By-law, including forwarding the matter to RECO, as provided for in this By-law.
- 6.02 Should a Member resign during an Arbitration Hearing proceeding provided for in Article 8, and as a result of that resignation, such proceeding cannot continue since that person is no longer a Member, the Arbitration Committee of the Board may keep open the file on such proceeding and such proceeding may be restarted or continued, as appropriate, if and when such person again becomes a Member of the Board.

## **ARTICLE 2**

### **Membership**

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- 6.03 By this section, the Board draws to the attention of any past Members who wish to reapply as Members, the provisions of Article 4, Section 3.07 and the additional pre-conditions to approval of membership contained therein.

#### **SECTION 7 - Membership Disputes**

7.01 Any dispute between a Member and the Board which relates to:

- (a) the validity of any rule or regulation established by the Board or any of its Committees, save and except any rule or regulation relating to the Board's Multiple Listing Service<sup>®</sup> which is substantially similar to the model rules and regulations for Multiple Listing Services<sup>®</sup> recommended by OREA for use by this Board and all other local real estate boards in Ontario;
- (b) the validity of any section of this By-law which is not substantially similar to the equivalent section in the model board by-law recommended by OREA for use by this Board and all other local real estate boards in Ontario,

shall be submitted to the Chief Executive Officer of OREA in accordance with the OREA By-law before the Member or the Board may ask a Court to enforce the rule, regulation or section of this By-law and it is agreed by all Members and the Board that there will not exist any valid basis for such Court action until either or both have complied with the appropriate provisions of this By-law and OREA's By-law.

- 7.02 Where a dispute described in Sub-sections 7.01(a) and 7.01(b) is submitted to OREA, such submission shall be received by the Chief Executive Officer of OREA not later than thirty (30) days following the effective date of the rule, regulation or Section of this By-law which is the subject matter of this dispute, together with a filing fee of Seven Hundred and Fifty (\$750.00) Dollars, or such other amount as may be established from time to time by the Board of Directors of OREA, in cash or by certified cheque or money order payable to OREA. OREA shall not have jurisdiction to deal with the submission unless it is made within the thirty (30) days.

# ARTICLE 3

## Membership Matters

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### **ARTICLE 2 - MEMBERSHIP MATTERS**

#### **SECTION 1 - Obligations of Partnerships and Corporations**

- 1.01 Where a Member of the Board that is a Firm is a partnership, every partner registered under the Act and trading in real estate within the Board's jurisdictional area shall be a Member.
- 1.02 Where a Member that is a Firm is a corporation, each of its Principal Brokers and directors registered under the Act and trading in real estate within the Board's jurisdictional area shall become a Member. .
- 1.03 Partnerships and corporations, upon making application for admission as Members, shall immediately notify the Board of the names and addresses of its partners, officers, directors and shareholders, as the case may be. Such partnerships and corporations shall also, upon making application as Members, immediately notify the Board of the name and address of the person(s) designated as the Principal Broker who is responsible for the Member's activities and whom the Board may contact as that Member's representative in relation to the Board.
- 1.04 The provisions of Sections 1.02 and 1.03 shall not apply to a Member which is a Firm that is registered in the Loan Corporations Register or the Trust Corporations Register under the *Loan and Trust Corporations Act*.

#### **SECTION 2 - Change of Ownership or Control**

- 2.01 Each Member that is a Firm shall immediately notify the Executive Officer, in writing, of:
  - (a) any change in ownership, if it is a sole-proprietor;
  - (b) any change in partners, or any change in the ownership interests of any of the partners, if it is a partnership;
  - (c) any change in its officers or directors, if it is a corporation;
  - (d) any change in the number of shares held by any shareholder or the addition or deletion of any shareholder, if it is a corporation; or
  - (e) any change in the Principal Broker(s).
- 2.02 In addition to the requirements in Section 2.01 above, every Member that is a Firm shall report in writing to the Executive Officer any of the following, within thirty (30) days from the date of its registration or the registration of such changes under the Act:
  - (a) if the Member is a corporation, the names and addresses of its officers and directors, the number of shares held by any shareholder of the Member and any change of any of the addresses;

## **ARTICLE 3**

### **Membership Matters**

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- (b) if the Member is a partnership, the names and addresses of the partners, and any change of any of the addresses, and if any partner is a corporation, the information required by Sub-section (a) above;
  - (c) upon a Member who is a Broker or Salesperson being registered or ceasing to be registered with the Member that is a Firm;
  - (d) upon a Member who is a Salesperson employed by a Member that is a Firm becoming a Broker registered with the Member that is a Firm, and vice-versa; or
  - (e) the names and addresses of all Principal Brokers and all branch managers designated pursuant to the Act and any changes thereto.
- 2.03 The provisions of Sub-sections 2.01(c) and (d) and Sub-section 2.02(a) of this Article shall not apply to a Member that is a Firm which is registered in the Loan Corporations Register or the Trust Corporations Register under the *Loan and Trust Corporations Act*.
- 2.04 In the event of any such change as described in Section 2.01 of this Article, the membership of the Member that is a Firm and of all Members employed by it may, by resolution of the Board of Directors, be deemed terminated, provided that should the Directors so decide, the individuals affected may re-apply for membership. In the event of such termination, reasons are to be specified.
- 2.05 Where an applicant is re-applying for membership because his membership was terminated under the provisions of Section 2.04 above, the Directors may, at their sole discretion, reduce the amount of the application fee to be paid as prescribed in Section 1.01 of Article 4 of this By-law.

#### **SECTION 3 - Furthering the Objects of the Board**

- 3.01 All Members shall use their best efforts in furthering the objects of the Board and in the enforcement of the By-law of the Board.

#### **SECTION 4 - Termination of Membership**

- 4.01 Membership in the Board is non-transferable.
- 4.02 Membership ceases to exist:
- (a) upon the death of an individual Member;
  - (b) upon the dissolution, bankruptcy or insolvency of a Member that is a Firm;
  - (c) upon the suspension or termination of the Member's registration under the Act;
  - (d) upon the Executive Officer receiving written notification of the Member's resignation, which shall be effective when the Executive Officer receives it; or

## **ARTICLE 3**

### **Membership Matters**

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- (e) upon the occurrence of some other event in accordance with this By-law, including, but not limited to the provisions of Section 2 above; the provisions of Article 2; the provisions of Article 4; the provisions of Article 8; and the provisions of Article 9.
  
- 4.03 Where a Member resigns, or his membership is terminated, he shall immediately return to the Executive Officer all membership cards or certificates or other documents relating to his membership and such Member immediately loses all rights of membership including, but not limited to voting rights. Termination, resignation or suspension of membership for whatever reason shall not relieve a Member from any of his/its monetary or other obligations arising before the effective date of termination, suspension or resignation of membership.
  
- 4.04 Any Member resigning on or after the 31st day of January shall be responsible for the annual fee for that calendar year, as is applicable to his category of membership or such portion of it as the Directors may determine.
  
- 4.05 Where membership of any Member that is a Firm has been terminated under any of the provisions of Section 4.02 of this Article any individual Member may apply to the Directors who may, at their sole discretion, waive the provision of Section 4.01 above and permit the affected individual Member to transfer membership to another Member that is a Firm, and who may, at their sole discretion, waive all or a portion of the fees or dues payable to reapply for membership.



## **ARTICLE 4**

### **Dues & Fees**

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#### **ARTICLE 3 - DUES & FEES**

##### **SECTION 1 - Payment of Fees and Dues**

- 1.01 Members and applicants for membership shall pay the following fees and dues, which fees and dues will be due and payable as and when prescribed herein:

Special assessments are subject to ratification by the Voting Representatives. Dues and fees shall be those amounts determined by resolution of the Board of Directors from time to time and shall include:

- application fees
- annual dues
- monthly service fees
- late listing fee
- special service fees

- 1.02 Annual Fees shall be for the calendar year January 1 to December 31 and shall be paid to the Board, in the case of new Members, upon admission as Members of the Board, and in the case of all other Members, before January 31 of each year.(Subject to Board Policy).

- 1.03 Except as otherwise stated in this Article, all amounts payable by Members are due on the date set out in the invoice.

- 1.04 In addition to the payment of fees and dues above-noted, all Members, shall pay to the Board and the Board shall collect from the Members and remit to OREA and CREA respectively, the annual OREA and CREA dues in the amounts as prescribed by OREA and CREA from time to time.

- 1.05 The Directors may, on an unanimous decision only, waive the fees and dues otherwise payable by any Member to the Board provided:

- (a) the Member remains an Member of the Board;
- (b) the waiver does not affect the obligation of the Member to pay all required OREA and CREA dues, which may by resolution of the Board of Directors be paid by the Board on behalf of the Member.

##### **SECTION 2 - Special Provisions Dealing with Application Fees and Annual Fees**

- 2.01 Where an applicant is re-applying for membership because his membership was terminated under the provisions of Section 4 or Section 2.04 of Article 3 of this By-law, then the Directors may waive or reduce the amount of the application fee to the extent the Board of Directors, in its sole discretion, considers proper.

## **ARTICLE 4**

### **Dues & Fees**

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- 2.02 An applicant whose membership application is approved before September 1 in any year shall pay, in addition to the application fee and other required amounts, the full amount of the annual fee applicable to that category of membership. An applicant who becomes a member after September 1 in any year shall pay, in addition to the application fee and other required amounts, only one-half of the annual fee.

#### **SECTION 3 - Non-Payment of Amounts Owed to the Board**

- 3.01 If a Member owes money to the Board for any reason whatsoever, and does not pay the amount when due (for the purposes of this Article, such Member hereinafter called the “Defaulting Member”), the Executive Officer, provided that the President agrees, may send that Defaulting Member a letter by registered mail or personal delivery (or by courier), requiring that the money be paid to the Board by the date stipulated in the letter, and advising that if it is not paid by such date the Defaulting Member shall lose all membership privileges and his membership in the Board shall be terminated.
- 3.02 (a) If the required action is not taken or payment made by the date provided for in Section 3.01 above, the Executive Officer shall send, by registered mail or personal delivery (or by courier), a second letter to the Defaulting Member setting out therein that the Defaulting Member’s membership shall be terminated unless, within ten (10) days of receipt of such second letter, the Defaulting Member delivers to the Discipline Committee, care of the Executive Officer, a notice disputing the amount claimed to be owing by the Defaulting Member to the Board together with a cheque or cash representing the amount claimed to be owing to the Board. If no such notice of dispute plus amount owing is delivered, the termination of the Defaulting Member’s membership shall come into effect upon expiry of such tenth day.
- (b) If the Defaulting Member is a Firm, and if the amount owed is not paid within two (2) days of receipt by the Defaulting Member of the letter described in Sub-section 3.02 (a) above, the Executive Officer may, if so directed by the President, send a copy of such letter to all Members shown in the records of the Board to be employed by (the “Affected Members”) the Defaulting Member. The provisions of this Sub-section (b) and the sending of copies of the such second letter to those Affected Members is for information purposes only and does not in any way change the provisions or the effect of any other section of this Article 4, including, but not limited to Sections 4.01 and 4.02.
- 3.03 Where a Member delivers a notice of dispute and the amount owing, as provided for in Sub-section 3.02(a), the dispute shall be heard by a Discipline Hearing Panel made up of members of the Discipline Committee, following the procedures set out in Article 9 of this By-law, save and except that the right to Appeal (as defined in Article 9) shall not apply to such a dispute.
- 3.04 The Discipline Hearing Panel shall not have authority to deal with a dispute by a Defaulting Member as provided for in this Section 3, unless the Defaulting Member has first complied with the payment requirements as set out in the second letter described in

## **ARTICLE 4**

### **Dues & Fees**

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Section 3.02, provided that if the Defaulting Member is successful in his dispute any amount paid to the Board which was found not to be owing, shall be returned to him.

- 3.05 In such a dispute, the onus shall be on the Defaulting Member to prove that such amount was not owing to the Board.
- 3.06 The Discipline Hearing Panel shall have the right to dismiss the dispute or find in favour of the Defaulting Member and apply such penalties as are prescribed in Article 9.
- 3.07 (a) If a Defaulting Member is suspended or terminated for failure to pay to the Board any amount owing, or if any Member is terminated, suspended, or resigns from the Board, any amount owing by such Member or Defaulting Member shall remain a debt owing to the Board until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication to this Board to become a Member or upon applying to this Board, as a member of another real estate board, in order to access or obtain any of the Board's services (including MLS<sup>®</sup> data and MLS<sup>®</sup> services) pursuant to any service sharing/data sharing/interboard agreement that this Board has with any other real estate board, the applicant shall repay such debt as a condition precedent to such application for membership being approved by the Directors, or as a condition precedent to accessing or obtaining any of the Board's services (including MLS<sup>®</sup> data and MLS<sup>®</sup> services) pursuant to any service sharing/data sharing/interboard agreement that this Board has with any other real estate board.
- (b) If a Member which is a Firm is terminated or suspended, whether for failure to pay to the Board any amount owing or for any other reason, or if such Member resigns from the Board, any amount owing to the Board shall remain a debt owing to the Board until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication by the Firm whose membership was terminated, or by any sole proprietor, partner, Principal Broker, officer or director of such Firm to become a Member, or upon the Firm whose membership was terminated or any sole proprietor, partner, Principal Broker, officer or director of such Firm applying to this Board, as a member of another real estate board, in order to access or obtain any of the Board's services (including MLS<sup>®</sup> data and MLS<sup>®</sup> services) pursuant to any service sharing/data sharing/interboard agreement that this Board has with any other real estate board the applicant shall repay such debt as a condition precedent to such application for membership being approved by the Directors or as a condition precedent to accessing or obtaining any of the Board's services (including MLS<sup>®</sup> data and MLS<sup>®</sup> services) pursuant to any service sharing/data sharing/interboard agreement that this Board has with any other real estate board.

#### **SECTION 4 - Payment and Collection of Fees**

- 4.01 A Member which is a Firm shall pay to the Board, as they become due, all fees payable by its employees who are Members of the Board. This provision is not intended to

## **ARTICLE 4**

### **Dues & Fees**

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affect any contractual agreement between a Member that is a Firm and its employees, but is only intended to facilitate the collection, on behalf of the Board, of the fees payable to the Board. It shall be the sole responsibility of a Member that is a Firm to ensure the full amounts invoiced by the Board are paid to the Board by the date stipulated.

- 4.02 All Members of the Board who are, or become officers or directors of a Member that is a Firm, agree that they shall be personally responsible to the Board for any amounts owing by the Member they are officers or directors of, to the extent of the amounts incurred at the time they occupied such position(s).
- 4.03 Where a Member fails to pay such amounts as determined in Section 4.02, such failure may be dealt with in accordance with Section 3 of this Article.

# **ARTICLE 5**

## **Meetings & Voting**

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### **ARTICLE 5 - MEETINGS & VOTING**

#### **SECTION 1 - Voting Rights**

- 1.01 (a) Each Member shall be entitled to notice of all meetings of Members and to attend and vote at same, either in person or by proxy.
- (b) Responsibilities and duties of the Members shall include:
- (i) to act as the Annual, General and Special Meetings of the Board, meeting not less than annually;
  - (ii) to elect, in accordance with the provisions of this By-law, the Board of Directors;
  - (iii) to approve By-laws and to confirm Rules and Regulations as further described in this By-law;
  - (iv) to appoint auditors;
  - (v) such other matters as are within the ambit of the Members pursuant to the Corporations Act.
- 1.02 (a) Members shall be entitled to notice of all meetings of Members, addressed to them individually (although such notice may be sent care of the Member that is a Firm and the Member's employer) and to attend and vote at same. Each Member is entitled to one vote if present at the meeting either in person or by proxy.
- (b) Where a Member is not able to attend and vote at a meeting of Members, the Member may vote by proxy. Such proxy must be appointed by the Member, and need not be a Member.
- 1.03 (a) Except as provided for in this Section 1, no other person except as provided for in the Corporations Act shall be entitled to receive no notice of or vote at, either in person or by proxy, a meeting of Members. Only Members shall be entitled to notice of and to vote at any meeting of Members. Where, in this By-law or by the Corporations Act, any matter is required to be approved by members, this shall mean the Members using the meeting and voting procedures set out in this Article.
- (b) The Board of Directors, the Executive Officer or his designate, plus other Board staff as is necessary, the auditor and his representative(s), shall also be entitled to attend any meeting of Members.

#### **SECTION 2 - Voting and Proxies**

- 2.01 At every meeting, each Member present either in person or by proxy shall have one vote on a show of hands or on a vote using coloured cards. If a poll is taken, each such

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**Meetings & Voting**

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Member present either in person or by proxy shall have one vote. Such votes shall be exercised either by the Members or by the proxies on behalf of the Members.

2.02 A proxy shall be in writing, and it must be signed by the Member or someone authorized by him, under power of attorney, to sign the proxy on behalf of the Member.

2.03 An instrument appointing a proxy shall be in the following form:

<p><b>Sarnia-Lambton Real Estate Board</b></p> <p><b>PROXY FORM</b></p>
<p><b>THE UNDERSIGNED</b> _____ <b>HEREBY APPOINTS</b> _____ <b>or failing him</b> _____</p> <p><b>as the proxy of the undersigned to attend, act and vote on behalf of the undersigned Member at the meeting of Members of the _____ Real Estate Board ONLY to be held on the _____ day of _____, 20____, and at any adjournments thereof, in the same manner to the same extent and with the same power as the undersigned could do if the undersigned was personally present at the said meeting, or such adjournment or adjournments thereof, subject only to the following:</b></p> <p>_____ _____</p>
<p><b>[Members to insert any restrictions, limitations or instructions as to the manner in which the vote in respect of which this proxy is given is to be dealt with.]</b></p>
<p><b>THE UNDERSIGNED hereby revokes all proxies previously given.</b> <b>[Delete above sentence if not applicable.]</b></p>
<p><b>DATED the _____ day of _____, 20____.</b></p>
<p>_____ <b>SIGNATURE OF MEMBER</b></p>
<p><b>Please print Name and Address of Member:</b></p> <p>_____ _____ _____</p>

2.04 Unless revoked earlier, a proxy shall expire one year from the date it was granted. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed in the same manner as a proxy and deposited either with the Executive Officer at the Board offices at any time up to and including the last day

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### **Meetings & Voting**

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(excluding Saturdays, Sundays and holidays) preceding the date of the meeting, or any adjournment thereof, at which the proxy is to be used, or with the chair of such meeting on the day of the meeting, or any adjournment thereof, before such meeting (or adjourned meeting) is called to order.

- 2.05 The Directors may specify in the notice calling a meeting of Members, a time, not exceeding 48 hours (excluding Saturdays, Sundays and holidays) preceding the meeting, or any adjournment thereof, before which time proxies to be used at that meeting must be deposited with the Executive Officer at the offices of the Board, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Executive Officer at the offices of the Board or, where no such time is specified in such notice, it has been received by the Executive Officer at the offices of the Board, or by the chair of such meeting, or any adjournment thereof, before the meeting (or adjourned meeting) is called to order.
- 2.06 All notices of meetings of Members shall include reference to the provisions of Section of this Article and shall include a blank proxy form.

#### **SECTION 3 - Annual Meeting**

- 3.01 Subject to complying with the requirements of the Corporations Act, the annual meeting, as described in the Corporations Act shall be held at such time and at such place within the Province of Ontario as the Directors by resolution may determine.
- 3.02 At the annual meeting, the Directors shall present to the Members a report dealing with the affairs of the Board for the previous year, a financial and other statements of the Board as required by the Corporations Act, the auditor's report, and such other information as the Board of Directors may determine.
- 3.03 The Members shall, at the annual meeting, appoint an auditor who will hold office until the next annual meeting, and if no such appointment is made, the auditor in office shall continue in office until his successor is appointed.
- 3.04 The Directors shall determine the remuneration of the auditor.

#### **SECTION 4 - Notice Requirements**

- 4.01 Unless otherwise provided for in this By-law, a notice, in writing, setting out the time, place and date of any meeting, and which must include an indication of the general nature of the business to be dealt with at the meeting, shall be sent to each Member (which notice may be sent care of the Member that is a Firm and the Member's employer) at least ten (10) clear days (the ten (10) days do not include the date of mailing or the date of the meeting) prior to the date of the meeting as set out in the notice. The notice shall be sent to the last known address of the Member or the Member that is his employer as it is recorded in the records of the Board.

## **ARTICLE 5**

### **Meetings & Voting**

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- 4.02 With respect to any meeting of the Members, a notice shall be sent to the auditor at least ten (10) clear days prior to the day of the meeting (the ten (10) days do not include the date of mailing or the date of the meeting).
- 4.03 A meeting of Members may be held without notice being given, if all Members who are entitled to receive notice of the meeting have waived the notice requirement in writing.
- 4.04 The accidental omission to give notice of any meeting or the non-receipt of any notice by a Member(s) or by the auditor of the Board shall not invalidate any resolution passed or any proceedings taken at any meeting of Members.

#### **SECTION 5 - General Provisions relating to Meetings of Members**

- 5.01 Unless otherwise specifically provided for in this Article 5, the provisions of this Section 5 shall govern all meetings of Members.
- 5.02 Meetings of the Members may be held at any place in Ontario as the Directors may decide and as set out in the notice of the meeting.
- 5.03 That any matters dealing with the elimination of the established reserve fund or any matters dealing with the dissolution of the Board requires the approval of seventy five per cent (75%) of the total Board Membership. For all other matters, a quorum is established at twenty per cent (20%) of the total membership either in person or by proxy and that a decision on any other issue be put to a vote would pass on a simple majority. (Revised December 13, 2000)
- 5.04 At all meetings of members, the President shall be the Chair of the meeting, or in his absence the Vice President shall be the Chair.
- 5.05 If the President and the Vice President are absent, the Members present at the meeting either in person or by proxy may choose any other Director to act as Chair.
- 5.06 Where no Director is present or if all Directors present decline to act as Chair of the meeting, the Members present at the meeting either in person or by proxy may choose any Member present at the meeting to act as the Chair.
- 5.07 The provisions of Sections 5.04, 5.05 and 5.06 above are subject to Section 7.10 below.
- 5.08 If there is a quorum, the Chair of a meeting, may, with the agreement of a majority of the Members present at the meeting either in person or by proxy, declare the meeting adjourned. If there is no quorum, the Chair of a meeting may declare the meeting adjourned.

#### **SECTION 6 - Voting Procedure at Meetings**

- 6.01 Only those Members present either in person or by proxy shall be allowed to cast a ballot or vote by a show of hands (or by holding up different coloured cards to show approval or disapproval) at a meeting of the Members.



## **ARTICLE 5**

### **Meetings & Voting**

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- 6.02 Except as provided in Section 2.01 of Article 13; Section 7.14 below for the election of the Directors at meetings of Members held for such purpose; elsewhere in this By-law; and if required pursuant to the Corporations Act, all matters proposed for consideration and approval of the Members shall be decided by a majority of the votes cast by the Members present either in person or by proxy.
- 6.03 The Chair of the meeting shall be allowed to vote where there is a tie-vote and his vote is needed to break that tie, and such vote shall be in addition to the vote he may have as a Member at the meeting.
- 6.04 If at any meeting a ballot vote is demanded on the issue of electing a Chair of the meeting or on the issue of adjourning the meeting, that vote must be taken immediately.
- 6.05 If at any meeting a ballot vote is demanded on any other issue, including the election of Directors, the ballot vote shall be held in the manner and at a time during the meeting as the Chair shall direct, and the results of the ballot vote shall be deemed to be the decision of the meeting.
- 6.06 A demand for a ballot vote may be withdrawn by the person who made the demand.
- 6.07 Where after a show of hands or a holding up of differently coloured cards, a ballot vote is demanded, the Chair may refuse to conduct same if, in his opinion, it appears that such a procedure would not serve any useful purpose in reaching a clear decision on the resolution being voted on.

#### **SECTION 7 - The Election of Directors**

- 7.01 Each year the Board of Directors shall be elected by the Members in a General Meeting of Members or at the Annual Meeting of Members. Such meeting of the Members shall be at a place and time to be determined by a resolution of the Directors.
- 7.02 The individuals so elected shall automatically take office as soon as the Annual Meeting at which they are elected adjourns, or the Meeting which follows the General Meeting of Members at which they are elected adjourns, whichever the case shall be, and shall remain in office until their successors are elected or appointed.
- 7.03 At least sixty (60) days before the meeting of Members at which the election of the Directors is to be held the Directors shall by resolution appoint a Nomination Committee in accordance with the provisions of Article 7 of this By-law.
- 7.04 The Nomination Committee shall prepare a report containing recommended nominations for the office of President, Vice President and the positions of Director, provided however that the Committee shall not nominate more than one person for each office or position to be filled. The Nomination Committee shall obtain the consent of all those that it nominates. Any Members who are Salespersons and nominated shall have their nomination endorsed by the Principal Broker of the Member that is a Firm and his or her employer.

## **ARTICLE 5**

### **Meetings & Voting**

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- 7.05 The report of the Nomination Committee shall be in writing and forwarded to the Executive Officer not less than forty-five (45) days before the date of the meeting of Members at which the election of the Directors is to be held.
- 7.06 Notice of the meeting of Members at which the election of the Directors is to be held shall be sent to the Members who are at such time entitled to receive same, at least thirty (30) days prior to the date of such meeting.
- 7.07 The Executive Officer shall enclose, with the notice of the meeting of Members at which the election of the Directors is to be held, a copy of the report of the Nomination Committee.
- 7.08 Additional nominations for any position on the Board of Directors may be made by filing a written nomination for the Member so nominated, with the Executive Officer, endorsed by two (2) Members of the Board, together with the written consent of the Member so nominated. If the Member so nominated is a Salesperson, one of the two (2) endorsers must be the Principal Broker of the Member that is a Firm and the employer of the nominated Member. Such additional nomination must be filed with and received by the Executive Officer at least ten (10) days prior to the date of the meeting of Members at which the election of the Directors is to be held.
- 7.09 (a) If additional nominations are received in accordance with Section 7.08, then at least seven (7) days prior to the date of the meeting of Members at which the election of the Directors is to be held, the Executive Officer shall send all Members a copy of such additional nominations.
- (b) If no additional nominations are received in accordance with Section 7.08, the persons nominated in the report of the Nomination Committee to serve as Directors and officers of the Board shall automatically be acclaimed for such positions and the meeting of Members at which the election of the Directors is to be held may, upon resolution of the Board of Directors, be cancelled. At least seven (7) days prior to the date of the meeting of Members at which the election of the Directors is to be held, the Executive Officer shall send all Members notice of the acclamation and, if applicable, of the cancellation of the meeting of Members.
- 7.10 If additional nominations are received in accordance with Section 7.08 and the meeting of Members at which the election of the Directors is to be held is therefore to be held, the Chair of the election portion of the meeting of Members shall be the most Immediate Past President who is a Member in good standing of the Board and who is willing and able to serve as Chair of the election portion of the meeting. That person is also the Chair of the Nomination Committee as provided in Article 7, section 9.01.
- 7.11 A separate poll shall be taken for the office of President and Vice President.
- 7.12 Subsequent to the poll for the office of President and Vice President, an additional separate poll shall be taken for the election of the remaining Directors.

## **ARTICLE 5**

### **Meetings & Voting**

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- 7.13 Voting Members entitled to vote and present either in person or by their proxies shall mark the ballot for no more than the number of officers being elected, with respect to the poll referred to in Section 7.11, and for no more than the number of remaining positions of Director, with respect to the poll referred to in Section 7.12. (Revised December 13, 2000).
- 7.14 Notwithstanding Section 6.02 of this Article 5, where the number of candidates exceeds the number of available elective positions, the elected candidates shall be those receiving the greatest number of votes in descending order, up to the number of available elective positions in the poll, regardless of whether or not such candidates receive a majority of the votes cast.

#### **SECTION 8 - Other Meetings of Members**

- 8.01 Any other meetings of Members may be called by the Directors or on the written request of not less than one-tenth (1/10th) of the Members.

# **ARTICLE 6**

## **Board of Directors**

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### **ARTICLE 6 - BOARD OF DIRECTORS**

#### **SECTION 1 - Board of Directors**

- 1.01 The affairs of the Board shall be governed by the Board of Directors.
- 1.02 The Board of Directors shall be made up as follows:
- (a) the President,
  - (b) the Vice President,
  - (c) the Immediate Past President,
  - (d) six (6) other Directors.
- 1.03 Where the term Director is used herein, it shall mean to include the President, the Vice President and the Immediate Past President.
- 1.04 Where the Director who is to become the Immediate Past President at the conclusion of the next Annual Meeting is unwilling or unable to serve, then another Member may be elected as a Director at the Election Meeting, or the Board of Directors may appoint the most immediate and available Past President who is a Member of the Board and who is willing and able to serve, as a Director. Where the Immediate Past President is, during the course of his term, no longer willing or able to serve, then the provisions of Section 3.02 will apply except that the term “any Member who is qualified to fill the vacancy” in Section 3.02 shall, in this case, mean the most immediate and available Past President who is a Member of the Board and who is willing and able to serve.
- 1.05 Until it is changed in accordance with the requirements of the Corporations Act, there shall be nine (9) Directors, [a minimum of three (3) of whom must be broker members and a minimum of two (2) of whom must be salesperson members] of whom a majority present at the beginning and throughout a meeting shall constitute a quorum. The Directors may do all things as allowed in the By-law, as required by any resolution adopted at any duly constituted meeting of the Members or as may be allowed by the laws of this Province, and may do all things necessary to maintain the integrity of the Board even though such things are not specifically set out in this By-law.

#### **SECTION 2 - Qualifications of Directors**

- 2.01 Every Director must be an individual, a Member of the Board in good standing, be at least eighteen years of age, and completed the Articling Program.
- 2.02 (a) Not more than three Members employed by the same Firm or employed by a group of independent brokerages operating under one trade name (“Franchise Group”) may serve as Directors at the same time. However, if, during the course of his term in office, a Director becomes employed with a Firm or a Franchise Group which already has two or more employees sitting as Directors, the Board of

## **ARTICLE 6**

### **Board of Directors**

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Directors may, at its sole discretion permit such director to finish his term of office.

- (b) Sub-section (a) above shall not prevent more than three Members employed by the same Firm or same Franchise Group from running for election to the Board of Directors, provided that those candidate Members must agree before the election who will decline (or agree to a method to determine who will decline) to sit as a Director should more than two of the Members employed by the same Firm or same Franchise Group be elected, and provided that the 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.

#### **SECTION 3 - Vacancies on the Board of Directors**

3.01 Any member of the Board of Directors shall automatically be removed from office in the circumstances described in paragraphs (a), (b), (c) and (d) below and may, in the circumstances described in paragraphs (e), (f) and (g) below, be removed from office at any meeting of the Board of Directors by a notice of motion being filed with the Executive Officer at least ten (10) days in advance of such meeting and by a resolution being passed at that meeting of the Board of Directors, and a vacancy shall exist, in the following circumstances:

- (a) if he ceases to be a Member of the Board;
- (b) if he becomes bankrupt or insolvent;
- (c) if he becomes legally incompetent;
- (d) if he resigns from the Board of Directors, by notice in writing to the President or the Executive Officer;
- (e) if he has been convicted of any criminal offence involving moral turpitude;
- (f) if he is absent for three (3) consecutive meetings of the Board of Directors; or
- (g) if he refuses to take the oath of office, or for any other reason does not take the oath of office.

3.02 Subject to Sections 10.01 and 10.02, in the event a vacancy occurs on the Board of Directors for any reason, except where the vacancy exists because of an increase in the number of Directors, the Directors may at a regularly scheduled Directors meeting, provided there is a quorum present, appoint any Member who is qualified to fill the vacancy. Such an appointed Director shall be in office only for the length of the unexpired term of the Director who caused the vacancy.

## **ARTICLE 6**

### **Board of Directors**

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#### **SECTION 4 - Removal of Directors**

- 4.01 Provided that the meeting has been properly called and notice of such a resolution and meeting has properly been given in accordance with Article 5, the Members of the Board, may by resolution at a meeting duly called for that purpose, provided it is approved by at least two-thirds of the votes cast by the Members who are present in person or by proxy, remove any Director from office before the expiry of his term. At such a meeting, the Members may also, by simple majority of the votes cast by the Members present in person or by proxy, elect any qualified Member of the Board to fill the unexpired portion of the term of the Director who was removed.

#### **SECTION 5 - Remuneration of Directors**

- 5.01 No Director shall be paid for his services as a Director and no Director shall be allowed to profit directly or indirectly from his position as a Director, provided that he may be paid reasonable expenses that may be incurred in the performance of his duties as a Director.
- 5.02 Where a Director or officer of the Board is employed by the Board to perform some service for it, or where he is employed by or is an officer, director or shareholder of a firm employed by the Board to perform some service, the fact that he is a Director or officer of the Board shall not disentitle him or such a firm from being paid for the service.

#### **SECTION 6 - Executive Committee**

- 6.01 The Board of Directors may appoint an Executive Committee from among their number, which, if appointed, shall consist of the President, the immediate Past-President, Vice-President, the Finance Committee Chairperson and the Executive Officer (Ex Officio), whose duty is to report any recommendations and concerns to the Directors from time to time. (Revised December 13, 2000)

#### **SECTION 7 - Meetings of the Directors**

- 7.01 Meetings of the Directors and/or the Executive Committee if appointed, may be held anywhere in the Province of Ontario that the Directors approve. A meeting may be called by the President or the Vice President or any two (2) Directors, and the Executive Officer shall serve notice to all Directors of the time and place of the meeting. The Directors shall decide when and where they will hold their meetings provided that they shall meet at least five (5) times during their term of office.
- 7.02 Every Director is entitled to notice of every Directors meeting at least three (3) days before the date of the meeting. The three (3) day time limit may include the day of the meeting but not the day the notice is given. The notice may be sent in any manner described in Section 1 of Article 14 (in which case the deemed receipt provisions of that Section 1 will also apply) or may be telephoned to each Director. If the meeting is held without the formal notice being given, the Directors may in writing or by

## **ARTICLE 6**

### **Board of Directors**

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resolution waive the notice requirements. A Director not able to attend a meeting may consent in writing to the meeting being held without formal notice of the meeting.

- 7.03 A meeting of the Board of Directors may be held by such telephone, electronic (but not by e-mail), or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, provided that the Directors present at or participating in the meeting consent.
- 7.04 Where the first meeting of the Board of Directors is held immediately after the Election Meeting, no notice shall be necessary provided there is a quorum of the Directors present.
- 7.05 Except as otherwise required in this By-law, every question arising at a meeting of the Board of Directors shall be decided by a majority of votes cast by the Directors present at the meeting. The Chair is not entitled to vote unless there is a tie, in which case the Chair may vote to break the tie (please see Section 8 below for further discussion of the role of the President).
- 7.06 Any resolution signed by all the Directors is as valid and effective as if passed at a meeting of the Board of Directors duly called, constituted and held for that purpose.

#### **SECTION 8 - Officers of the Board**

- 8.01 When present, the President shall act as Chair of all meetings of the Board and of the Directors and shall, subject to the direction of the Directors, have general management of and provide direction for the general business affairs of the Board and shall act as spokesman for the Board. Save and except the Nomination Committee, members of which must be appointed by the Directors, the President may also appoint Committees and members to such committees subject to the Directors ratifying these appointments.
- 8.02 If for any reason the President is unable to carry out the functions and duties of his office the President-Elect shall assume all duties.

#### **SECTION 9 - Executive Officer**

- 9.01 The Executive Officer shall be responsible for the management and operation of the Board offices, subject to direction of the Directors. He shall keep a proper record of receipts and disbursements and these records shall be available for scrutiny by the Directors. He shall cause to be paid all accounts owing by the Board, subject to approval by the Directors, and shall prepare or cause to be prepared regular statements setting out the Board's financial position at such intervals and in such detail as the Directors may require. He shall be entitled to be present at all meetings of the Executive Committee and the Board of Directors and meetings of the Members, and shall be entitled to receive notice of all meetings. Immediately upon expiry of the fiscal year of the Board he shall ensure that all accounts and books for that fiscal year are audited by the Auditor who was appointed at the Annual Meeting and ensure the audited report is presented to the Directors. The Executive Officer shall be the Secretary-Treasurer of the Board.

## **ARTICLE 6**

### **Board of Directors**

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#### **SECTION 10 - Appointment of officers and Vacancies**

- 10.01 If the office of President becomes vacant, the Vice President shall be appointed President of the Board by resolution of the Directors for the remainder of the unexpired term of the office of President and shall continue to hold office as President, as of right, for a term of one year as is provided for in Section 1.03 of this Article 6.
- 10.02 If the office of Vice President becomes vacant, the Directors may by resolution appoint a Director who meets the qualifications set out in section 2.04 of this Article 6 as the Vice President for the remainder of the unexpired term of office of the Vice President. The provisions of section 1.03 of this Article 6 do not automatically apply to the person so appointed. The next meeting of Members at which the election of Directors is to be held would then include an election of a President (who would need to meet the requirements set out in section 2.04 of this Article 6) in addition to the election of a Vice President and other Directors, all in accordance with the election procedures as set out in Article 5.

#### **SECTION 11 - Banking**

- 11.01 The Directors shall determine by resolution in which banking institution the funds of the Board shall be deposited.
- 11.02 The Signing Officers of the Board shall be two of: the President, the Finance Committee Chairperson, the Executive Officer, or the Office Manager, subject to a limit for the Executive Officer and Office Manager jointly as established by resolution from time to time by the Board of Directors.

#### **SECTION 12 - Bonding**

- 12.01 The Executive Officer as well as such other staff as the Directors deem appropriate shall be bonded in an amount as the Directors may by resolution require, and any costs involved shall be borne by the Board.

#### **SECTION 13 - Indemnity**

- 13.01 Every person including each Director, who is required to undertake any liability on behalf of the Board, and their heirs, executors and administrators and estate and effects shall at all times be indemnified and saved harmless, out of the funds of the Board, from and against:
- (a) all costs, expenses and charges which such person sustains or incurs as a result of any legal action because of what he did or caused to be done in fulfilling the duties required of him; and
  - (b) all other costs, expenses or charges he may sustain or incur in relation to the fulfilment of his duties to the Board, except where these costs, expenses and charges are the result of his own willful neglect or default.



## **ARTICLE 6**

### **Board of Directors**

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#### **SECTION 14 - Execution of Contracts, Etc.**

- 14.01 Where the term “document” is used in this Section 14, it shall mean to include anything set out in writing that affects the Board in any manner and includes anything in writing pertaining to any property or securities owned by the Board and/or any financial or other obligations into which the Board has entered.
- 14.02 Any documents requiring the signature of the Board shall be signed by any two Signing Officers (as defined in Section 11.02), and once signed, the documents shall be binding on the Board. In addition to the appointed Signing Officers as provided for in Section 11.02, the Directors may by resolution appoint any other person to sign documents on behalf of the Board, and such signing shall also be binding on the Board.
- 14.03 Where necessary, the Corporate Seal may be placed on any document by a person authorized to sign same on behalf of the Board.

#### **SECTION 15 - Respecting the Borrowing of Money, Etc.**

- 15.01 The Directors may, by resolution, as they deem necessary borrow money in whatever amount they deem proper.
- 15.02 Where the borrowing of money requires that the property or other securities of the Board be mortgaged or otherwise pledged as collateral, the Directors shall first obtain approval of the Members before mortgaging or otherwise pledging the property or securities as collateral.

#### **SECTION 16 - Voting Shares and Securities in Other Companies**

- 16.01 Any voting rights the Board may have in any company because it holds shares or other securities in that company may be voted at any meeting of that company where so allowed, in such a manner and by such person(s) as the Directors shall by resolution determine.

#### **SECTION 17 - Rules and Regulations**

- 17.01 The Directors may pass rules and regulations relating to the business and affairs of the Board, provided that such are not inconsistent with this By-law. Such rules and regulations, as well as any amendments the Directors may make to the existing rules and regulations, provided such amendments are also not inconsistent with this By-law, shall immediately come into force and apply to the Board and all Members. If these new rules and regulations or amendments are not ratified at the next Annual Meeting of Members they shall cease to exist provided that at the meeting of Members they may be varied and further amended by the Members.

**ARTICLE 7 - COMMITTEES**

**SECTION 1 - Committees**

1.01 The following Standing Committees and the members of such Committees may be appointed by the Directors (or appointed by the President and ratified by the Directors - see Article 6, Section 8.01) each year after the annual meeting and Members appointed to such Committees shall serve for a period of one (1) year or until their successors are appointed.

1. Arbitration Committee
2. Education Committee & Membership Committee
3. Discipline Committee
4. Finance Committee
5. MLS® Committee
6. Nomination Committee
7. Past-Presidents' Council
8. Political Affairs Committee
9. Professional Standards Committee
10. Public Relations & Communications Committee
11. Standing Committee

1.02 The Directors (or the President, if applicable) are not required to appoint any or all of the Committees as set out in Section 1.01 above, and may as they (or the President, if applicable) deem necessary, appoint any other task force or committee and set out the duties and responsibilities of same.

1.03 Where the Directors (or the President, if applicable) appoint any or all of the Committees set out in Section 1.01 above, they (or the President, if applicable) shall appoint not less than three (3) and not more than seven (7) Members to each Committee, and shall designate one of the Members to be the Chairman.

1.04 The provisions of Section 1.03 above do not apply to the Arbitration Committee, Discipline Committee, Professional Standards Committee, and Nomination Committee and appointments to these Committees shall be in accordance with the provisions of this By-law that deal with same.

1.05 The President of the Board shall be an ex-officio member of any Committee appointed by the Directors (or by the President, if applicable), except the Professional Standards Committee and Arbitration and Discipline Committees, although he shall not be included in the numerical limitations set out in Section 1.03 above nor shall he be included to determine whether or not there is a quorum.

**ARTICLE 7**

**SECTION 1 - Committee Notes** (Continued)

- 1.06** A Committee may not meet to conduct any business unless fifty percent (50%) of the Committee Members are present at the beginning of and through the meeting. (Effective December 15, 1999)
- 1.07** Questions arising at any Committee meeting shall be decided by a majority of votes cast by the Committee members present at the meeting. The Chair is not entitled to vote unless there is a tie, in which case the Chair may vote to break the tie.
- 1.08** A meeting of a Committee may be held by such telephone, electronic (but not by e-mail), or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, provided that all the members of the Committee present at or participating in the meeting consent. (Effective December 12, 2007)

**SECTION 2 - Committees**

**2.01 Arbitration Committee**

The qualifications for membership in the Arbitration Committee, duties and functions of the Arbitration Committee, and the procedures governing the Arbitration Committee shall be as set out in ARTICLE 8 of this By-law.

**2.02 Education & Membership Committee**

**(a) Education:** It shall be the duty of this Committee to make recommendations to the Directors pertaining to all educational matters relating to the Board. The Committee shall coordinate licensing courses, where possible, and provide membership education through its own resources as well as those of OREA and CREA and related industry representatives and associations.

**(b) Membership:** The Committee shall encourage and promote membership in the Board consistent with the Board's interests and shall report to the Directors on all applications for Membership in any Membership category, excepting applications for Broker and Salesperson Membership.

**2.03 Discipline Committee**

The qualifications for membership in the Discipline Committee, duties and functions of the Discipline Committee, and the procedures governing the Discipline Committee, shall be those as set out in ARTICLE 9 of this By-law.

**ARTICLE 7**

**SECTION 2 – Committees** (Continued)

**2.04 Finance Committee**

It shall be the duty of this Committee to regularly review the financial statements of the Board, the report of the auditors and the general financial position of the Board and report to the Directors including any recommendations concerning:

- (a) changes needed in the financial operation of the Board;
- (b) changes in the level of fees paid by the Members;
- (c) management of all assets and investments belonging to the Board;
- (d) preparation of an annual budget; and
- (e) such other matters of a financial nature that affects the financial position of the Board.

**2.05 MLS® Committee**

This Committee shall:

- (a) regularly examine and review the By-law, Rules and Regulations of the Board and recommend and report to the Directors on any additions, amendments or deletions to same that the Committee deems appropriate;
- (b) make recommendations to the Directors, from time to time, on all matters with regard to the Board's computer system;
- (c) examine and report to the Board of Directors on any suggested amendments to existing forms and to suggest, examine and report on any new forms.

**2.06 Nomination Committee**

The Nomination Committee shall consist of the two (2) most immediate and available Past-Presidents of the Board, the President, two (2) other Broker Members, and two (2) Salesperson Members of the Board appointed by the Directors. The Committee shall be chaired by the most immediate and available Past-President. (Effective December 15, 1999)

**2.07 Past-Presidents' Council**

- (a) All Past-Presidents of the Board, who maintain Membership in the Board shall be deemed to be Members of the Past-Presidents' Council;

**ARTICLE 7**

**SECTION 2 - Committees** (Continued)

- (b) The Council shall elect its own Chairman from among its members;
- (c) The Directors, or any Committee with the concurrence of the Directors, may refer to the Council any matter on which the Directors wish advice or input;
- (d) The Council may make recommendations on any matter pertaining to the Board, for consideration by the Directors.

**2.08 Political Affairs Committee**

It shall be the duty of this Committee to initiate, develop, administer and maintain, subject to the control of the Directors:

- (a) all contact and correspondence on behalf of the Board with municipal, regional, provincial or federal levels of government;
- (b) liaison with OREA and CREA regarding any form or type of political activity and the appropriate Committees of OREA and CREA pertaining to any legislation pertinent to the real estate industry and the Board before all legislative bodies;
- (c) any activity relating to the involvement of the Board in anything of a political nature;
- (d) promote the interests and concerns of the real estate industry and the Board before all legislative bodies; and
- (e) review all proposed legislation relating to the real estate industry to determine its impact on the Board and the Members, and to report thereon to the Directors.

**2.09 Professional Standards Committee**

The qualifications for membership in the Professional Standards Committee, duties and functions of the Professional Standards Committee, and the procedures governing the Professional Standards Committee shall be those as set out in ARTICLE 9 of this By-law.

**2.10 Public Relations & Communications Committee**

The Committee is responsible for the publication, promotion and circulation of all information dealing with the Board and the real estate industry generally, and shall do everything possible to promote and enhance the image of the Members of the Board and the real estate brokerage business.

**ARTICLE 7**

**SECTION 2 - Committees** (Continued)

**2.11 Standing Committee**

The Standing Committee shall be comprised of Principal Brokers or their appointed representatives; such Committee to meet occasionally and report to the Board of Directors and have as a term of reference to review policies, procedures and other matters referred from Committees and the Board of Directors, and to provide comment and recommend implementation procedures for general Board operations as they relate to individual brokerages.

**SECTION 3 - Rules and Regulations**

**3.01** Each Committee may pass any rules or regulations pertaining to its own affairs; however, these do not become effective until approved by the Directors.

**3.02** Any Committee may recommend, in writing to the Directors, any additions, deletions or amendments to this By-law, which it feels will be of benefit to the Board.

**SECTION 4 - Duties of Committees**

**4.01** The duties of the Committees, as set out herein, shall serve as guidelines only and the Directors may further set out and clarify the terms of reference for any Committee of the Board and/or direct any matter, to any Committee, for consideration and review.

**ARTICLE 8 - ARBITRATION**

**SECTION 1 - Definitions and Notice Provision**

1.01 For purposes of this Article:

- (a) “Appeal” means the request for review of a decision of the Board’s Arbitration Panel to the OREA Appeal Panel, as filed in Form A.
- (b) “Appellant” means the party that is filing the Appeal.
- (c) “Arbitration” means the proceedings (other than an Appeal) prescribed by this Article.
- (d) “Arbitration Committee Chair” means the Chair of the Arbitration Committee, unless the context indicates otherwise.
- (e) “Arbitration Panel” means a panel chosen from the Arbitration Committee to hear and determine the Claim, as further described in Section 10, and “Arbitrator(s)” means a panellist or the panellists on a particular Arbitration Panel.
- (f) “Claim” means a dispute, between two Members which are Firms, relating to the division, distribution or disposition of commission paid or to be paid in respect of a transaction or transactions, and shall also mean the written notice of such Claim as submitted by the Claimant and further described in Section 6.
- (g) “Claimant” means the Member which is a Firm that has a Claim against another Member which is Firm.
- (h) “Defence” means the Defendant’s written reply to the Claim, as further described in Section 7 of this Article.
- (i) “Defendant” means the Member which is a Firm against which a Claimant has filed a Claim.
- (j) “Chief Executive Officer” means the Chief Executive Officer of the Ontario Real Estate Association or his appointed nominee.
- (k) “OREA Appeal Panel” means the persons appointed by the Chief Executive Officer to hear and deal with an Appeal, as provided for herein and in the By-law of OREA.
- (l) “Panel Chair” means the person, as herein provided, who is the Chair of an Arbitration Panel.
- (m) “Respondent” means the other party to an Arbitration award which is the subject of an Appeal by the Appellant to the OREA Appeal Panel.

## **ARTICLE 8**

### **Arbitration**

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1.02 In this Article, all letters, notices or other documents required to be forwarded to a Member by the Executive Officer, or the Arbitration Committee Chair or on behalf of the Arbitration Panel shall be forwarded either by personal delivery (or courier) or registered mail. Any letter, notice or other document so forwarded shall be conclusively deemed to be received in accordance with the provisions of Article 14, Section 1.02.

#### **SECTION 2 - Committee**

2.01 The Arbitration Committee shall consist of not less than THREE Members of the Board who are Brokers, provided that not more than one (1) Broker employed by a Firm may sit on the Arbitration Committee at the same time as any other Broker employed by the same Firm.

#### **SECTION 3 - Qualification of Arbitrators**

3.01 No Member shall serve as an Arbitrator in any dispute where:

- (a) he has, either directly or indirectly, any personal or financial interest in the Claim;
- (b) his is related by either blood or marriage to either the Claimant or the Defendant or to any officer, director, shareholder, partner or employee of either the Claimant or Defendant; or
- (c) there is any other bias.

#### **SECTION 4 - Custody of Files and Documents**

4.01 All files, documents, tapes and records pertaining to all Arbitration cases shall be in the custody, care and control of the Arbitration Committee, and are confidential. Such files, documents, tapes and records are not accessible by anyone (whether he be a member of the public or a Member) except: a member of the Arbitration Committee; a party to the particular Arbitration for which it is seeking access to the files, documents, tapes and records; the Executive Officer; the conciliator for the particular Arbitration for which he is seeking access to the files, documents, tapes and records; the OREA Appeal Panel and the Chief Executive Officer.

#### **SECTION 5 - Binding Arbitration**

- 5.01
- (a) The provisions of this Article 8 shall constitute the arbitration agreement between and among the Members which are Firms with respect to Claims, the intention being that Claims shall be dealt with in accordance with this Article 8. The provisions of this Article may be pleaded in any action or proceeding at law or in equity taken with respect to such a Claim.
  - (b) Every Member that is a Firm agrees that any Claim it may have against another Member that is a Firm shall be submitted to the Arbitration Committee for hearing and resolution in accordance with this Article, unless all of the parties to



## **ARTICLE 8**

### **Arbitration**

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the Claim have mutually agreed not to arbitrate the Claim at the Board and have advised the Board in writing of that agreement. Decisions rendered by the Arbitrators shall be final and binding on the Members that are Firms that were parties to the Arbitration, subject to any Appeal provisions as are allowed in this Article, but without a right of appeal to the courts on a question of law.

- 5.02 Every Member that is a Firm agrees that if it does not submit for Arbitration any Claim it may have against another Member that is a Firm, but proceeds instead to undertake any court proceedings, that such action shall be deemed a breach of this By-law except where the parties to the Claim have mutually agreed not to arbitrate the Claim at the Board and have advised the Board in writing of that agreement.
- 5.03 All Claims filed in accordance with this Article shall be heard unless settled between the parties prior to a hearing.

#### **SECTION 6 - Filing the Claim**

- 6.01 The Arbitration Committee shall not have jurisdiction to process or otherwise deal with a Claim unless:
- (a) it is in writing, signed by or on behalf of the Claimant, addressed to the Arbitration Committee Chair, and forwarded to the Executive Officer;
  - (b) it is filed with the Arbitration Committee Chair not later than three (3) months from the date upon which the circumstances giving rise to the Claim arose; and
  - (c) the Claim is accompanied by a filing fee, in cash or certified cheque, in an amount equivalent to five percent (5 %) of the amount of commission in dispute, or the sum of Twenty-five Dollars (\$25), whichever is the greater, provided that in no event shall the filing fee exceed Two Hundred and Fifty Dollars (\$250).
- 6.02 The Claim shall contain a brief and concise statement of the reasons in support of the Claim and the amount being claimed.
- 6.03 The Claimant shall attach to the Claim such documents, records and other writings as are in his possession upon which he intends to rely, and such documents, records and other writings shall be deemed to become part of the Claim.
- 6.04 The filing fee referred to in Section 6.01 hereof shall be kept by the Board, and shall be disposed of as further provided in this Article, provided that if the Claim is resolved without the necessity of a hearing, then the Arbitration Committee Chair may, in his sole discretion, direct that the filing fee be returned to the Claimant.

#### **SECTION 7 - Filing the Defence**

- 7.01 When a Claim is received, the Executive Officer shall forthwith forward a copy of same to the Defendant.

## **ARTICLE 8**

### **Arbitration**

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- 7.02 In a notice or letter accompanying the Claim, the Executive Officer shall advise in writing, that the Defendant has ten (10) days from receipt of the notice or letter in which to file a Defence.
- 7.03 The Defence shall:
- (a) be in writing, addressed to the Arbitration Committee Chair, and delivered to the Executive Officer;
  - (b) contain a brief and concise statement of the position of the Defendant with respect to the Claim and the reasons therefor; and
  - (c) have attached to it such records, documents and other writings as are in the Defendant's possession and upon which he intends to rely, and such documents, records and other writings shall be deemed to become part of the Defence.
- 7.04 The Executive Officer shall forthwith upon receipt forward a copy of the Defence to the Claimant.
- 7.05 If the Defendant fails to deliver a Defence within the ten (10) days, or fails or refuses to appear at a hearing, the Arbitrators may still proceed with an Arbitration hearing, and hand down an award, based on the Claim and the evidence presented at the Arbitration hearing.

### **SECTION 8 - Conciliation**

- 8.01 After the time limit for the filing of the Defence has passed and before setting a date for the Arbitration Panel hearing, the Arbitration Committee Chair may ask whether the Claimant and Defendant wish to meet with a conciliator.
- 8.02 A conciliator, who shall be a Member who is a Broker, shall be appointed by the Arbitration Committee Chair. The conciliator shall not be a member of the Arbitration Committee.
- 8.03 The purpose of the meeting with the conciliator shall be to attempt to resolve the Claim without the necessity of having a hearing.
- 8.04 Where the Claimant and Defendant agree to a resolution of the Claim, the conciliator shall prepare a settlement agreement setting out the terms agreed on, and the Claimant and Defendant shall sign the agreement showing that they agree to be bound by it.
- 8.05 A copy of such a settlement agreement shall be given to the Arbitration Committee Chair, as well as to the Claimant and Defendant.
- 8.06 Where a meeting with the conciliator does not lead to a resolution of the Claim, the conciliator shall advise the Arbitration Committee Chair in writing that the Claim could not be resolved, but the conciliator shall not discuss with anyone any of the matters

## **ARTICLE 8**

### **Arbitration**

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discussed or statements made or positions taken by either the Claimant or Defendant at any meeting or meetings with the conciliator.

- 8.07 If a conciliator is unsuccessful in resolving the dispute, and the matter proceeds to an Arbitration hearing, the conciliator shall not be allowed to participate in any form at such an Arbitration hearing.

#### **SECTION 9 - Notice of Hearing**

- 9.01 After the time limit for the filing of the Defence has passed and after the conciliation process described in Section 8 above has been declined or pursued, the Arbitration Committee Chair shall set a date for the Arbitration hearing, and shall forward to the Claimant and the Defendant written notice of same at least twenty (20) days prior to that Arbitration hearing date.

#### **SECTION 10 - Selection of Arbitrators**

- 10.01 Where an Arbitration hearing is required, the Arbitration Committee Chair shall appoint three (3) members of the Arbitration Committee to hear and determine the Claim, one of whom he shall appoint as Arbitration Panel Chair.
- 10.02 Where there are not at least three (3) members of the Arbitration Committee who would qualify as Arbitrators because of the provisions of Section 3 of this Article, then the Arbitration Committee Chair may appoint any other Member who is Broker who qualifies to act as an Arbitrator, to sit on the Arbitration Panel.
- 10.03 The Panel Chair shall preside at the Arbitration hearing.

#### **SECTION 11 - Legal Counsel**

- 11.01 At an Arbitration hearing, the Claimant and Defendant may be represented by a lawyer or by a Member who is either a Broker or a Salesperson, as long as such Broker or Salesperson is not a member of the Arbitration Committee or the conciliator appointed to try to settle that particular dispute. The Arbitration Panel may retain legal counsel to sit at the hearing and advise the Arbitration Panel on any and all matters of law or procedure, but he shall not take part in the deliberation or decision of the Arbitration Panel.
- 11.02 Where a Claimant or Defendant is to be represented by a lawyer it shall so notify, in writing, the other party and the Arbitration Panel Chair, such notice to be received by the other party and the Arbitration Panel Chair at least five (5) days prior to the date of the Arbitration hearing.

#### **SECTION 12 - Powers of Arbitrators**

- 12.01 The Arbitrators shall possess all of the powers of arbitrators under the Arbitration Act and without in any way limiting the generality so conferred, the Arbitration Panel may:

## **ARTICLE 8**

### **Arbitration**

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- (a) adjourn any hearing from time to time;
- (b) proceed in such manner as it deems proper and without being bound by the rules of evidence or other legal rules, provided that it shall consider the best evidence available;
- (c) receive evidence under oath; or
- (d) use any acceptable method of recording the Arbitration hearing, including but not limited to audio or video tape, recording secretary or stenographer.

12.02 For the purposes of the Arbitration hearings and Appeals prescribed by this Article, the Board and its Members hereby agree to be bound by the provisions of the Arbitration Act, save and except Sections 21, 40 and section 45 of the Arbitration Act (as it exists in 1994), which sections are specifically excluded.

#### **SECTION 13 - Witnesses**

13.01 The Claimant and Defendant shall have the right to call, as a witness, anyone who has knowledge of facts concerning the Claim, whether or not that person is a Member of the Board.

#### **SECTION 14 - Arbitrators' Award**

14.01 The award of the Arbitrators shall be in writing, shall contain the reasons for the award, shall be signed by the Arbitrators or by the Arbitration Panel Chair, and shall be forwarded to the Executive Officer.

14.02 The Executive Officer shall forward a copy of the award to both the Claimant and Defendant.

14.03 The decision of the majority of the Arbitrators shall be deemed to be the decision of all of the Arbitrators, but if there is no majority, then the decision of the Panel Chair shall govern.

14.04 In their decision, the Arbitrators may:

- (a) dismiss the Claim;
- (b) order the Defendant to pay to the Claimant the amount or any part of the amount set out in the Claim; and/or
- (c)
  - (i) order that the filing fee, or such portion of it as they feel is appropriate, be kept by the Board to cover costs incurred by the Board in processing and administering the Arbitration;
  - (i) order that all or a portion of the filing fee be returned to the Claimant; and/or

## **ARTICLE 8**

### **Arbitration**

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- (ii) order that the Defendant reimburse the Claimant in an amount equal to all or any part of the filing fee paid by the Claimant.
- 14.05 The award of the Arbitrators shall be final and binding upon the Claimant and the Defendant subject to the Appeal rights provided for in this Article 8, but without a right of appeal to the courts on a question of law.
- 14.06 For the purposes of this Article, the “Arbitration Compliance Date” for each Arbitration hearing shall be determined as follows:
- (a) If no Appeal is commenced in accordance with the terms of this Article, or if an Appeal is commenced but the party appealing the Arbitrators award discontinues the Appeal or resigns membership in the Board, the Arbitration Compliance Date is the date which is the earlier of either:
    - (i) the date upon which the award of the Arbitrators is to be paid according to the Arbitrators decision; or
    - (ii) if the Arbitrators do not set a specific date for the payment of the award in the Arbitrators decision, thirty (30) days from the date upon which the Arbitrators Award is forwarded to the parties to the Arbitration.
  - (b) If an Appeal is commenced and continued in accordance with the terms of this Article, the Arbitration Compliance Date is the date which is the earlier of either:
    - (i) the date upon which the award of the Arbitrators is to be paid according to the Appeal decision (which may be an amendment or confirmation of the date for payment of the award set by the Arbitrators or a new date set by the OREA Appeal Panel); or
    - (ii) if the Appeal Panel does not set a specific date for the payment of the award in its decision, thirty (30) days from the date upon which such Appeal decision is forwarded to the parties to the Appeal.
- 14.07 If a party to an Arbitration fails to comply with an award of the Arbitrators by the Arbitration Compliance Date, as determined in accordance with section 14.06, the Board of Directors may, at any subsequent meeting of the Board of Directors, and without further proceedings, expel the non-complying party from membership in the Board or suspend the membership of such non-complying party in the Board for such period as the Board of Directors may in its sole discretion determine.

### **SECTION 15 - Appeal**

- 15.01 A Claimant or Defendant may appeal the award of the Arbitrators, in accordance with the following provisions of this By-law.

## **ARTICLE 8**

### **Arbitration**

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15.02 Where an Appeal is filed, the award of the Arbitration Panel shall, subject to the provisions of section 15.04, be suspended pending discontinuance or disposition of the Appeal.

15.03 Until:

- (a) the period to file an Appeal has elapsed and no Appeal has been filed;
- (b) an Appeal has commenced and has either been completed or discontinued; or
- (c) the appeal rights have been extinguished as provided for in section 15.04,

neither party to the Arbitration may ask a Court to enforce the Arbitrators' award, and it is agreed by all Members that there will not exist any valid basis for such Court action until either or both parties have complied with the appropriate provisions of this By-law.

15.04 If a party to the Arbitration, for any reason, resigns its membership in the Board either during the period of time during which it may file an Appeal in accordance with section 16.01 or at any time during the Appeal process described in this Article and/or in the by-law of OREA, that party shall be deemed to have waived all its rights of Appeal provided for in this Article and/or in the by-law of OREA. All of the rights of Appeal provided for in this Article and/or in the by-law of OREA shall automatically be extinguished upon such party's resignation of membership in the Board. Upon the extinguishing of the appeal rights, any filing fee paid by the resigning Appellant, relating **only** to the Appeal, shall be refunded to such resigning Appellant. The extinguished Appeal rights and appeal process cannot be reopened upon such party re-joining the Board.

### **SECTION 16 - Filing the Appeal**

16.01 The OREA Appeal Panel does not have jurisdiction to process, hear or otherwise deal with an Appeal:

- (a) unless the Appellant files the Appeal in Form A within thirty (30) days of the Appellant receiving the award of the Arbitrators;
- (b) unless the duly completed Form A is received by the Chief Executive Officer within such thirty (30) day period; and
- (c) unless the Appellant pays to OREA, at the time of filing the Appeal, a filing fee in the amount of Seven Hundred and Fifty Dollars (\$750.00) or such other amount as may be established from time to time by the Board of Directors of OREA, in cash or by certified cheque or money order payable to OREA
- (d) if the Appellant, for any reason, resigns its membership in the Board either during the period of time during which it may file an Appeal in accordance with section 16.01 or at any time during the Appeal process described in this Article and/or in the by-law of OREA.

## **ARTICLE 8**

### **Arbitration**

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#### **SECTION 17 - Reply to Appeal**

- 17.01 Upon receipt of the Appeal, the Chief Executive Officer shall forward a copy of it to the Respondent.
- 17.02 The Respondent shall file with the Chief Executive Officer, on or before a date set out in the notice from the Chief Executive Officer, a reply to the Appeal, provided that such a date shall not be less than fifteen (15) days from the date the notice from the Chief Executive Officer was sent to the Respondent.
- 17.03 When the Chief Executive Officer receives the reply to the Appeal he shall immediately forward a copy of same to the Appellant.
- 17.04 If the Respondent fails to deliver a Reply within the prescribed time period, or fails or refuses to appear at an Appeal hearing, the OREA Appeal Panel may proceed to hear and determine the matter only upon the Appellant's attendance at the Appeal hearing and/or upon Form A filed by the Appellant and the Reply, if any, filed by the Respondent.

#### **SECTION 18 - Notice of Appeal**

- 18.01 The Chief Executive Officer shall notify the Arbitration Panel Chair that the Arbitrators' award is being appealed, and upon receiving such notification the Arbitration Panel Chair shall send the Record of the Arbitration Proceedings, as described in Section 19.01, to the Chief Executive Officer.

#### **SECTION 19 - Record of Arbitration Proceedings**

- 19.01 For purposes of Section 18 of this Article, the Record of the Arbitration Proceedings shall include the following, as it relates to the particular Arbitration being appealed:
- (a) the Claim;
  - (b) the Defence;
  - (c) all notices sent to the Claimant or Defendant by the Executive Officer;
  - (d) any transcript or other summary of the Arbitration Panel hearing, including any tape recordings;
  - (e) all exhibits entered in evidence at the Arbitration Panel hearing; and
  - (f) the award of the Arbitrators.

#### **SECTION 20 - Notice of Appeal Hearing**

- 20.01 The Chief Executive Officer shall notify the Appellant and Respondent, in writing, of the date, time and place that the Appeal is to be heard, it being agreed that such a date

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### **Arbitration**

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may not be sooner than thirty (30) days from the date that the Chief Executive Officer first received an Appeal as set out in Section 16 of this Article.

#### **SECTION 21 - Legal Counsel**

- 21.01 At an Appeal, the Appellant and Respondent may be represented by a lawyer or by a Broker or Salesperson who is a Member of the Board. The OREA Appeal Panel may retain legal counsel to sit at the Appeal hearing and advise the OREA Appeal Panel on any and all matters of law, but he shall not take part in the deliberation or decision of the OREA Appeal Panel.
- 21.02 Where an Appellant or Respondent is to be represented by a lawyer it shall so notify, in writing, the other party and the Chief Executive Officer, such notice to be received by the Chief Executive Officer and the other party at least five (5) days prior to the date set for hearing the Appeal.

#### **SECTION 22 - Selection of OREA Appeal Panel**

- 22.01 There shall be an OREA Appeal Panel of at least twenty (20) members of OREA who are Brokers.
- 22.02 The Chief Executive Officer shall have full authority to appoint members to the OREA Appeal Panel and may fill any vacancies as they may occur.
- 22.03 Where the Chief Executive Officer receives an Appeal as set out in Section 16 of this Article, he shall appoint three (3) members of the OREA Appeal Panel under the By-law of OREA to hear, process, decide and otherwise dispose of the Appeal.

#### **SECTION 23 - Nature of Appeal Hearing**

- 23.01 Both the Appellant and Respondent shall be given full opportunity to present both oral and written arguments.
- 23.02 At an Appeal hearing neither the Appellant nor the Respondent shall be allowed to present any new evidence since the Appeal is to be decided solely on the evidence as set out in the Record of the Arbitration Proceedings as described in Section 19 of this Article.
- 23.03 An Appeal shall only be with respect to the question of whether or not the Arbitration Panel had the jurisdiction to make its award or whether or not there was a denial of natural justice.

#### **SECTION 24 - Powers of OREA Appeal Panel**

- 24.01 Subject to the provisions of Section 23 and Section 12.02 of this Article, the OREA Appeal Panel of three (3) members appointed as per Section 22 of this Article shall possess all of the powers of arbitrators under the Arbitration Act.



**SECTION 25 - Qualifications of OREA Appeal Panel**

25.01 No person may serve on the OREA Appeal Panel as appointed under Section 22.03 of this Article where:

- (a) he has, either directly or indirectly, any personal or financial interest in either of the parties to the Appeal;
- (b) he is related by either blood or marriage to the Appellant or the Respondent or to any officer, director, shareholder, partner or employee of either the Appellant or Respondent; or
- (c) there is any other bias.

**SECTION 26 - OREA Appeal Panel Award**

26.01 The OREA Appeal Panel appointed under Section 22.03 of this Article may:

- (a) dismiss the Appeal;
- (b) grant the Appeal;
- (c)
  - (i) order that the filing fee paid to OREA or any portion of it be retained by OREA to cover its costs in handling the Appeal;
  - (i) order that all or a part of the filing fee paid to OREA be returned to the Appellant; and/or
  - (ii) order that the Respondent reimburse the Appellant in an amount equal to all or any part of the filing fee paid by the Appellant to OREA;
- (d) amend the decision of the Arbitration Panel as the OREA Appeal Panel deems appropriate; and/or
- (e) remit the subject matter of the Appeal back to the Arbitration Committee for a new Arbitration hearing in whole or in part, and at the OREA Appeal Panel's discretion, by a differently constituted Arbitration Panel.

26.02 The OREA Appeal Panel award shall be in writing, shall contain the reasons for the award, shall be signed by the members of the OREA Appeal Panel or the Chair, and shall be forwarded to the Chief Executive Officer.

26.03 The Chief Executive Officer shall forward a copy of the OREA Appeal Panel award to the Appellant and Respondent immediately after he has received it.

**SECTION 27 - Indemnity**

27.01 No Member of the Board may prefer charges or sue for damages any agent or employee of the Board or OREA, or any Arbitrator or member of the Appeal Panel of OREA, for

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**Arbitration**

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any reason, for what they did or failed to do in the administration of the provisions of this Article, and this Section is hereby confirmed as an absolute defence against such charges or suit, and each Member hereby waives his right to file such charges or suit.

**FORM A**  
**(For the Purposes of Appeals Described in Article 8)**

**NOTICE OF APPEAL**

**BETWEEN:**

\_\_\_\_\_  
**(APPELLANT)**

- and -

\_\_\_\_\_  
**(RESPONDENT)**

1. **The Appellant hereby Appeals the Award of the Arbitrators of the \_\_\_\_\_  
Real Estate Board dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**
2. **The Arbitration Panel Chair was \_\_\_\_\_.**
3. **The address of the Appellant is \_\_\_\_\_.**
4. **The address of the Respondent is \_\_\_\_\_.**
5. **The Appellant is a Member of the following Real Estate Board(s):**  
\_\_\_\_\_
6. **The Appellant Appeals the award for the following reasons:**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Note: If more space is required, attach additional sheets. According to Article 8, Section 23, the Record of the Arbitration Proceedings, this Notice of Appeal, and the Respondent's Reply will be the only documents submitted to the OREA Appeal Panel. Please ensure that your reasons for Appeal are complete and detailed. Please see Article 8, Section 23.03 which sets out the grounds for Appeal.]

**DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

\_\_\_\_\_  
**Firm Name**

per: \_\_\_\_\_  
**Signature**

# ARTICLE 9

## Professional Standards & Discipline

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### **ARTICLE 9 - PROFESSIONAL STANDARDS & DISCIPLINE**

#### **SECTION 1 - Definitions and General Provisions**

1.01 For purposes of this Article:

- (a) “Allegation Statement” shall mean a written statement containing the specific allegations of misconduct of the Respondent, as prepared by the Professional Standards Committee.
- (b) “Appeal” is further described in Section 17 of this Article.
- (c) “Appeal Hearing” is further described in Section 19 of this Article.
- (d) “Appeal Panel” shall have the meaning prescribed thereto in Section 18.01 of this Article.
- (e) “Appellant” is the term to describe the Respondent once he has filed an Appeal of the decision of the Discipline Hearing Panel.
- (f) “Basic MLS<sup>®</sup> Rules” shall mean the rules contained in sections 2.01, 2.04, 2.10, 2.12, 2.13, 2.15, 2.17, 3.01, 3.02, 4.01, 4.02, 6.01, 6.02, 7.01, 8.02, 8.03, 8.05, 9.01 and 10.01 of the Board’s MLS<sup>®</sup> rules and regulations. The Board of Directors may, from time to time, amend, add to, or delete from this list of Basic MLS<sup>®</sup> Rules, without the requirement of a by-law change, but with notice of such amendment, addition or deletion to be provided to the Members through a Board publication (whether in paper or electronic format), prior to the amendment, addition or deletion taking effect.
- (g) “Chief Executive Officer” means the Chief Executive Officer of the Ontario Real Estate Association or his appointed nominee.
- (h) “Discipline Hearing” shall mean a hearing held by the Discipline Hearing Panel using the procedures as set out in Sections 11 through 15 of this Article.
- (i) “Discipline Hearing Panel” shall have the meaning prescribed thereto in Section 12.01 of this Article.
- (j) “FAST Allegation Statement” shall mean a written statement containing the specific allegations of misconduct of the Respondent regarding alleged Basic MLS<sup>®</sup> Rule infraction(s), and setting out a fine for such alleged infraction(s), as prepared by the Professional Standards Committee and as further described in sections 7.04 and 8.02.
- (k) “PSC Sub-committee” shall have the meaning prescribed thereto in Section 2.03 of this Article.

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### Professional Standards & Discipline

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- (l) “Referral Document” shall mean the document which shall be forwarded to the Discipline Hearing Panel instead of either the Allegation Statement or the FAST Allegation Statement, as further described in section 9.04.
  - (m) “Reply” shall mean the written statement of the Respondent filed in response to an Allegation Statement or to a FAST Allegation Statement, if the Respondent chooses not to pay the fine.
  - (n) “Researcher” shall mean a member of the Professional Standards Committee appointed to carry out the research concerning the complaint of misconduct against a Member and shall also mean the person appointed to present the case of the Professional Standards Committee before the Discipline Hearing Panel.
  - (o) “Respondent” shall mean the Member of the Board who is in receipt of an Allegation Statement or a FAST Allegation Statement.
  - (p) “Table of Concordance” shall mean, for events occurring after June 30, 2006, the table of concordance attached as Schedule B to the Bilateral Agreement entered into between CREA and OREA on September 20, 2006, as that Table of Concordance may be amended from time to time; and for events occurring before July 1, 2006, shall mean the Board’s prior table of concordance comparing the REALTOR<sup>®</sup> Code and the REBBA Code.
- 1.02 In this Article, all letters, notices or other documents required to be forwarded to a Member by the Executive Officer, or the Professional Standards Committee Chair, the Discipline Committee Chair, or on behalf of the Professional Standards Committee, the Discipline Committee, or the Appeal Panel shall be forwarded either by personal delivery (or courier) or registered mail. Any letter, notice or other document so forwarded shall be conclusively deemed to be received in accordance with the provisions of Article 14, Section 1.02.
- 1.03 The provisions of this Article apply to all Members.
- 1.04 If a Member against whom a complaint has been made resigns his membership in the Board or is terminated from the Board, for any reason, at any time before a discipline decision is rendered by a Discipline Hearing Panel, the Professional Standards Committee may, at its sole and unfettered discretion either:
- (a) hold the complaint and the professional standards and discipline process in abeyance until such time as the Member re-joins the Board, at which time the Professional Standards Committee may re-start the process from the point when the Member left the Board; or
  - (b) with the complainant’s consent (which does not have to be in writing), forward the complaint to any other real estate board which the Member joins after leaving the Board, and such other real estate board may process the complaint, starting at the beginning of the professional standards and discipline process.

# **ARTICLE 9**

## **Professional Standards & Discipline**

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### **SECTION 2 - Composition of Professional Standards Committee and PSC Sub-committee**

- 2.01 The Professional Standards Committee shall consist of not less than three (3) Members of the Board, all of whom shall have been Members of OREA for at least three (3) years. At least one (1) member of the Professional Standards Committee shall be a Director.
- 2.02 The PSC Sub-committee shall consist of any three (3) members of the Professional Standards Committee, chosen on a rotating basis, per meeting of the PSC Sub-committee. The Chair of the Professional Standards Committee shall appoint one of the PSC Sub-committee members as Chair of the PSC Sub-committee for that particular PSC Sub-committee meeting.

### **SECTION 3 - Jurisdiction**

- 3.01 The Professional Standards Committee may, either on its own initiative or upon receipt of a written complaint from any source whatsoever, and after complying with the provisions of Section 4 of this Article, proceed to research the conduct of any Member of the Board and proceed to take any action as prescribed in this Article 9 or in furtherance of its mandate and obligations as set out in this Article 9.
- 3.02 At any time after having received a complaint or having proceeded on its own initiative, the Committee may in its sole and absolute discretion decide that no further action should be taken in respect of the matter under research and such decision shall not be subject to review or appeal.

### **SECTION 4 - Handling of Complaints**

- 4.01 Where the Executive Officer receives a written complaint concerning any alleged breach of this By-law or some other apparent misconduct by a Member, or if the Professional Standards Committee has a self-initiated complaint, such complaint shall first be forwarded to the attention of the PSC Sub-committee, and a copy of same shall also be sent forthwith to the Member against whom the complaint was made and the Member's Principal Broker. However, if a written complaint has already been reviewed by RECO and RECO has advised the complainant to deal with the Board, or if the complaint has been forwarded or returned to the Board by RECO, such complaint shall not be forwarded to the PSC Sub-committee, but shall be forwarded directly to the Professional Standards Committee in accordance with Section 5.01.
- 4.02 Within two (2) weeks of receipt of the written complaint by the Board, the PSC Sub-committee shall determine the jurisdiction of the complaint and decide whether the complaint should be:
  - (a) forwarded to RECO;
  - (b) forwarded to the Professional Standards Committee, to be dealt with in accordance with the provisions of this Article 9;

## **ARTICLE 9**

### **Professional Standards & Discipline**

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- (c) both (a) and (b) above; or
- (d) neither of (a) or (b) above,

and such decision shall not be subject to review or appeal.

- 4.03 The PSC Sub-committee shall make the decision required by Section 4.02 in its sole and absolute discretion, based upon a review of the complaint; a comparison of the REBBA Code and the REALTOR<sup>®</sup> Code based on the Table of Concordance; and a review of the Board's By-law. Whenever the complaint appears to involve conduct which may be a breach of the REBBA Code, the complainant shall be referred to RECO, although under certain circumstances, all or part of the complaint may also be forwarded to the Professional Standards Committee.
- 4.04 Once the PSC Sub-committee has made the decision required by Section 4.02, it shall advise the complainant, the Member, and if applicable, RECO of such decision. Within seven days of the PSC Sub-committee's decision, the complaint will be dealt with in accordance with such decision.
- 4.05 If a complainant has been referred to RECO regarding all or part of a complaint and the complaint has not been forwarded to the Professional Standards Committee, the Professional Standards and Discipline Committees shall have no further jurisdiction to deal with that part of the complaint which has not been forwarded it. However, if a complaint, which had been referred to RECO, is returned by RECO, advising that the Board should deal with it, the complainant and the Member will be so advised and the complaint will be dealt with in accordance with the provisions of this Article.
- 4.06 If a complainant has been referred to RECO regarding part of the complaint and the complaint has also been forwarded to the Professional Standards Committee, the Professional Standards Committee shall deal its part of the complaint in accordance with the provisions of this Article. If RECO asks the Board to defer its investigation and/or discipline process, the Board will do so, in which case the complainant and the Member will be so advised; any materials gathered by the Professional Standards Committee will be forwarded to RECO, if RECO so requests; and the Professional Standards and Discipline Committees shall have no further jurisdiction to deal with the complaint.

#### **SECTION 5 - Powers of Researcher**

- 5.01 Where:
  - (a) the PSC Sub-committee has forwarded all or part of a complaint to the Professional Standards Committee;
  - (b) RECO has asked a complainant to deal with the Board; or
  - (c) RECO has forwarded or returned all or part of complaint to the Board,

## **ARTICLE 9**

### **Professional Standards & Discipline**

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the Chair of the Professional Standards Committee shall appoint a Researcher to examine and determine the validity of the complaint, and the complainant and the Member shall be so advised.

- 5.02 In the process of carrying out his research, the Researcher shall have the power to require any Member to produce, subject to any legal objection, all records, documents and writings or other things within the possession of the Member that may be required as part of the Research.
- 5.03 Where a Member fails or refuses to produce the documents and records when requested by the Researcher, such failure or refusal shall be deemed to be a breach of this By-law and dealt with by the Professional Standards Committee in accordance with the provisions of this Article.

#### **SECTION 6 - Report of Researcher**

- 6.01 Upon completion of his Research, the Researcher shall file a written report with the Chair of the Professional Standards Committee and attach thereto copies of all records, documents or writings he obtained in the course of his Research. The report shall be considered confidential and not subject to access by any person who is not a member of this Committee.

#### **SECTION 7 - Review and Disposition of Research**

- 7.01 Upon receipt of the report of the Researcher, the Professional Standards Committee shall determine whether the information contained in the report shows that the complaint relates to:
- (a) an alleged infraction(s) of any of the Basic MLS<sup>®</sup> Rules;
  - (b) an alleged infraction(s) of something other than the Basic MLS<sup>®</sup> Rules, which is within the Board's jurisdiction; or
  - (c) a matter which is not within the Board's jurisdiction.
- 7.02 If the Professional Standards Committee determines that section 7.01(a) applies to the complaint, it shall further:
- (a) ascertain whether the Member has been fined or otherwise disciplined two or more times for breaches of the same Basic MLS<sup>®</sup> Rule (as the currently alleged infraction) that occurred within the twelve-month period immediately preceding the occurrence of the current alleged infraction; and
  - (b) ascertain whether the Member has been fined or otherwise disciplined four or more times for breaches of any of the Basic MLS<sup>®</sup> Rules that occurred within the twelve-month period immediately preceding the occurrence of the current alleged infraction; and

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### Professional Standards & Discipline

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- (c) determine whether the alleged misconduct and/or consequences described in the report of the Researcher are serious, even though the alleged infraction involves the Basic MLS<sup>®</sup> Rules.

The Professional Standards Committee shall be provided with statistics regarding a Member's past infractions of the Basic MLS<sup>®</sup> Rules that occurred in the twelve-month period immediately preceding the occurrence of the current alleged infraction in order that the Professional Standards Committee can make the determinations required to be made in this section 7.02 and in sections 7.03, 7.04 and 8.03.

7.03 If the Professional Standards Committee determines that:

- (a) section 7.01(b) or any or all of the paragraph(s) in section 7.02 applies to the complaint; and
- (b) there is sufficient evidence to support a charge(s),

it shall prepare an Allegation Statement.

7.04 If the Professional Standards Committee determines that:

- (a) section 7.01(a) applies to the complaint; and
- (b) none of the paragraphs in section 7.02 applies to the complaint; and
- (c) there is sufficient evidence to support a charge(s),

it shall prepare a FAST Allegation Statement.

7.05 If the Professional Standards Committee determines that:

- (a) section 7.01(c) applies to the complaint; or
- (b) either section 7.01(a) or (b) applies to the complaint but there is not sufficient evidence to support a charge(s)

it shall take no further action in respect of the complaint and close its file on the matter.

7.06 All of the determinations made by the Professional Standards Committee in this section 7 shall be made in its sole and absolute discretion and shall not be subject to review or appeal.

### **SECTION 8 - Allegation Statement and FAST Allegation Statement**

8.01 Where the Professional Standards Committee determines to prepare an Allegation Statement, it shall set out the specific misconduct or omission which the Member is alleged to have done or omitted to do and specify the particular section(s) of the By-law, the Board's MLS<sup>®</sup> Rules and Regulations, or the particular paragraph(s) of the



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REALTOR<sup>®</sup> Code or the particular Article(s) of the Standards of Business Practice which the Member is alleged to have violated or not complied with.

8.02 Where the Professional Standards Committee determines to prepare a FAST Allegation Statement, it shall set out:

- (a) the specific misconduct or omission which the Member is alleged to have done or omitted to do;
- (b) the particular section(s) of the Basic MLS<sup>®</sup> Rules which the Member is alleged to have violated or not complied with;
- (c) the amount of the fine to be paid by the Member, if the Member wants the matter to be finalized at this stage, the amount of such fine as determined in accordance with section 8.03;
- (d) the date upon which such fine is to be paid, if the Member wants the matter to be finalized at this stage;
- (e) a notation that if the fine is not received by the specified date (whether or not a Reply is received), the Member shall be deemed to have asked that the matter not be finalized at this stage and the process will continue in accordance with this Article 9; and
- (f) a notation that if the Member does not want to pay the fine and wishes to have the matter proceed in accordance with this Article 9, the Member should provide a Reply by the same specified date.

8.03 If section 7.04 of this Article 9 applies, the fine to be set out in the FAST Allegation Statement shall be:

- (a) \$100.00 for the first non-compliance with a Basic MLS<sup>®</sup> Rule within a twelve-month period;
- (b) \$200.00 for the second non-compliance with the same Basic MLS<sup>®</sup> Rule within a twelve-month period;

The fine is to be assessed on a per same Basic MLS<sup>®</sup> Rule basis [for example if the FAST Allegation Statement sets out the breach of two different Basic MLS<sup>®</sup> Rules, each for the first time within a twelve-month period, the fine would be \$100.00 x 2 = \$200.00].

8.04 **The Executive Officer shall forward a copy of the Allegation Statement or FAST Allegation Statement to the Respondent.**

8.05 The Respondent may, within ten (10) days of receipt of the Allegation Statement deliver a Reply thereto, addressed to the Chair of the Professional Standards Committee.

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### **Professional Standards & Discipline**

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- 8.06 The Respondent may, within ten (10) days of receipt of a FAST Allegation Statement:
- (a) pay the fine as set out in the FAST Allegation Statement, and upon receipt of such payment by the Board, the Professional Standards Committee shall close its file on the matter subject only to the tracking of the Respondent's Basic MLS<sup>®</sup> Rule infractions as described in section 7.02; or
  - (b) advise the Professional Standards Committee that he will not pay the fine and wishes to have the matter proceed in accordance with this Article 9 and deliver a Reply thereto, addressed to the Chair of the Professional Standards Committee.
- 8.07 If the Respondent does not pay the fine within ten (10) days of receipt of the FAST Allegation Statement (whether or not a Reply is delivered), the Respondent shall be deemed to have asked that the matter not be finalized at this stage and the process will continue in accordance with this Article 9. After the ten (10) day period set out in the FAST Allegation Statement, the Respondent shall have no further right to pay the fine set out in the FAST Allegation Statement. The Professional Standards Committee is under no obligation to accept payment of the fine set out in the FAST Allegation Statement at any time after the ten (10) day period set out in the FAST Allegation Statement.
- 8.08 Failure of the Respondent of an Allegation Statement to deliver a Reply within the ten (10) day period shall not prevent the Professional Standards Committee from continuing with the process and making the decision on whether or not to refer the matter to a Discipline Hearing, and, if the matter is referred to a Discipline Hearing, such failure of the Respondent shall not prevent the Discipline Hearing panel from proceeding to make a determination in the matter and shall also not prevent the Respondent from attending and presenting his case at the Discipline Hearing.
- 8.09 Failure of the Respondent of a FAST Allegation Statement who has not paid the prescribed fine to deliver a Reply within the ten (10) day period shall not prevent the Professional Standards Committee from continuing with the process and making the decision on whether or not to refer the matter to a Discipline Hearing, and, if the matter is referred to a Discipline Hearing, such failure of the Respondent shall not prevent the Discipline Hearing panel from proceeding to make a determination in the matter and shall also not prevent the Respondent from attending and presenting his case at the Discipline Hearing.

#### **SECTION 9 - Disposition Upon Receipt of Reply**

- 9.01 Upon receipt and review of the Reply to either an Allegation Statement or a FAST Allegation Statement, the Professional Standards Committee may:
- (a) determine that no further action be taken in respect of the complaint and declare the file closed; or
  - (b) by resolution refer the matter to the Discipline Committee for a Discipline Hearing,

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### **Professional Standards & Discipline**

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and neither of these decisions or actions by the Professional Standards Committee shall be subject to review or appeal.

- 9.02 Where the matter is referred to the Discipline Committee for a Discipline Hearing, the Chair of the Professional Standards Committee may appoint the Researcher who researched the complaint to act on behalf of the Committee in presenting its case at the Discipline Hearing.
- 9.03 Where the matter is referred to the Discipline Committee for a hearing, the Executive Officer shall forward to the Chair of the Discipline Committee (for the Discipline Hearing Panel) the Referral Document and the Reply, if one has been received. When the Respondent is sent the notice of the discipline hearing, a copy of the Referral Document shall be enclosed with the notice of hearing.
- 9.04 The Referral Document shall set out:
- (a) the specific misconduct or omission which the Member is alleged to have done or omitted to do; and
  - (b) the particular section(s) of the By-law, the Board's MLS<sup>®</sup> rules and regulations, or the particular paragraph(s) of the REALTOR<sup>®</sup> Code or the particular Article(s) of the Standards of Business Practice which the Member is alleged to have violated or not complied with.
- 9.05 All files, documents, correspondence, reports and records pertaining to a complaint to and/or investigation by the Professional Standards Committee shall be in the custody, care and control of the Executive Officer on behalf of the Professional Standards Committee and shall be considered confidential and not subject to access by any persons except as those files, documents, correspondence, reports and records may be disclosed by the Professional Standards Committee in relation to the Discipline Hearing and subsequent appeals, or if requested by RECO.

#### **SECTION 10 - Discipline Committee**

- 10.01 The Discipline Committee shall consist of not less than THREE Members of the Board, all of whom shall have been members of OREA for at least three (3) years.

#### **SECTION 11 - Jurisdiction of Discipline Committee**

- 11.01 The Discipline Committee may:
- (a) hold a hearing to process a Dispute arising under Section 3 of Article 4 of this By-law (hereinafter referred to as a "Delinquent Account Dispute");
  - (b) upon referral of a matter by the Professional Standards Committee, hold a hearing to determine if the Respondent has engaged in the conduct as set out in the Referral Document; and/or

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### Professional Standards & Discipline

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- (c) discipline any Member as is hereinafter provided.

#### SECTION 12 - Procedural Matters

- 12.01 The Chair of the Discipline Committee shall appoint a Discipline Hearing Panel consisting of three (3) members of the Discipline Committee to conduct a Discipline Hearing, one of whom he shall appoint as the Discipline Hearing Panel Chair.
- 12.02 The Discipline Hearing Panel Chair shall determine a date for the Discipline Hearing and direct the Executive Officer to notify, in writing, the Respondent and the Researcher of the date set for the Discipline Hearing. Such notice shall be forwarded to each party at least twenty (20) days prior to the date of the Discipline Hearing.
- 12.03 At the Discipline Hearing, the parties may be represented by a lawyer or a Member of the Board who is either a Broker or Salesperson, provided that the Respondent may not be represented by a Member who is a member of the Professional Standards Committee or the Discipline Committee, and further provided that if either party is to be represented by a lawyer they shall notify, in writing, the other party and the Discipline Hearing Panel Chair, such notice to be received by the other party and the Discipline Hearing Panel Chair at least five (5) days before the date set for the Discipline Hearing. The Discipline Hearing Panel may retain legal counsel to sit at the Discipline Hearing and advise the Discipline Hearing Panel on any and all matters of law or procedure, but he shall not take part in any deliberation or decision of the Discipline Hearing Panel.
- 12.04 On the date set for the Discipline Hearing, the Discipline Hearing Panel shall proceed to hear and determine the matters contained in the Referral Document, and the failure of the Respondent to attend the Discipline Hearing shall not prevent the Discipline Hearing Panel from proceeding to make such a determination.
- 12.05 The members of the Discipline Hearing Panel may:
- (a) adjourn any Discipline Hearing from time to time;
  - (b) proceed in such manner as it deems proper and without being bound by the rules of evidence or other legal rules, provided that it shall consider the best evidence available;
  - (c) receive evidence under oath; or
  - (d) use any acceptable method of recording the Discipline Hearing, including but not limited to audio or video tape, recording secretary or stenographer.
- 12.06 **The parties to the Discipline Hearing shall have the right to call, as a witness, anyone who may have knowledge of the facts concerning the matter in question, whether or not that person is a Member of the Board.**

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### **Professional Standards & Discipline**

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#### **SECTION 13 - Documents**

13.01 The Executive Officer shall cause all documents, files, correspondence, reports and records introduced as evidence at a Discipline Hearing, to be kept in the custody of the Discipline Hearing Panel until any Appeal from a decision of the Discipline Hearing Panel has been disposed of. All evidence, tapes and records pertaining to a Discipline Hearing or a subsequent Appeal shall be in the custody, care and control of the Executive Officer on behalf of the Discipline Committee and shall be considered confidential and not subject to access by any person except as those documents, files, reports, correspondence, and records may be disclosed in relation to the Discipline Hearing and subsequent Appeals, or if requested by RECO.

#### **SECTION 14 - Decision of the Discipline Hearing Panel**

14.01 The decision of a majority of the members of the Discipline Hearing Panel shall be deemed to be the decision of the Discipline Hearing Panel, but if there is no majority, the decision of the Chair of the Discipline Hearing Panel shall govern.

14.02 The decision of the Discipline Hearing Panel shall:

- (a) be in writing, and shall contain the reasons for the decision;
- (b) be signed by the members of the Discipline Hearing Panel, or the Chair thereof; and
- (c) specify the penalty imposed.

#### **SECTION 15 - Decision and Penalties**

15.01 The Discipline Hearing Panel in its decision may:

- (a) find the Respondent has not engaged in the conduct set out in the Referral Document;
- (b) in the case of a Delinquent Account Dispute, find that the Member does not owe money to the Board, and order the Board to repay to the Member the amount paid by the Member to the Board pursuant to Article 4, Section 3.02; or
- (c) upon finding the Respondent has engaged in the conduct set out in the Referral Document, or in the case of a Delinquent Account Dispute, upon finding that the Member does owe money to the Board, impose one or more of the following penalties:
  - (i) a reprimand;
  - (ii) a suspension of Board membership privileges as defined by the Discipline Hearing Panel in its decision, or from using any one or more of the Board's facilities or services as set out by the Discipline Hearing Panel, or

## ARTICLE 9

### Professional Standards & Discipline

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- both, for such period of time as the Discipline Hearing Panel deems appropriate;
- (iii) for matters other than Delinquent Account Disputes, a fine of not less than three hundred Dollars (\$300.00), nor more than Five Thousand Dollars (\$5000);
  - (iv) in the case of a Delinquent Account Dispute, a fine equal to the amount of money determined to be owing to the Board, less the amount paid to the Board pursuant to Article 4, Section 3.02, together with interest thereon as charged by the Board for delinquent accounts, and the amount of costs, if any, incurred by the Board in attempting to collect the amount owing to the Board;
  - (v) the costs of the Discipline Hearing;
  - (vi) expulsion from membership in the Board; and/or
  - (vii) order that the Respondent attend and successfully complete any courses of an educational nature as may be available through the Board and/or OREA, including the passing of any examinations pertaining to these courses.
- 15.02 A copy of the Discipline Hearing Panel decision shall immediately be given to the Executive Officer who shall forward same to the parties to the Discipline Hearing, being, the Chair of the Professional Standards Committee, and the Respondent.
- 15.03 Subject to the appeal provisions set out in the remainder of this Article for all hearings except Delinquent Account Disputes, the decision of the Discipline Hearing Panel shall be final and binding upon the parties thereto and shall be considered effective as of the date of the decision, unless otherwise set out in the decision.
- 15.04 For the purpose of this Article, the “Discipline Compliance Date” for each Discipline Hearing or Delinquent Account Dispute shall be determined as follows:
- (a) If no Appeal is commenced in accordance with the terms of this Article, or if an Appeal is commenced but the Respondent discontinues the Appeal or resigns membership in the Board, the Discipline Compliance Date is the date which is the earlier of either:
    - (i) the date upon which the penalty is to be paid or performed according to the decision of the Discipline Hearing Panel; or
    - (ii) if the Discipline Hearing Panel does not set a specific date for the payment or performance of the penalty in its decision, thirty (30) days from the date upon which the Discipline Hearing Panel decision is forwarded to the Respondent.

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- (b) If an Appeal is commenced and continued in accordance with the terms of this Article, the Discipline Compliance Date is the date which is the earlier of either:
  - (i) the date upon which the penalty is to be paid or performed according to the Appeal Decision (which may be an amendment or confirmation of the date for penalty set by the Discipline Hearing Panel or a new date set by the Appeal Panel); or
  - (ii) if the Appeal Panel does not set a specific date for the payment or performance of the penalty in its decision, thirty (30) days from the date upon which such Appeal decision is forwarded to the Respondent.
- (c) If an appeal to OREA is commenced and continued in accordance with the terms of this Article, the Discipline Compliance Date is determined in accordance with paragraph (b) above with the substitution of the words “OREA appeal panel” for the words “Appeal Panel”.

15.05 If the Respondent (or the Member, in the case of a Delinquent Account Dispute) fails to comply with a discipline decision by the Discipline Compliance Date, as determined in accordance with section 15.04, the Board of Directors may, at any subsequent meeting of the Board of Directors, and without further proceedings, expel the Member from membership in the Board or suspend the Respondent’s membership in the Board for such period as the Board of Directors may in its sole discretion determine.

#### **SECTION 16 - Publishing the Decision**

- 16.01 (a) Where an Appeal is not filed as hereinafter set out, the decision of the Discipline Hearing Panel may be communicated to all Members of the Board, without revealing the name or any other information which may reveal the identity of the Respondent (except in the case of expulsion from or suspension of membership, in which case the Board may note in its communications to its Members that the Respondent has been expelled or suspended from Membership for a certain period of time).
- (b) When the applicable appeal periods have expired without an appeal being commenced; when appeal rights have been extinguished; or when the applicable appeals have either been completed, or discontinued, the Board may advise the person who made the complaint of the general outcome of the Discipline Hearing and, if applicable, which sections of the REALTOR<sup>®</sup> Code or the By-law the Respondent was found to have breached.

#### **SECTION 17 - Appeal of Discipline Hearing Decision**

- 17.01 There shall be no right to Appeal a decision of the Discipline Hearing Panel which relates to a Delinquent Account Dispute.
- 17.02 An Appeal of the decision of the Discipline Hearing Panel may be filed by the Respondent within thirty (30) days from the date upon which the Discipline Hearing

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Panel decision is forwarded to him. The Appeal is to be in writing addressed to the Board of Directors, and delivered to the Executive Officer.

- 17.03 The Appeal may be from a finding that the Respondent (now called the Appellant) engaged in the conduct set out in the Referral Document or from the penalty imposed, or both.
- 17.04 The Appeal shall be accompanied by a filing fee, in cash or by certified cheque, in an amount of Seven Hundred and Fifty Dollars (\$750).
- 17.05 The Appeal shall contain a brief and concise statement of the grounds for Appeal (hereinafter referred to as the Appellant's Statement).
- 17.06 The Appeal shall not be processed, dealt with or heard if the Appellant's Statement is not filed within the thirty (30) day period set out in Section 17.02 hereof, or if the filing fee is not delivered within the same thirty (30) day period.
- 17.07 Upon its receipt, the Executive Officer shall forward the Appellant's Statement to the Chair of the Professional Standards Committee. The Professional Standards Committee may file a statement in reply to the Appellant's Statement, and if it chooses to file such a statement in reply, it must do so within fifteen (15) days of receipt of the Appellant's Statement. Such reply is to be in writing addressed to the Board of Directors, and forwarded to the Executive Officer.
- 17.08 Upon receipt of the Professional Standards Committee's reply to the Appellant's Statement, the Executive Officer shall forward a copy of same to the Appellant.
- 17.09 If the Respondent (now called the Appellant), for any reason, resigns his membership in the Board either during the period of time during which he may file an Appeal in accordance with section 17.02 or at any time during the Appeal process described in this Article, the Respondent /Appellant shall be deemed to have waived all his rights of Appeal provided for in this Article. All of the Respondent's/Appellant's rights of Appeal provided for in this Article shall automatically be extinguished upon the Respondent's/Appellant's resignation of membership in the Board and the decision of the Discipline Hearing Panel shall be final and binding with no further rights of Appeal. Upon the extinguishing of the Appeal rights, any filing fee paid by the resigning Respondent/Appellant, relating only to the Appeal, shall be refunded to such resigning Respondent/Appellant. The extinguished Appeal rights and Appeal process cannot be reopened upon the Respondent/Appellant re-joining the Board.

#### **SECTION 18 - Composition of Appeal Panel**

- 18.01 The Appeal Panel shall consist of three (3) Members who must be either Brokers or Salespersons and who are either on the Board of Directors or who are past presidents of the Board (including a Chair, who shall be the President, or one of the Appeal Panellists appointed by the President) all of whom are not members of either the Professional Standards or Discipline Committees.



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### **Professional Standards & Discipline**

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#### **SECTION 19 - Nature of Appeal Hearing**

- 19.01 Neither the Appellant nor the Professional Standards Committee shall be allowed to call any new evidence since the Appeal is to be decided solely on the evidence as contained in the Record of the Discipline Hearing as described in Section 20 of this Article.
- 19.02 An Appeal shall only be with respect to the question of whether or not the Discipline Hearing Panel had the jurisdiction to make its decision or whether or not there was a denial of natural justice.

#### **SECTION 20 - Record of the Discipline Hearing**

- 20.01 For purposes of this Article, the Record of the Discipline Hearing shall include the following:
- (a) the written Referral Document;
  - (b) the written Reply, if any;
  - (c) all notices sent to the parties by the Professional Standards and Discipline Committees;
  - (d) any transcript or other summary of the evidence of the proceedings of the Discipline Hearing Panel, including any tape recordings of those proceedings;
  - (e) all exhibits entered into evidence at the Discipline Hearing; and
  - (f) the decision of the Discipline Hearing Panel.

#### **SECTION 21 - Appeal Hearing**

- 21.01 After the Professional Standards Committee's reply to the Appellant's Statement has been received by the Executive Officer and forwarded to the Appellant, or if no such reply is received by the Executive Officer, after the time period for the filing of the Professional Standards Committee's reply has elapsed, notice, in writing, of the date, time and place set for the Appeal Hearing shall be forwarded to the Appellant and the Chair of the Professional Standards Committee, by the Executive Officer, at least twenty (20) days prior to the date of the Appeal Hearing.
- 21.02 Where the Appellant fails to appear at the Appeal Hearing, the Appeal shall be dismissed and there shall be no further rights to appeal pursuant to this Article. However, failure of a representative of the Professional Standards Committee to appear at the Appeal Hearing does not mean that the Appeal will automatically be allowed, the onus being on the Appellant to prove his grounds for Appeal.
- 21.03 At the Appeal Hearing, the Appellant may be represented by a lawyer or a Member of the Board who is a Broker or Salesperson. The Professional Standards Committee may

## **ARTICLE 9**

### **Professional Standards & Discipline**

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be represented by the Researcher, another Member of the Board who is a Broker or Salesperson, or by a lawyer. The Appellant, may not, however be represented by a Member who is a member of the Professional Standards Committee or the Discipline Committee. Further provided that if either party is to be represented by a lawyer it shall notify, in writing, the other party and the Appeal Panel Chair, such notice to be received by the other party and the Appeal Panel Chair at least five (5) days before the date set for the Appeal Hearing. The Appeal Panel may retain legal counsel to sit at the Appeal Hearing and advise the Appeal Panel on any and all matters of law or procedure, but he shall not take part in any deliberation or decision of the Appeal Panel.

#### **SECTION 22 - Disposition of Appeal**

22.01 The Appeal Panel, by its decision may:

- (a) dismiss the Appeal;
- (b) grant the Appeal;
- (c) amend the decision of the Discipline Hearing Panel as the Appeal Panel deems appropriate;
- (d) remit the matter back to the Discipline Committee for a new Discipline Hearing in whole or in part, and at their discretion by a differently constituted Discipline Hearing Panel.
- (e) impose any of the penalties as set out in Sub-section 15.01 of this Article; and/or
- (f) direct the disposition of the Appeal filing fee.

22.02 The decision of the majority of the members of the Appeal Panel shall be deemed to be the decision of the Appeal Panel, but if there is no majority, the decision of the Chair shall govern.

22.03 The decision of the Appeal Panel shall:

- (a) be in writing, and shall contain reasons for the decision;
- (b) be signed by the members of the Appeal Panel or the Chair of that Panel; and
- (c) set out the disposition of the Appeal.

#### **SECTION 23 - Notification of Decision**

23.01 A copy of the decision of the Appeal Panel shall be forwarded to the Appellant and to the Chair of the Professional Standards Committee, by the Executive Officer, immediately upon the Executive Officer receiving it.

23.02 Subject to a further appeal being filed in accordance with Section 25 of this Article, and disposed of as provided for in that Section, the decision of the Appeal Panel shall be

## **ARTICLE 9**

### **Professional Standards & Discipline**

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final and binding, and may be communicated to the Members of the Board, without revealing the name or any other information which would identify the Appellant (except in the case of expulsion from or suspension of membership, in which case the Board may note in its communications to its Members that the Appellant has been expelled or suspended from Membership for a certain period of time).

#### **SECTION 24 - Intentionally Deleted**

##### **24.01 INTENTIONALLY DELETED.**

#### **SECTION 25 - Appeal to OREA**

- 25.01 (a) Any dispute, except Delinquent Account Disputes, between a Member and the Board which relates to the enforceability of any decision of a Discipline Hearing Panel under Article 9 of this By-law (provided that such decision has been appealed as allowed herein and further provided that the enforceability of such a decision shall be determined only on the question of whether or not the Discipline Hearing Panel had the jurisdiction to make its decision or whether there was a denial of natural justice) shall be submitted to the Chief Executive Officer of OREA in accordance with the OREA By-law. Notice of such appeal together with the filing fee as then prescribed by OREA shall be filed with the Chief Executive Officer of OREA within thirty (30) days of the date on which the decision of the Appeal Panel was received by the Member.
- (b) If the Respondent (now called the Appellant), for any reason, resigns his membership in the Board either during the period of time during which he may file an appeal in accordance with section 25.01(a) (or in accordance with the OREA by-law) or at any time during the appeal process described in this section and/or in the by-law of OREA, the Respondent/Appellant shall be deemed to have waived all his rights of appeal provided for in this section and/or in the by-law of OREA. All of the Respondent's/Appellant's rights of appeal provided for in this section and/or in the by-law of OREA shall automatically be extinguished upon the Respondent's/Appellant's resignation of membership in the Board and the decision of the Discipline Hearing Panel (as confirmed or amended by the Appeal Panel as provided for in section 22) shall be final and binding with no further rights of appeal. Upon the extinguishing of such appeal rights, any filing fee paid by the resigning Respondent/Appellant, relating **only** to the appeal to OREA, shall be refunded to such resigning Respondent/Appellant. The extinguished appeal rights and appeal process cannot be reopened upon the Respondent/Appellant re-joining the Board.

#### **SECTION 26 - Indemnity**

- 26.01 No Member of the Board may prefer charges or sue for damages any agent or employee of the Board or any member of the Professional Standards and Discipline Committees or the Board of Directors for any reason for what they did or failed to do in the administration of the provisions of this Article and this Section is hereby confirmed as

**ARTICLE 9**  
**Professional Standards & Discipline**

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an absolute defence against such charges or suit and each Member hereby waives his right to file such charges or suit.

**ARTICLE 10 - USE OF SYMBOLS**

**SECTION 1 - Use of Symbols**

- 1.01 The Directors may from time to time endorse any mark, symbol, design, device or crest for use by the Board or any of its Members.
- 1.02 Upon endorsement by the Directors any Member may use such mark, symbol, design, device or crest on stationery or advertising material subject to any rules or regulations the Directors may impose regarding the use of same.
- 1.03 The symbol or crest of CREA is hereby adopted and endorsed as the official crest of the Board, and terms of reference for its use are the same as those adopted by CREA, which by this reference are deemed to be included in this By-law.

# **ARTICLE 11**

## **Procedure at Meetings**

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### **ARTICLE 11 - PROCEDURE AT MEETINGS**

#### **SECTION 1 - Order of Procedure at Meetings**

- 1.01 Unless specifically provided for in this By-law to the contrary, all meetings of the Members of the Board, the Board of Directors and all meetings of Committees of the Board shall be subject to the procedures, rules and regulations as set out in the latest edition of "Roberts Rules of Order" by General Henry M. Roberts.

## **ARTICLE 12**

### **OREA & CREA**

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#### **ARTICLE 12 - OREA & CREA**

##### **SECTION 1 - Membership in OREA**

- 1.01 The Board shall be a member of OREA and by virtue of this membership all Members of the Board are deemed to be members of OREA and shall be subject to its by-laws, rules and regulations.

##### **SECTION 2 - Membership in CREA**

- 2.01 The Board shall be a member of CREA and by virtue of this membership all Members of the Board are deemed to be members of CREA and shall be subject to its by-laws, rules and regulations.

##### **SECTION 3 - Termination of Membership**

- 3.01 Where the membership of any Member of the Board in either OREA or CREA is terminated by either of these Associations, the membership of that Member in this Board is deemed to be automatically terminated.

# **ARTICLE 13**

## **By-law Amendments**

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### **ARTICLE 13 - BY-LAW AMENDMENTS**

#### **SECTION 1 - By-law Amendments**

- 1.01 The provisions of this By-law may be enacted, amended or repealed at any properly constituted meeting of the Directors, provided that at least two-thirds (2/3) of the votes cast by the Directors present at the meeting vote in favour of such enactment, amendment or repeal and provided also that every Director shall have received at least five (5) days written notice, before the meeting, of such enactment, amendment or repeal. The Chair is not entitled to vote unless there is a tie, in which case the Chair may vote to break the tie.
  
- 1.02 The contents of the notice referred to in Section 1.01 hereof, may be amended at any meeting of the Directors where it is to be dealt with, provided that all Directors present at the meeting consent, in writing, to such an amendment.

#### **SECTION 2 - Approval of By-law Amendments**

- 2.01 Any enactment, amendment or repeal of this By-law as approved by the Directors is not enforceable until confirmed by not less than two-thirds (2/3) of the votes cast by the Members present either in person or by proxy, at a duly called meeting of the Members of the Board.

Even though, by definition, “By-law” includes rules and regulations, this Section 2.01 does not apply to the creation, amendment or revocation of rules and regulations, and the provisions of Article 6, Section 17.01 shall apply to rules and regulations.



**ARTICLE 14 - NOTICES**

**SECTION 1 - Notices**

- 1.01 Unless otherwise specified in this By-law, any letter, notice, document or any other material (hereinafter collectively referred to as “Notices”) required or permitted to be given or forwarded by the Board or its officers, Directors, employees, representatives, Committees, Committee members, representatives of its Committees or Committee members, hearing or appeal panels, or representatives of its hearing or appeal panels, may be:
- (a) mailed by regular or registered mail addressed to;
  - (b) delivered personally (or by courier) addressed to; or
  - (c) telecopied (faxed) addressed to,  
such Member at its/his address as recorded with the Board; or
  - (d) sent electronically (by e-mail) to the e-mail address provided by the Member for the purpose of receiving Notices from the Board to the Member.
- 1.02
- (a) Notices which are telecopied (faxed) shall be deemed to have been received by the addressee on the next business day (example, if telecopied on a Friday afternoon, deemed receipt on Monday morning. If telecopied on a Wednesday morning, deemed receipt on Thursday.)
  - (b) Notices which are mailed by regular mail shall be deemed to have been received by the addressee on the fifth business day (not including the day of mailing) after mailing (example, if mailed on a Monday afternoon, deemed receipt on Monday).
  - (c) Notices which are mailed by registered mail, shall be deemed to have been received on the day they are actually received by the addressee according to the records of Canada Post.
  - (d) Notices delivered personally or by courier, shall be deemed to have been received when delivery is made to the address of the Member as recorded with the Board.
  - (e) Notices which are sent by e-mail shall be deemed to have been received by the addressee on the next business day (example, if sent by e-mail on a Friday afternoon, deemed receipt on Monday morning. If sent by e-mail on a Wednesday morning, deemed receipt on Thursday)
  - (f) For the purposes of this section, business day shall mean every day except Saturdays, Sundays and those days which are statutory holidays in the Province of Ontario.

## **ARTICLE 14**

### **Notices**

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- 1.03 If Notices are mailed, faxed, sent by e-mail or delivered to a Member and have been returned on three consecutive occasions because such Member cannot be found, the Board need not send any further Notices to such Member until it/he informs the Board in writing of its/his new address.

**ARTICLE 15**  
**REALTOR<sup>®</sup> CODE**

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**ARTICLE 15 - REALTOR<sup>®</sup> CODE**

**SECTION 1 - REALTOR<sup>®</sup> Code of Ethics and Standards of Business Practice**

- 1.01 The Board hereby adopts the REALTOR<sup>®</sup> Code and by this reference to it, the REALTOR<sup>®</sup> Code is deemed to be part of this By-law.
- 1.02 The Board shall adopt such By-law, rules and regulations as are necessary from time to time in order to enforce through its Professional Standards Committee and Discipline Committee the provisions of the REALTOR<sup>®</sup> Code.
- 1.03 **If a complainant is referred to RECO, in accordance with Section 4 of Article 9, the Board shall be deemed to have enforced the corresponding section of the REALTOR<sup>®</sup> Code.**

**PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_\_.**

**WITNESS THE CORPORATE SEAL OF THE BOARD.**

\_\_\_\_\_  
**President**

\_\_\_\_\_  
**Executive Officer**