PLEDGE OF COMPETITION

Reminder: Competition Law Regarding Establishment and Advertising of Commission

February 12, 2001 – It is a prosecutable offense under Federal Competition Law for a Real Estate Board, or any two or more individual members to attempt to influence, control, or even engage in discussions with the goal of influencing or controlling commission rates or the advertising of same.

The REALTORS® Association of Hamilton-Burlington, together with all other Real Estate Boards in Canada has adopted a Pledge of Competition, which states:

PLEDGE OF COMPETITION

Member Boards and Associations of the Canadian Real Estate Association support free and open competition. We believe in the principles embodied in the Competition Act for Canada. Therefore we adhere to a Code of Conduct, which includes the following standards:

- Commission rates or fees members charge for services offered to the public, and division of those fees among cooperating members, are solely the choice of those providing the services.

- A brokerage may offer any variety of services i.e. exclusive, open, MLS® listings etc. Boards and Real Estate Associations accept MLS® listings regardless of the price, commission rates or fees, or the division thereof.

- Advertising by members and non-members is subject to the discretion of the individual, as long as it is honest and lawful. We encourage creative, competitive choice in the services advertised to the public.

- The business relationships between broker members, their salespersons and non-members is theirs to determine. With regard to Board and Association membership, members may choose for themselves to work full or part time, as long as they remain available to serve the public on a regular basis and provided provincial enabling legislation does not otherwise authorize a limitation of such choice.

- All members are required to meet uniform and reasonable financial and educational standards. They are required to demonstrate integrity and character necessary to protect the public.

By using the MLS® and REALTOR® trademarks, all member Boards and Associations of the Canadian Real Estate Association proclaim our adherence to these principles, designed to preserve free and open competition.

REALTORS® ASSOCIATION OF HAMILTON-BURLINGTON
# TABLE OF CONTENTS

Preamble ........................................................................................................................................................................... 6

**Article 1 – Interpretation And Corporate Matters**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 – Name</td>
<td>7</td>
</tr>
<tr>
<td>Section 2 – Definitions</td>
<td>7</td>
</tr>
<tr>
<td>Section 3 – Jurisdictional Area</td>
<td>9</td>
</tr>
<tr>
<td>Section 4 – Head Office</td>
<td>9</td>
</tr>
<tr>
<td>Section 5 – Fiscal Year</td>
<td>9</td>
</tr>
<tr>
<td>Section 6 – Dissolution of the Association</td>
<td>9</td>
</tr>
<tr>
<td>Section 7 – Purpose</td>
<td>9</td>
</tr>
</tbody>
</table>

**Article 2 – Membership**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 – Categories of Membership</td>
<td>10</td>
</tr>
<tr>
<td>Section 2 – Sub-Categories of Membership</td>
<td>12</td>
</tr>
<tr>
<td>Section 3 – Non-Member / Access Only Category</td>
<td>13</td>
</tr>
<tr>
<td>Section 4 – Application for Membership</td>
<td>13</td>
</tr>
<tr>
<td>Section 5 – Members Generally</td>
<td>14</td>
</tr>
</tbody>
</table>

**Article 3 – Obligations and Reporting**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 - Obligations of Partnerships and Corporations</td>
<td>15</td>
</tr>
<tr>
<td>Section 2 – Change of Ownership or Control</td>
<td>15</td>
</tr>
<tr>
<td>Section 3 – Furthering the Objects of the Association</td>
<td>16</td>
</tr>
<tr>
<td>Section 4 – Termination of Membership</td>
<td>16</td>
</tr>
<tr>
<td>Section 5 – Members with Offices within Jurisdictional Area</td>
<td>17</td>
</tr>
<tr>
<td>Section 6 – Members with Offices outside Jurisdictional Area</td>
<td>17</td>
</tr>
</tbody>
</table>

**Article 4 – Fees and Dues**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 – Payment of Fees and Dues</td>
<td>18</td>
</tr>
<tr>
<td>Section 2 – Special Provisions Dealing with Application Fees and Annual Dues</td>
<td>18</td>
</tr>
<tr>
<td>Section 3 – Non-Payment of Amounts Owed to the Association</td>
<td>19</td>
</tr>
<tr>
<td>Section 4 – Processing Fee</td>
<td>20</td>
</tr>
<tr>
<td>Section 5 – Penalty for Non-Registering</td>
<td>20</td>
</tr>
<tr>
<td>Section 6 – Entrance Fees, Brokerages</td>
<td>21</td>
</tr>
<tr>
<td>Section 7 – Entrance Fees for Brokers and Salespersons</td>
<td>21</td>
</tr>
</tbody>
</table>

**Article 5 – Voting and Elections**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 – Voting Rights</td>
<td>22</td>
</tr>
<tr>
<td>Section 2 – Voting and Proxies</td>
<td>22</td>
</tr>
<tr>
<td>Section 3 – Annual Meeting</td>
<td>23</td>
</tr>
<tr>
<td>Section 4 – Notice Requirements</td>
<td>23</td>
</tr>
<tr>
<td>Section 5 – General Provisions relating to Meetings of Members</td>
<td>24</td>
</tr>
<tr>
<td>Section 6 – Voting Procedure at Meetings</td>
<td>24</td>
</tr>
<tr>
<td>Section 7 – Election Meeting</td>
<td>25</td>
</tr>
<tr>
<td>Section 8 – Other Meetings of Members</td>
<td>26</td>
</tr>
</tbody>
</table>

**Article 6 – Board of Directors**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1 – Board of Directors</td>
<td>27</td>
</tr>
<tr>
<td>Section 2 – Qualifications of Directors</td>
<td>27</td>
</tr>
<tr>
<td>Section 3 – Vacancies on the Board of Directors</td>
<td>28</td>
</tr>
<tr>
<td>Section 4 – Removal of Directors</td>
<td>28</td>
</tr>
<tr>
<td>Section 5 – Remuneration of Directors</td>
<td>29</td>
</tr>
<tr>
<td>Section 6 – Meetings of the Directors</td>
<td>29</td>
</tr>
<tr>
<td>Section 7 – Officers of the Board</td>
<td>29</td>
</tr>
<tr>
<td>Section 8 – Duties of President / President-Elect / Vice-President</td>
<td>30</td>
</tr>
<tr>
<td>Section 9 – Chief Executive Officer</td>
<td>30</td>
</tr>
<tr>
<td>Section 10 – Appointment of Officers and Vacancies</td>
<td>31</td>
</tr>
</tbody>
</table>
Article 6 – Board of Directors (cont'd)

Section 11 – Banking .......................................................................................................................................................... 31
Section 12 – Bonding .......................................................................................................................................................... 31
Section 13 – Indemnity .......................................................................................................................................................... 31
Section 14 – Execution of Contracts, Etc. .......................................................................................................................... 31
Section 15 – Respecting the Borrowing of Money, Etc. ........................................................................................................... 32
Section 16 – Voting Shares and Securities in Other Companies ............................................................................................ 32
Section 17 – Rules and Regulations .................................................................................................................................... 32

Article 7 – Committees, Councils and Task Forces

Section 1 – Committees .......................................................................................................................................................... 33

Article 8 – Arbitration and Appeal

Section 1 – Definitions and Notice Provisions .......................................................................................................................... 34
Section 2 – Committee .............................................................................................................................................................. 34
Section 3 – Qualifications of Arbitrators .................................................................................................................................. 34
Section 4 – Custody of Files and Documents .......................................................................................................................... 35
Section 5 – Binding Arbitration .................................................................................................................................................. 35
Section 6 – Filing the Claim ....................................................................................................................................................... 35
Section 7 – Filing the Defense ................................................................................................................................................. 36
Section 8 – Conciliation ............................................................................................................................................................ 36
Section 9 – Notice of Hearing .................................................................................................................................................... 36
Section 10 – Selection of Arbitrators ......................................................................................................................................... 37
Section 11 – Legal Counsel ...................................................................................................................................................... 37
Section 12 – Powers of Arbitrators .......................................................................................................................................... 37
Section 13 – Witnesses ............................................................................................................................................................. 37
Section 14 – Arbitrators’ Award .................................................................................................................................................. 37
Section 15 – Appeal ................................................................................................................................................................... 38
Section 16 – Filing the Appeal .................................................................................................................................................. 39
Section 17 – Reply to Appeal .................................................................................................................................................. 39
Section 18 – Notice of Appeal ................................................................................................................................................ 40
Section 19 – Record of Arbitration Proceedings ..................................................................................................................... 40
Section 20 – Notice of Appeal Hearing ................................................................................................................................ 40
Section 21 – Legal Counsel ..................................................................................................................................................... 40
Section 22 – Selection of OREA Appeal Panel ........................................................................................................................ 40
Section 23 – Nature of Appeal Hearing ................................................................................................................................ 41
Section 24 – Powers of OREA Appeal Panel .......................................................................................................................... 41
Section 25 – Qualifications of OREA Appeal Panel ................................................................................................................ 41
Section 26 – OREA Appeal Panel Award ................................................................................................................................ 41
Section 27 – Indemnity .............................................................................................................................................................. 42

Article 9 – Professional Standards / Discipline

Section 1 – Committee Function ................................................................................................................................................. 43
Section 2 – Definitions and General Provisions .......................................................................................................................... 43
Section 3 – Composition of Professional Standards Committee and PSC Sub-Committee ......................................................... 44
Section 4 – Jurisdiction ............................................................................................................................................................... 44
Section 5 – Handling of Complaints ........................................................................................................................................ 45
Section 6 – Powers of Researcher .......................................................................................................................................... 46
Section 7 – Report of Researcher .............................................................................................................................................. 46
Section 8 – Disposition of Research ....................................................................................................................................... 46
Section 9 – Allegation Statement ............................................................................................................................................ 46
Section 10 – Disposition Upon Receipt of Reply ...................................................................................................................... 47
Section 11 – Discipline Committee .......................................................................................................................................... 47
Section 12 – Procedural Matters .............................................................................................................................................. 47
Section 13 – Abbreviated Hearing .......................................................................................................................................... 48
Section 14 – Documents .......................................................................................................................................................... 48
Section 15 – Decision of the Discipline Hearing Panel ........................................................................................................... 49
Section 16 – Decision and Penalties ....................................................................................................................................... 49
Section 17 – Publishing the Decision ....................................................................................................................................... 50
Section 18 – Appeal of Discipline Hearing Decision ............................................................................................................. 50
Section 19 – Composition of Appeal Panel ................................................................................................................................ 51
Section 20 – Nature of Appeal Hearing ................................................................................................................................ 51
Article 9 – Professional Standards / Discipline (cont’d)

Section 21 – Record of the Discipline Hearing ................................................................. 52
Section 22 – Appeal Hearing .......................................................................................... 52
Section 23 – Disposition of Appeal ................................................................................ 52
Section 24 – Notification of Decision .......................................................................... 53
Section 25 – Appeal to OREA ....................................................................................... 53
Section 26 – Indemnity ................................................................................................. 53

Article 10 – Symbols, Etc.

Section 1 – Use of Symbols ......................................................................................... 54

Article 11 – Order of Procedure

Section 1 – Order of Procedure at Meetings ................................................................. 55

Article 12 – OREA and CREA Membership

Section 1 – Membership in OREA ................................................................................ 56
Section 2 – Membership in CREA ................................................................................ 56
Section 3 – Termination of Membership ...................................................................... 56
Section 4 – Reciprocal Agreements with Other Boards and Other Board Members ........................................................................... 56

Article 13 – Bylaw Amendments

Section 1 – Bylaw Amendments .................................................................................. 57
Section 2 – Approval of Bylaw Amendments ................................................................. 57

Article 14 – Notices

Section 1 – Notices ....................................................................................................... 58

Article 15 – Adoption of CREA Code

Section 1 – CREA Code of Ethics and Standards of Business Practice ......................... 59

FEES AND DUES SCHEDULE ....................................................................................... 60

APPENDIX A – JURISDICTIONAL BOUNDARY ............................................................... 61

MLS® RULES AND REGULATIONS .................................................................................. 62
PREAMBLE

The REALTORS® Association of Hamilton-Burlington was incorporated by Letters Patent issued by the Provincial Secretary of the Province of Ontario on January 26, 1921, as amended by Supplementary Letters Patent issued by the said Provincial Secretary on October 7, 1952, November 28, 1969, July 18, 1997, and June 12, 2003 respectively, for the following purposes and objects:

1. The objects of the Association are as follows:
   
   a) To do all things necessary to promote interest in the marketing of real estate in all its aspects, and to advance and improve the relations of the Members of the Corporation with the public;
   
   b) To advance and promote the interests of those engaged in real estate as broker, agents, valuators, examiners and experts, and to increase public confidence in, and respect for, those engaged in the calling of real estate broker;
   
   c) To encourage the use of the designation "REALTOR®" by the Members of the Corporation, to promote the acceptance by the public of such designation and such use thereof, and to protect as far as practicable the exclusive use thereof by the Members;
   
   d) To encourage the study of real estate in all its aspects and to promote the exchange of views between the Members of the Corporation by affording opportunities for discussion, correspondence and attendance at lectures, for the reading of papers and to disseminate useful information by circulation among the Members of publications, data and forms;
   
   e) To institute, promote and manage listing systems with the object of rendering better service to the public by providing vendors of real estate with a wider potential market;
   
   f) To institute, promote and manage plans or systems for the benefit of Members of the Corporation in the conduct of their business connected with all aspects of real estate;
   
   g) To establish, raise, undertake, superintend, manage and administer charitable or benevolent funds to assist needy Members of the Corporation and the dependents of deceased Members or other deserving persons, and from time to time, to make grants and donations out of the income or surplus funds of the Corporation for the purpose of such charitable or benevolent funds;
   
   h) To promote, encourage and protect the ownership of real property and to endeavour to maintain real estate values and to do all things which may be deemed to be necessary or advisable to make real estate a sound and desirable investment; and
   
   i) Generally to assist in the development of the City of Hamilton, City of Burlington and other areas within our jurisdictional boundary to promote the prosperity and wealth of the area and its inhabitants.

PROVIDED, however, that it shall not be lawful for the Corporation directly or indirectly to transact or undertake any business within the meaning of the Loan and Trust Corporations Act (Ontario).

2. To add the following special provisions:

   a) To make grants and donations out of income or surplus funds of the Corporation for the establishment or support of any charitable or benevolent institution and to subscribe and guarantee funds for any charitable or benevolent purpose whether or not related to or calculated to promote the purposes of the Corporation;
   
   b) To purchase, lease, build or otherwise acquire or provide, from time to time, and at any time, any building or buildings for the purpose of an institute, hall, college or lecture rooms, offices and board rooms, and to alter, reconstruct, equip and furnish the same for the use of the Members and their guests, and generally for the promotion of the objects of the Corporation, and to sell, mortgage, lease or otherwise dispose of the same when deemed advisable, from time to time;
ARTICLE 1 - INTERPRETATION AND CORPORATE MATTERS

Section 1 – Name

1.01 The name of the Corporation shall be the REALTORS® Association of Hamilton-Burlington.

Section 2 – Definitions

2.01 For purposes of this Bylaw, the term:

a) "Act" means the Real Estate and Business Brokers Act 2002 and its regulations, and any successor legislation;


c) "Association" means the REALTORS® Association of Hamilton-Burlington;

d) "Banking Institution" means a bank as defined by Schedule 1 of the Bank Act, 1991, c. 46, as amended, and any successor legislation.

e) "Board of Directors" means the Board of Directors of the REALTORS® Association of Hamilton-Burlington, 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;

f) "Branch Office" means any office of a Brokerage Member other than the main office, which is registered in accordance with the Act, and at which the public is invited to deal;

g) “Brokerage” means a corporation, partnership, sole proprietor, association or other organization or entity that, on behalf of others and for compensation or reward or the expectation of such, trades in real estate or holds himself, herself or itself out as such, registered under the Act as a Broker and which is a Member of the Association.

h) “Broker of Record” means a person registered as a broker under the Act, who is a director, officer, and shareholder, in the case of a corporate Brokerage Member, the sole proprietor in the case of a sole proprietorship Brokerage Member, or partner in the case of a partnership Brokerage Member, and who is or has been designated as the Broker of Record of the Brokerage Member for the purposes of the Act; this Bylaw or the relationship between the Brokerage Member and the Association;

i) "Bylaw" means this Bylaw, 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;

j) "Chief Executive Officer" shall mean the chief staff person responsible for the general operation of the Association and any reference to the Executive Officer in this Bylaw shall have the same meaning;

k) "Committee" means any Committee described in this Bylaw and includes any Committee established by the Directors;

l) "Corporations Act" means the Corporations Act, RSO 1990, c. C-38, as amended and any successor legislation;

m) “CREA” means The Canadian Real Estate Association or any successor organization;

n) “CREA Code” means the CREA REALTOR® Code and Standards of Business Practice adopted or amended from time to time by CREA;
ARTICLE 1

Section 2 – Definitions (cont’d)

o) "Employed" shall mean employed, appointed or authorized, whether by an employment contract or by any other contract and, without limiting the generality of the foregoing, shall include an independent contractor relationship; and "employ", "employs", "employment" and "employee" shall have such similar expanded definitions;

p) "Member", unless the context indicates otherwise, shall mean only Brokerages, Broker Members and Salesperson Members, all as further described in Article 2 hereof;

q) "MLS®" means the Multiple Listing Service® operated by the Association 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 effect the purchase and sale of real estate;

r) "Non-Member" means a person employed by a Brokerage or a Member.

s) "OREA" shall mean the Ontario Real Estate Association or any successor organization;

t) "OREA Bylaw" means the Bylaw, rules and regulations enacted by OREA, as same may be amended from time to time by OREA;

u) "REALTOR®" is a registered trademark of REALTOR® Canada Inc., a company owned equally by CREA and the National Association of REALTORS® and refers to licensed real estate practitioners who are members of CREA;

v) "RECO" means the Real Estate Council of Ontario, or its successors, from time to time;

w) "RECO Code" means the Code of Ethics for all registrants contained in the regulations to the Act, and any successor Code;

x) "Registrar" means the Registrar or Real Estate and Business Brokers appointed pursuant to the Act;

y) "Trust Company" means a brokerage that is registered in the Loan and Trust Corporations Act (Ontario).

z) "Voting Member" means a Broker Member or Salesperson Member who is in good standing with the Association at the time of the meeting of Members and who is therefore entitled to vote at the meeting of Members pursuant to the provisions of this Bylaw.

2.02 In this Bylaw, unless the context otherwise requires:

a) words importing the singular shall include the plural, and vice versa;

b) words importing the masculine gender shall include the feminine gender, and vice versa;

c) "may" is construed as permissive; and

d) "shall" is construed as imperative.

2.03 Where there is any reference made in the Bylaw and any special resolutions of the Association, 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 Bylaw into Articles, sections, and sub-sections, and the insertion of headings, sub-headings, marginal notes and table of contents or index (if any) are for convenience of reference only and shall not affect the construction or interpretation of this Bylaw.
ARTICLE 1

Section 3 - Jurisdictional Area

3.01 The jurisdictional area of the Association shall be as described in Appendix "A" attached to this Bylaw.

Section 4 - Head Office

4.01 The head office of the Association shall be located at such place in the City of Hamilton as the Directors may determine from time to time.

Section 5 - Fiscal Year

5.01 The fiscal year of the Association shall end on the 31st day of December in each year or on such other date as the Directors may by resolution determine.

Section 6 - Dissolution of the Association

6.01 If the Association is dissolved, then after paying all debts and liabilities of the Association, any remaining assets shall be given to such charitable organization(s) whose objects are beneficial to the community, as may be allowed in accordance with the Corporations Act. The organization(s) to receive any such distribution shall be determined by resolution of the Members.

Section 7 - Purpose

7.01 The purposes and objects of this Association shall be those as set out in the Letters Patent of the Province of Ontario, incorporating the Association on the 26th day of January 1921, as currently amended and as may hereinafter be further amended from time to time by Supplementary Letters Patent (collectively, the “Letters Patent”).

7.02 If there is any conflict between what is stated in the Preamble to this Bylaw, and the Letters Patent, the provisions of the Letters Patent shall govern.
ARTICLE 2

ARTICLE 2 - MEMBERSHIP

Section 1 – Categories of Membership

1.01 The categories of Members in the Association are:

a) Salesperson
b) Broker
c) Brokerage

The Association will accept as Members, persons, corporations or partnerships who comply with all requirements of the Association whether they are from within the jurisdictional area of the Association or not.

1.02 Salesperson Member
Any person shall be eligible for membership as a Salesperson Member who:

a) is registered as a Salesperson with a Brokerage Member under the Act;
b) has completed a course or courses of education as may be determined by the Board of Directors from time to time;
c) submits a completed application form within thirty (30) days from the date of registration as a Salesperson under the Act, together with the appropriate fees as set out in Fee Schedule to this Bylaw;
d) is not in default of any financial obligation to the Association; and
e) has not been expelled or terminated by another Real Estate Board/Association for non-compliance of that Board's Bylaw, Rules and Regulations, Code of Ethics and Standards of Business Practice, provided the Association receives evidence satisfactory to the Association that the expulsion or termination was not anti-competitive.

f) There shall be four (4) sub-categories related to this membership category as outlined in Section 2 of this Article.

1.03 Broker Member
Any person shall be eligible for membership as a Broker Member who:

a) is registered as a Broker under the Act with a Brokerage Member;
b) has completed a course or courses of education as determined by the Board of Directors from time to time;
c) submits a completed application form within thirty (30) days from the date of registration as a Broker under the Act together with the appropriate fees as set out in Fee Schedule to this Bylaw;
d) is not in default of any financial obligation to the Association; and
e) has not been expelled or terminated by another Real Estate Board / Association for non-compliance of that Board's Bylaw, Rules and Regulations, Code of Ethics and Standards of Business Practice, provided the Association receive evidence satisfactory to the Association that the expulsion or termination was not anti-competitive.

f) There shall be four (4) sub-categories related to this membership category as outlined in Section 2 of this Article.
ARTICLE 2

Section 1 – Categories of Membership (cont’d)

1.04 Brokerage Member

Any Brokerage shall be eligible as a Brokerage Member:

a) which is registered as a Brokerage under the Act;

b) which carries on a Real Estate Business in the Province of Ontario;

c) which has not previously filed an application for membership which was not accepted during the immediately preceding six (6) month period;

d) whose Broker of Record of the Brokerage has completed a course or courses of education as determined by the Board of Directors from time to time;

e) which submits a completed application form together with the appropriate fees as set out in Fee Schedule to this Bylaw;

f) which is approved by the Board of Directors or its delegate;

g) which Brokerage and whose Broker of Record is not in default of any financial obligation to the Association;

h) which Brokerage and whose Broker of Record has not been expelled or terminated by another Real Estate Board for non-compliance with that Board’s Bylaw, Rules and Regulations, Code of Ethics, and Standards of Business Practice, provided the Association receives evidence satisfactory to the Association that the expulsion or termination was not anti-competitive.

i) no Brokerage shall conduct a business of trading in real estate from more than one place at which the public is invited to deal unless the Broker is registered in respect of each such place, one of which shall be designated in the registration as the main office and the remainder as branch offices;

j) each branch office of a Brokerage shall be under the supervision of a Broker and each such office having more than one salesperson shall be under the direct management of a Broker or of a salesperson who has been registered for at least two years and who is under the supervision of a Brokerage;

k) a Brokerage may only employ a salesperson to manage a branch office who has completed the course of study and passed the written examinations approved by the Registrar and who has been registered and actively employed as a registered salesperson for a period of two years during the three years immediately preceding the date of employment as a manager of a branch;

l) a Registrant Member appointed as a Branch Office Manager shall manage one office only, unless otherwise approved by the Registrar;

m) a Brokerage shall not employ or maintain in employment any person qualifying under a Third Party Agreement without registering said person as such with the Association;

n) a Brokerage shall maintain a Commission Trust Account;
ARTICLE 2

Section 1 – Categories of Membership (cont’d)

1.04 Brokerage Member (cont’d)

o) In the case of a trust company, publicly owned company or a company with multi-board memberships registered as a Broker under the Act, if there are no individuals trading in real estate within the jurisdictional area of the Association who own a ten percent (10%) or greater interest in the company, then the Trust Company or company with multi-board memberships shall notify the Association in writing of the name of one (1) of its employees who complies with this Section to be its representative as a Broker Member, in each of its Branch Offices, who may then participate in the activities of the Association as a full Broker Member. Such notification shall be in a form as may be prescribed by the Directors;

p) There shall be four (4) sub-categories related to this membership category as outlined in Section 2 of this Article.

Section 2 – Sub-Categories of Membership

2.01 The sub-categories of members in the Association are:

a) Honourary Life
b) Retired
c) Senior
d) Non-Active Sustaining

2.02 Honourary Life

An individual who has, in the opinion of the Directors, rendered outstanding service in any way to the real estate industry and/or to the Association.

Unless still trading in real estate an Honourary Life Member shall not vote or hold office.

2.03 Retired Member

A Brokerage Member, Broker Member or Salesperson Member who has been a Member of the Association for twenty-five (25) years who is no longer active, is not registered under the Act, is eligible to become a Retired Member.

A Retired Member shall not be entitled to vote, to hold office, receive services, serve on any committees or qualify for any Association Awards.

A Retired Member receives social privileges only.

2.04 Senior Member

A Broker Member or Salesperson Member in good standing who is not a retired member, is sixty-five (65) years of age, and has twenty-five (25) years of membership with the Association is eligible to become a Senior Member in accordance with the requirements established by the Board of Directors from time to time.

A Senior Member shall be entitled to all the rights and privileges of the type of Membership held prior to the time of approval as a Senior Member as long as the Senior Member continues to be registered under the Act.
ARTICLE 2

Section 2 – Sub-Categories of Membership (cont'd)

2.05 Non-Active Sustaining

Any Broker Member or Salesperson Member who is prevented from carrying on a Real Estate Business due to a disability or other causes beyond his / her control or for reasons of maternity and / or parental leave, may obtain the status of Non-Active Sustaining Member in accordance with requirements established by the Board of Directors from time to time.

A Member’s Non-Active Sustaining Member status shall be reviewed no less frequently than every twelve (12) months from the date the member attained such status.

On returning to an active Real Estate Business, a Non-Active Sustaining Member may be reinstated as a Broker Member or Salesperson Member, upon receipt of written notification from the Broker of Record / Manager along with the appropriate fees.

A Non-Active Sustaining Member shall not be entitled to vote, to hold office or receive services and must continue to be registered under the Act.

Section 3 – Non-Member / Access only Categories

3.01 The non-member / access only categories are:

a) Member’s Administrative Assistant
b) Brokerage Office Administrator
c) Access

3.02 Member’s Administrative Assistant

A person who is not registered to trade in real estate under the Act, employed and under direction and authorization of a Member for the purpose of conducting administrative duties which would include access to MLS® system for the day-to-day operation for a member. This would not include a third party to download i.e. to a webmaster or other services. All fees and conduct for such employee is the responsibility of the Broker / Salesperson for whom they are associated with

3.03 Brokerage Office Administrator

A person who is not registered to trade in real estate under the Act, employed and under direction and authorization of a Broker of Record / Manager for the purpose of conducting administrative duties which would include access to the MLS® system for the day-to-day operation for a Brokerage. This would not include a third party to download i.e. to a webmaster or other services. All fees and conduct for such employee is the responsibility of the Brokerage / Branch for whom they are associated with

3.04 Access

An individual who is a member of another Board that has subscribed to any Access Agreement.

Section 4 – Applications for Membership

4.01 All applications for membership shall be in writing on such form and with supporting documentation as determined by the Board of Directors from time to time.

4.02 A Brokerage Member shall not employ, at any time, any person to trade in real estate on their behalf, unless the person is a Member in good standing of the Association, nor shall he cause any such person to be shown as an employee for the purpose of allowing that person to maintain registration in accordance with the Act, unless the employee is a Member in good standing of the Association.
ARTICLE 2

Section 4 – Applications for Membership (cont’d)

4.03 A former Brokerage Member or Broker Member in good standing who is terminated and who has applied for continuation under Article 3 shall be entitled to receive services of the Association from the time the completed application for continuation has been received by the Membership Department and until such time as it is dealt with by the Board of Directors on the following basis:

a) The former member shall pay for all such services as currently set by the Association;

b) The services to be included shall be determined by the Board of Directors from time to time and shall be subject to other terms and conditions as the Board of Directors may impose; and

c) The former Member shall be bound by the Bylaws, Rules and Regulations of the Association.

Section 5 – Members Generally

5.01 All Members, shall be deemed to have received and to have read the Bylaw, Rules & Regulations of the Association, as approved by the Board of Directors and amended by it from time to time, and the RECO Code, and CREA REALTOR® Code and Standards of Business Practice, and have agreed to abide by them. Any breach of the Bylaw & Rules and Regulations of the Association, RECO Code, and CREA REALTOR® Code and Standards of Business Practice by any Member, may be dealt with by the Professional Standards Committee and the Discipline Committee, as provided for in this Bylaw, including forwarding the matter to RECO, as provided for in this Bylaw.

All Brokerage Members are responsible for Members registered with that Brokerage Member. Accordingly, any act or omission by any Member of the above may likewise be a breach of that provision by the Brokerage Member with whom the Member is registered and in addition, depending on the facts and circumstances of the particular case, a Brokerage Member may be in breach of any other specific provisions of which a Member is charged. For purposes of clarity, it is hereby confirmed that each Member shall at all times be responsible for himself, notwithstanding that each Brokerage Member is additionally responsible for Members registered with that Brokerage Member.

5.02 Must sign a declaration that they will be personally liable for any monies owed by them to the Association.

5.03 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 Association 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 Association.

5.04 By this section, the Association draws to the attention of any past Members who wish to reapply as Members, the provisions of Article 4, Section 3 and the additional pre-conditions to approval of membership contained therein.

5.05 All former Members who rejoin the Association after an absence of more than 2 years must attend the prescribed Orientation Course as determined by the Board of Directors from time to time.
ARTICLE 3 - OBLIGATIONS AND REPORTING

Section 1 - Obligations of Partnerships and Corporations

1.01 Where a Brokerage of the Association is a partnership, every partner registered under the Act, shall be a Member consistent with their RECO registration. Annual dues payable by each partner shall be as a Broker Member.

1.02 Where a Brokerage is a corporation, its Broker of Record and all directors registered under the Act and trading in real estate within the Association's jurisdictional area shall each become a Member consistent with their RECO registration. Annual dues payable by each such director shall be as a Broker Member.

1.03 Partnerships and corporations, upon making application for admission as Brokerages, shall provide the Association with the Brokerage's complete legal name, and if registered under the Act in a different name, the name in which the Brokerage Member is registered, the names and addresses of their partners, officers, directors and stakeholders, as the case may be. Such partnerships and corporations shall also, upon making application as Brokerage Members, provide the Association with the name and address of the person(s) designated as the Broker of Record who is responsible for the Brokerage Member's activities and whom the Association may contact as that Brokerage Member's representative in relation to the Association.

1.04 The provisions of Sections 1.02 and 1.03 shall not apply to a Trust Company registered as a real estate broker under the Act.

1.05 Where a prospective Brokerage applies for membership or an existing Brokerage notifies the Association of a change to corporate status, the partners, officers, directors and shareholders, as the case may be, must submit on the approved form, a declaration that they will be jointly and severally personally liable for any amounts of money owed to the Association and unpaid by the applicant partnership or corporation in the event it is wound up or liquidated, makes an assignment in bankruptcy, or a receiver of such corporation is appointed.

Section 2 - Change of Ownership or Control

2.01 Each Brokerage shall immediately notify the Chief 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;

e) any change in the Principal Broker(s); or

f) any change in its name or address for service.

2.02 In addition to the requirements in Section 2.01 above, every Brokerage shall report in writing to the Chief 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 Brokerage is a corporation, the names and addresses of its officers and directors, the number of shares held by any shareholder of the Brokerage and any change of any of the addresses;

b) if the Brokerage 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;
ARTICLE 3

Section 2 - Change of Ownership or Control

c) a Broker Member or Salesperson Member being registered or ceasing to be registered with such Brokerage (or any Broker Member of such Brokerage);
d) a Salesperson Member employed by a Brokerage (or any of its Broker Members) becoming a Broker registered with the Brokerage, 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 Trust Company registered as a broker under the Act.

2.04 In the event of any such change as described in Section 2.01 of this Article, the membership of the Brokerage 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 appropriate category.

In the event of such termination, reasons are to be specified and notice of the termination and reasons therefore shall be provided to CREA within thirty (30) days of providing such notice. If the Brokerage Member is a partnership, a change in the membership of the partnership shall be deemed to create a new partnership.

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 Bylaw.

2.06 If the membership of a Brokerage Member is subject to termination due to the happening of an event referred to in Section 2 herein, the Brokerage Member may make application for continuation of the membership in accordance with Article 2, Section 4.03.

Section 3 - Furthering the Objects of the Association

3.01 All Members shall use their best efforts in furthering the objects of the Association and in the enforcement of the Bylaw of the Association.

Section 4 - Termination of Membership

4.01 Membership in the Association, in any category, 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 Brokerage;
   c) upon the suspension or termination of the Member's registration under the Act;
   d) upon receipt by the Chief Executive Officer of written notice of Member's resignation; or
   e) upon the occurrence of some other event in accordance with this Bylaw, including, but not limited to the provisions of Section 2 above; the provisions of Article 2; the provisions of Article 4; and the provisions of Article 9.

4.03 Where a Member resigns, or his membership is terminated, he shall immediately return to the Chief 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.
ARTICLE 3

Section 4 - Termination of Membership (cont’d)

4.04 Any Member resigning on or after the first day of the Association’s then current billing period shall be responsible for the annual dues for that period, as is applicable to his category of membership, or such portion of it as the Directors may determine.

4.05 Where membership of any Brokerage 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 of this Article and permit the affected individual Member to transfer their membership to another Brokerage Member, or who may, at their sole discretion, waive all or a portion of the fees or dues payable to reapply for membership.

4.06 Any Salesperson Member or Broker Member who ceases to be registered with a Brokerage Member is thereby terminated as a Member of the Association unless reinstated by transfer to a registration with another Brokerage Member within ninety (90) days thereof upon submission of an application for transfer and payment of transfer fee. No such fee shall be payable if the registration of the Broker Member or Salesperson Member ceased because the Brokerage Member with which the Broker Member or Salesperson Member was registered ceased to be a Brokerage Member. Any transfer not effected within ninety (90) days shall require a new application under Article 2 provided that Article 2, Section 4 shall not be applicable.

4.07 Membership may be terminated at the discretion of the Board of Directors for non-compliance with education requirements as set out in the Bylaw.

Section 5 – Members with Offices within Jurisdictional Area

5.01 Every Brokerage Member, within the Association’s jurisdictional area, shall ensure that all registrants with the Brokerage become members of the Association within thirty (30) days from the date of their registration under the Act.

Section 6 – Members with Offices outside Jurisdictional Area

6.01 No Brokerage Member, outside the Association’s jurisdictional area, shall allow any registrants working in or from such office to receive or use the services of the Association unless all registrants of that office are Members. All registrants with the Brokerage must become members of the Association within thirty (30) days from the date of their registration under the Act.
ARTICLE 4

ARTICLE 4 – FEES AND DUES

Section 1 – Payment of Fees and Dues

1.01a) The annual dues for Principal Brokers, Brokers and Salesperson shall be an amount set by the Directors, subject to ratification by the Voting Members. Such dues are payable as set by the Directors, and are due by the date set out on the invoice.

1.01b) Any Member terminating his membership on or after the first day of each billing period shall be responsible for the payment of dues, as is applicable.

1.02 It shall be the Brokerage’s responsibility to ensure that notice of all membership resignations and/or other membership terminations are received at the Association office prior to the last work day of each billing period, as the case may be, to facilitate the billing of dues. Notice of any resignation and/or other membership termination received after such date but which is to be effective on either the first day of each billing period, as the case may be, shall be subject to a penalty in the amount of $50.00 per incident, which sum shall be payable by the Brokerage of the Association.

1.03 Except as otherwise stated in this Article, all amounts payable by Members are due on the date set out in the invoice or in the case of new Members, upon admission as Members of the Association.

1.04 In addition to the payment of fees and dues above-noted, all members, excluding Honourary Life Members, shall pay to the Association and the Association shall 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. Such dues shall be billed on the same period as RAHB dues for the calendar year January 1 to December 31 and shall be payable by the due date as set out in the invoice and are non-refundable.

1.05 Members shall be billed directly for fees, dues and applicable taxes. Brokerage Member shall not be held responsible for the non-payment of Fees and Dues by Members registered with them.

Section 2 – Special Provisions Dealing with Application Fees and Annual Dues

2.01 Where a Registrant is re-applying for membership because his membership was terminated under the provisions of Article 3, Section 2.04 or Section 4 of this Bylaw, the Board of Directors may, in its sole discretion, waive or reduce the amount of the application fee.

2.02 New Registrants joining the Association shall pay membership dues and applicable taxes with admission to membership being the date of registration under the Act with a Brokerage Member for a Broker Member or Salesperson Member; and the day of approval by the Board of Directors for other types of membership. The date on the Certificate of Registration under the Act shall be conclusive evidence of date of registration hereunder. The dues amount shall be calculated using the current schedule.

2.03 Any Member reinstating his membership with the Association shall pay the membership dues and applicable reinstatement fee, plus applicable taxes as stipulated in the Dues and Fees Schedule.
ARTICLE 4

Section 3 – Non-Payment of Amounts Owed to the Association

3.01 If a Member’s dues are not paid by the due date stipulated, the Multiple Listing Services to that Member shall be withdrawn immediately (for the purposes of this Article, such Member hereinafter called the “Defaulting Member”) and the Chief Executive Officer, shall send that Defaulting Member a letter by registered mail or personal delivery (or by courier) requiring that the money be paid to the Association within 5 days from date of letter, and advising that if it is not paid by such date the Defaulting Member’s membership in the Association shall be terminated without further notice.

3.02 If a Member (also referred to in this Article as a Defaulting Member) owes money, other than dues, to the Association for any reason and does not pay the amount when due, the Chief Executive Officer, shall send that Defaulting Member a letter by registered mail or personal delivery (or by courier), requiring that the money be paid to the Association 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/her membership in the Association shall be suspended. And further, such letter shall stipulate that if all monies owing are not paid within 30 days of the Member’s services being suspended, the Directors shall terminate the membership of such member without further notice.

Notwithstanding, within 10 days of receipt of such letter, the Defaulting Member may deliver to the Association, care of the Chief Executive Officer, a notice disputing the amount claimed to be owing by the Defaulting Member to the Association together with payment representing the amount claimed to be owing to the Association. If no such notice of dispute plus amount owing is delivered, the termination of the Defaulting Member’s membership shall come into effect after the tenth day. Upon such termination, the Broker of Record is to provide to the Association a copy of termination to RECO and the Association shall advise CREA of such termination.

3.03a) When a member’s services have been suspended in accordance with Sub-section 3.01 or 3.02 of this Article, re-instatement of the Member’s services may be granted upon the payment of all accounts, plus interest and the applicable processing fee applied. An applicable credit limit will be placed on such member’s account for 6 months after re-instatement of services; the amount will be determined by the Finance Committee Chairman and/or Chief Executive Officer.

b) When a member’s services have been terminated in accordance with Sub-Section 3.01 or 3.02 of this article, re-instatement of the member’s services may be granted upon the payment of all accounts, plus interest and a penalty levied equal to 10% of the outstanding balance with a minimum amount being $100.00. An applicable credit limit will be placed on such member’s account for one year after re-instatement of services. The amount to be determined by the Finance Committee Chairman and/or Chief Executive Officer.

3.04 If a Brokerage defaults and if the amount owed is not paid within three (3) days of receipt by the Defaulting Member of the letter described in Sub-sections 3.01 or 3.02 above, the Chief Executive Officer may, if so directed by the President and/or Finance Chairman, send a copy of such letter to all Members (the Affected Members) shown in the records of the Association to be employed by the Defaulting Member. The provisions of this Sub-section 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.

3.05 The Association 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 letter described in Sections 3.01 and 3.02, provided that if the Defaulting Member is successful in his dispute any amount paid to the Association which was found not to be owing, shall be returned to him.

3.06 In such a dispute, the onus shall be on the Defaulting Member to prove that such amount was not owing to the Association.

3.07 The Association shall have the right to dismiss the dispute or find in favour of the Defaulting Member.
ARTICLE 4

Section 3 – Non-Payment of Amounts Owed to the Association (cont’d)

3.08a) If a Defaulting Member is suspended or terminated for failure to pay to the Association any amount owing, or if any Member is terminated, suspended or resigns from the Association, any amount owing by such Member or Defaulting Member shall remain a debt owing, plus applicable interest or penalty to the Association until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication to this Association to become a Member in any membership category or upon applying to this Association, as a member of another real estate board, in order to access or obtain any of the Association’s services (including MLS® data and MLS® services) pursuant to any service sharing/data sharing/interboard agreement that this Association has with any other real estate board, the applicant shall repay such debt as a condition precedent to such application for membership being approved.

3.08b) If a Brokerage is terminated or suspended, whether for failure to pay to the Association any amount owing or for any other reason, or if such Brokerage resigns from the Association, any amount owing to the Association shall remain a debt plus applicable interest or penalty owing to the Association until paid, notwithstanding the suspension or termination of services or membership, and upon reapplication by the Brokerage, or by any officer or director of such Brokerage as a Member in any membership category, the applicant shall repay such debt as a condition precedent of being approved.

Section 4 – Processing Fee

4.01 Any member of any class who changes Office, Branch Office, the status of his registration, member’s administrative assistant or if a Corporation changes its corporate structure, or any Members forming partnerships, or becoming a Corporation shall be assessed a processing fee, in an amount set by the Directors, from time to time, except that Salespersons or Brokers shall not be so assessed if the change of Office was caused by the closure of the Brokerage or any Branch Office with whom they were registered, provided that such change takes place within sixty (60) days. If a Member leaves an Office and comes back to the same Office, it shall be considered a change and the processing fee shall be applicable.

Section 5 – Penalty for Non-Registering

5.01 Any Brokerage who has not registered a Broker or Salesperson in accordance with Article 2, will be subject to a penalty in an amount set from time to time by the directors and/or further education, plus all dues which would have been payable by such Broker or Salesperson if he had been registered, for each year that such Broker or Salesperson was not registered with the Association, plus OREA and CREA dues for the then current year payable for such Broker or Salesperson. Each subsequent offence would be subject to penalty increases in increments in an amount as set by the Directors.

5.02 An appeal of a penalty may be filed by the Brokerage in writing with the Directors within ten (10) days of the date of the penalty and delivered to the Chief Executive Officer. The appeal shall be accompanied with a filing fee, subject to penalty increases, in increments in an amount as set by the Directors.

5.03 The appeal shall contain a brief and concise statement of the grounds for appeal.

5.04 Where an appeal is not filed as set out in Section 5, Sub-section 5.02 of this Article, the penalty is due and payable on the date the time limit for the appeal expires.

5.05 The filing fee referred to in Section 5, Sub-section 5.02 of this Article, shall be kept by the Association and shall be disposed of at the discretion of the Directors. The Directors may in their sole discretion, direct that the filing fee be returned to the Member.

5.06 Where an appeal is filed, the decision of the Directors shall be considered effective on the date the decision was given. Accordingly, the penalty is due and payable within five (5) days of receipt of notification by registered mail, courier or by personal delivery; at which time, if the penalty is not paid, the Multiple Listing Services to that Brokerage shall be withdrawn until payment due to the Association has been made. Reinstatement of such services are pursuant to Article 4, Section 3, Sub-section 3.03 a).
ARTICLE 4

Section 6 – Entrance Fees, Brokerages

6.01 The entrance fee for Brokerage shall be an amount set from time to time by the Directors. The prescribed payment shall accompany the application for membership.

6.02 The prescribed entrance fee, together with the prescribed portion of the annual dues payable, shall accompany the application for membership and shall be non-refundable unless the Brokerage’s membership in the Association is terminated for any reason within forty-five (45) days of the date the Association application is received by the Association, in which case the entrance fee will be fully refundable.

6.03 Where a Member holding shares carrying at least fifty-one percent (51%) of the voting rights attached to the issued shares of a corporation which is a Brokerage (the “Transferor”) sells or otherwise disposes of his shares in the corporation to a person who is not a Member (the “Transferee”), the Transferee shall apply for continuation of the corporation’s status as a Brokerage. The Principal Broker entrance fee as prescribed in this section shall accompany such application for continued membership.

6.04 A former Brokerage of the Association, on reaplying for membership, shall be required to pay the Brokerage entrance fee, if the applicant has not held any type of membership in the Association for more than two (2) previous continuous years.

6.05 Members resuming Brokerage status within five (5) years after having resigned as a Brokerage, and having maintained previous continuous membership in a Broker or Salesperson Member category, shall not be required to pay a further entrance fee, but shall be required to pay the prescribed processing fee required of Members changing their type of membership.

Section 7 – Entrance Fees for Brokers and Salespersons

7.01 The entrance fee for a Broker Membership or Salesperson Membership shall be an amount set from time to time by the Directors.

7.02 The prescribed entrance fee, together with the prescribed portion of the annual dues payable, shall accompany the application for membership and shall be non-refundable unless the Broker or Salesperson membership in the Association is terminated for any reason within forty-five (45) days of the date the Association application is received by the Association, in which case the entrance fee will be fully refundable.

7.03 Such entrance fees shall be paid by a Broker or Salesperson if their membership has lapsed for more than one (1) year in an amount as set by the Directors.
ARTICLE 5

ARTICLE 5 - VOTING AND ELECTIONS

Section 1 - Voting Rights

1.01 Each Voting Member shall be entitled to notice of all meetings of Members and to attend and vote at same, either in person or by proxy.

1.02 a) Each Voting Member is entitled to one vote at the meeting either in person or by proxy.

No Voting Member shall carry more than one (1) proxy vote for all voting matters at any membership meeting

b) Where a Voting Member is not able to attend and vote at a meeting of Members, the Voting Member may vote by proxy.

1.03 a) Except as provided for in this Section 1, no other Member of the Association shall be entitled to receive notice of, nor vote at, either in person or by proxy, a meeting of Members. Where, in this Bylaw or by the Corporations Act, any matter is required to be approved by the Members, this shall mean the Voting Members attending the meeting and following the voting procedures set out in this Article.

b) The Board of Directors, the Chief Executive Officer or his designate, plus other Association 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, the Voting Members who are entitled to vote and are present either in person or by proxy shall have one vote (i) on a show of hands, or (ii) on a vote using coloured cards, or (iii) by a poll; or (iv) by secret ballot, as decided by the Chairman. If a poll is taken, each such Voting Member who is entitled to vote and who is present either in person or by proxy shall have one vote.

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

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

THE UNDERSIGNED _______________________________ HEREBY APPOINTS ______________________________________ or
failing him _______________________________________________ as the proxy of the undersigned to attend,
vote at and act at the meeting of Members of the REALTORS® Association of Hamilton-Burlington 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 if the undersigned was present at the said meeting or such adjournment or adjournments thereof, subject only to the following:

_____________________________________________________________________________
_____________________________________________________________________________

[Voting 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.] THE UNDERSIGNED hereby revokes all proxies previously given. [Delete if not applicable.]

DATED the _______________ day of _______________, 20___.                  __________________________________
SIGNATURE OF VOTING MEMBER

Please print Name and Address of Brokerage:
___________________________________________
___________________________________________
ARTICLE 5

Section 2 - Voting and Proxies (cont’d)

2.04 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 Chief Executive Officer at the Association office at any time up to and including the last day (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 chairman of such meeting or any adjournment thereof before the time of voting.

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 proxies must be deposited with the Chief Executive Officer, at the offices of the Association. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Chief Executive Officer, at the offices of the Association or, where no such time is specified in such notice, if it has been received by the Chief Executive Officer at the offices of the Association, or the chairman of the meeting or any adjournment thereof before the time of voting.

2.06 All notices of meetings of Members shall include reference to the provisions of Section 2.04 and 2.05 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 general meeting, as described in the Corporations Act shall be held within ninety (90) days after the end of the fiscal year.

3.02 At the annual general meeting, the Directors shall present to the Members a report dealing with the affairs of the Association for the previous year, a financial and other statements of the Association as required by the Corporations Act, the auditors report, MLS® report, and such other information as the Board of Directors may determine.

3.03 The Voting Members shall, at the annual general 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 Board of Directors shall determine the remuneration of the auditor.

Section 4 - Notice Requirements

4.01 Unless otherwise provided for in this Bylaw, a notice, in writing, setting out the time, place and date of any meeting must include an indication of the general nature of the business to be dealt with and matters requiring membership approval at the meeting, shall be sent to each Voting Member entitled to receive notice of the meeting, 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 Voting Member c/o his Brokerage as it is recorded in the records of the Association.

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 Voting Members who are entitled to receive notice are present in person or by proxy and have waived the notice requirement or if the absent Voting Members have waived the notice requirement and agreed, in writing, to such a meeting being held.

4.04 The accidental omission to give notice of any meeting or the non-receipt by a Voting Member(s) of any notice provided, or by the auditor of the Association shall not invalidate any resolution passed or any proceedings taken at any meeting of Members.
ARTICLE 5

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 within the area described in Appendix A, as the Directors may decide and as set out in the notice of the meeting. Meetings of the Members shall be held at least once per year.

5.03 At least five percent (5%) of the Voting Members who are entitled to vote, must be present either in person or by proxy, in order to establish a quorum, and no matters requiring a vote shall be conducted at the meeting unless the required quorum is present at the beginning of and throughout the meeting.

5.04 At all meetings of Members, the President shall be the Chairman of the meeting, or in his absence, the President-Elect, or the Vice President shall be the Chairman.

5.05 If the President, President-Elect or the Vice President is absent, the Voting Members present at the meeting and entitled to vote either in person or by proxy may choose any other Director to act as Chairman.

5.06 Where no Director is present or if all Directors present decline to act as Chairman of the meeting, the Voting Members present at the meeting and entitled to vote either in person or by proxy may choose any Voting Member present at the meeting to act as the Chairman.

5.07 The provisions of Section 5.04, 5.05 and 5.06 above do not apply to Election Meetings, as defined in Section 7.01 below.

5.08 If there is a quorum, the Chairman of a meeting, may, with the agreement of a majority of the Voting Members present at the meeting either in person or by proxy, declare the meeting adjourned. If there is no quorum, no business can be acted upon, and the Chairman of a meeting may declare the meeting adjourned.

Section 6 - Voting Procedure at Meetings

6.01 Except as provided in Article 13, Section 2.01; elsewhere in this Bylaw; 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 Voting Members entitled to vote and present either in person or by proxy.

6.02 The Chairman 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 Voting Member entitled to vote at the meeting.

6.03 If at any meeting a ballot vote is demanded on the issue of electing a Chairman of the meeting or on the issue of adjourning the meeting, that vote must be taken immediately.

6.04 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 Chairman shall direct, and the results of the ballot vote shall be deemed to be the decision of the meeting.

6.05 A demand for a ballot vote may be withdrawn by the person who made the demand.

6.06 Where after a show of hands or a holding up of differently coloured cards, a ballot vote is demanded, the Chairman 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.

6.07 No person other than the scrutineers shall have the right to inspect ballots used in connection with the ballot vote and only where a proxy contains restrictions, limitations or instructions shall the scrutineers inspect a ballot in conjunction with the authorizing proxy.
ARTICLE 5

Section 7 - Election Meeting

7.01 Each year there shall be a meeting, if required, of the Members at a place and time to be determined by a resolution of the Directors, for the purpose of electing the Board of Directors (the "Election Meeting").

If an election is not required, the Chair at the Election Meeting shall declare by acclamation the person(s) nominated as elected.

7.02 The Directors shall appoint an Election Committee in accordance with the provisions of the Bylaw.

7.03 The Chief Executive Officer shall forward, with the notice of the Election Meeting, an invitation for nominations for Director.

   a) Nominations may be made by filing a written nomination for the Member so nominated, with the Chief Executive Officer, endorsed by two (2) Voting Members of the Association, together with the written consent of the Member so nominated.
   
   b) Nominations will be received up to 5:00 p.m. thirty (30) days prior to the date of the meeting.
   
   c) At least fourteen (14) days prior to the date of the Election Meeting, the Chief Executive Officer shall send all Members entitled to vote at the Meeting, a copy of such additional nominations.

7.04 The Election shall be by a ballot vote and no Voting Member shall carry more than one (1) proxy for any Election Meeting.

7.05 Voting Members must vote for no more or no less than the number of vacancies on the Board of Directors.

7.06 A list of Members entitled to vote by ballot at the meeting, the "Voting List", shall be prepared as at the close of business prior to the Election meeting. The Voting List shall immediately be delivered to the Chief Executive Officer.

7.07 Electronic Voting shall be available to all members in good standing entitled to vote for three (3) business days between the hours of 8:30 a.m. and 4:30 p.m. commencing Tuesday of the week immediately preceding the Election Meeting.

The Chief Scrutineer shall retrieve the results of the electronically transmitted ballots, at the close of business on the final day of electronic voting.

7.08 Ballots and proxies used in the election of Directors shall be retained in the custody of the Chief Executive Officer for thirty (30) days following the Election Meeting, and thereafter shall be destroyed, unless there is an unresolved controversy respecting the conduct of the said election, raised by a written notice received by the Board from a Voting Member.

7.09 The actual number of votes received by candidates standing for election as Directors will be made available to any Member, on written request to the Chairman of the Election Committee, within five (5) Business days of the Election Meeting.

Duties & Responsibilities – Election Committee

7.10 The Election Committee shall appoint the Chief Scrutineer and a team of at least four (4) scrutineers from among those Members not running for office, to supervise the Election. The team of scrutineers shall be sequestered on the day of the Election Meeting, following the final ballots cast at the Election Meeting, in order to start counting the advance poll ballots and electronic transmitted ballots. Additional scrutineers may be appointed at the Meeting from those Members not running for office to assist in the counting of the ballots cast at the Meeting.

7.11 The Election of Directors shall be chaired by the Election Committee Chairman or such other person designated by the Directors.

7.12 The Election Committee shall prepare a report of election statistics to be filed with the record of the meeting.
ARTICLE 5

Section 7 - Election Meeting (cont'd)

7.13 The Election Committee shall review all nominations. Should a nomination be deemed not to be in accordance with the Bylaw said Member shall be notified of their disqualification. However, the Member may appeal their decision to a tribunal of three (3) of the Directors, appointed by the Executive Committee, none of whom shall be on the Election Committee, provided they are willing to release any confidential information needed to make a fair decision.

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 Voting Members.
ARTICLE 6

ARTICLE 6 - BOARD OF DIRECTORS

Section 1 - Board of Directors

1.01 The Board of Directors shall govern the affairs of the Association.

1.02 The Board of Directors shall consist of twelve (12) Directors; nine (9) elected by the membership and three (3) appointed as follows:

(i) President-Elect who shall be appointed to the position of President
(ii) Immediate Past President
(iii) Chairman of the Regional Commercial Council who shall be an Association member, failing which the Council may appoint a Councillor who is a Member of the Association.

Of the twelve (12) Directors referred to above, three (3) Directors must be Broker Members, either Principal Broker or Broker/Manager, and one (1) Director must be a Burlington Member.

1.03 Immediately following the Annual Election Meeting, the newly elected Board of Directors will elect the President-Elect and Vice President for the ensuing year.

1.04 The individuals so elected shall take office January 1st of the ensuing year and shall remain in office until December 31st of the following year or until their successors take office, except where an individual is elected to fill a vacancy with a shorter term.

1.05 Where the Director who is to become the Immediate Past President is unwilling or unable to serve as a Director, then another Member may be elected as a Director, or the Board of Directors shall appoint the most immediate and available Past President who is a Member of the Association 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 3.03 will apply except that the term "any Member who is qualified to fill the vacancy" in Section 3.03 shall, in this case, mean the most immediate and available Past President who is a Member of the Association and who is willing and able to serve.

1.06 Where the President-Elect is unwilling or unable to serve as the President, then another Director may be elected to the office of President, in accordance with Article 6, Section 7 of the Bylaw. If the President-Elect does not assume the position of President and does not have a further term of office to serve they shall immediately cease to be a Director.

1.07 Until it is changed in accordance with the requirements of the Corporations Act, there shall be twelve (12) Directors, nine (9) elected and three (3) appointed, 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 Bylaw, 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 Association even though such things are not specifically set out in this Bylaw.

Section 2 - Qualifications of Directors

2.01 Every Director prior to taking office must:

- have been a Member of organized real estate for at least three (3) years, and a Member in good standing of this Association for two (2) years,
- not be an undischarged bankrupt or have been convicted of a criminal offense, unless a pardon has been granted
- demonstrate financial stability, such as, but not limited to, maintaining their Association account current,
- provide confirmation of committee work in the Association or other Real Estate Associations
- not have been found by a Discipline Hearing Panel (as defined in Article 9) to have violated or not complied with this Bylaw or the CREA Code in the past three (3) years;
- not have been found by a discipline committee, or authority established under the Act, to have failed to comply with the RECO Code in the past three (3) years
- not have been convicted of an offence under the Act in the past three (3) years,
- sign the Code of Conduct - Directors
ARTICLE 6

Section 2 - Qualifications of Directors (cont’d)

2.02 Not more than two (2) Members employed by the same Brokerage may serve as Directors at the same time.

2.03 No member may be nominated for election on the Board of Directors of the Association and as an RCC Councilor in the same year.

2.04 Access Members, Retired Members and Non-Active Sustaining Members may not be elected as a Director.

Section 3 - Vacancies on the Board of Directors

3.01 Any Member of the Board of Directors may be removed from office at a meeting of the Board of Directors, by a notice of motion being filed at least ten (10) days in advance of such meeting of the Board of Directors and a vacancy may exist for any of the following reasons:

   a) if he becomes bankrupt or insolvent
   b) if he is or it is discovered that he has been convicted of any criminal offense for which no pardon has been granted;
   c) if he has been absent from three (3) meetings in any one calendar year without just cause of the Board of Directors;
   d) if he has been found by a Discipline Hearing Panel (as defined in Article 9) to have violated or not complied with this Bylaw or the CREA Code in the past three (3) years;
   e) if he has been found by a discipline committee, or authority established under the Act, to have failed to comply with the RECO Code in the past three (3) years;
   f) if he has been convicted of an offence under the Act in the past three (3) years;
   g) if he does not sign the Code of Conduct – Directors; or
   h) if he is determined by two-thirds (2/3rds) of the voting Directors to be not in compliance with the Code of Conduct – Directors.

3.02 Any Member of the Board of Directors shall be removed from office and a vacancy shall exist for any of the following reasons:

   a) if he becomes legally incompetent;
   b) if he resigns, by notice in writing to the President or the Chief Executive Officer;
   c) if he resigns as a Member, or where such membership is terminated;
   d) if his registration under the Act has been suspended or terminated;
   e) if he refuses to take the oath of office, or for any other reason does not take the oath of office; or
   f) if he becomes retired.

3.03 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.

3.04 If there is no quorum of Directors, the Directors remaining in office shall forthwith call a meeting of the Members in accordance with Article 5, Section 7 to fill the vacancy.

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 Voting Members of the Association, may by resolution at a meeting duly called for that purpose, provided it is approved by at least two-thirds of the Voting Members who are entitled to vote and present in person or by proxy, remove any Director from office before the expiry of his term. At such a meeting, the Voting Members may also, by simple majority of the Voting Members who are entitled to vote and present in person or by proxy, elect any qualified Member of the Association to fill the unexpired portion of the term of the Director who was removed.
ARTICLE 6

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, except as noted below:

- the President shall receive an honorarium during their term in the amount of $12,000 ($1,000/month), payable on a quarterly basis in arrears;
- the President-Elect shall receive an honorarium during their term in the amount of $2,400 ($200/month), payable on a quarterly basis in arrears.

All Directors shall 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 Association is employed by the Association 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 Association to perform some service, the fact that he is a Director or officer of the Association shall not disentitle him or such a firm from being paid for the service.

Section 6 - Meetings of the Directors

6.01 Meetings of the Directors may be held at the Corporate office or in such place that the Directors approve. A meeting may be called by the President, President-Elect, Vice-President or Immediate Past President, or any two (2) Directors, and the Chief 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 per year.

6.02 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 shall include the day of the meeting, but not the day the notice is given. The notice may be sent in any manner described in Article 14, Section 1 (in which case the deemed receipt provisions of that Section 1 will also apply) or may be telephoned, or emailed to each Director. If the meeting is held without the formal notice being given, the Directors may in writing or by 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.

6.03 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.

6.04 Every question arising at a meeting of the Directors shall be decided by a majority of votes cast by the Directors present at the meeting, excluding the Chairman, except where specifically stated in this Bylaw. Where there is a tie, the Chairman shall be allowed to cast the tie-breaking vote.

Section 7 - Officers of the Board

7.01 There shall be a President, a President-Elect, a Vice-President, Immediate Past President and the Chief Executive Officer who shall serve as Secretary-Treasurer to the Association and such other Officers as the Board of Directors may from time to time concur.

The President and Immediate Past President shall hold office for one year, as of right, in the year immediately following the year in which they hold the office of President-Elect and President respectively.

7.02 The Incoming Board of Directors at a special meeting following the Election Meeting shall appoint the current President-Elect to the position of President for the following year. At that meeting the incoming Board of Directors shall elect the President-Elect, and Vice-President. The meeting shall be held under the chairmanship of the outgoing Past President or their designate. Such designate shall be a Past President. Provided that in default of such election the then incumbents being Members of the Association shall hold office until their successors are elected. The other Officers of the corporation need not be Members of the Board of Directors and the employment of all Officers shall be settled from time to time by the Association.
ARTICLE 6

Section 7 - Officers of the Board

7.03  In order to be eligible for the Office of President-Elect, prior to taking office, a candidate must have served a minimum of two (2) full years prior to taking office, as a Director of the Association, in the immediate preceding years prior to the election for President-Elect, unless there are insufficient eligible Directors, then a candidate, prior to taking office, must have served a minimum of one (1) year as a Director of the Association.

In order to be eligible for the Office of Vice-President, prior to taking office, a candidate must have served a minimum of one (1) full year prior to taking office as a Director of the Association, in the immediate preceding year prior to the election for Vice-President.

7.04  The Immediate Past President will not be eligible for election to the office of President, President-Elect or Vice-President.

7.05  The election of the President-Elect and Vice-President shall be by secret ballot and balloting will take place for the office of President-Elect first.

7.06  At the meeting, the Chief Executive Officer will advise the Directors of those Association Members qualified by years of service as Directors of the Association to fill the office of President-Elect. Each Director will mark a secret ballot by filling in the name of his choice for the office of President-Elect.

7.07  The Chairman, in company with the Chief Executive Officer will count the secret ballots. If, after the first ballot, the director with the most number of votes has not received a majority of the votes cast, or if there is a tie of more than one director with the most number of votes, the director who receives the least number of votes will be dropped from the ballot and the directors will vote again. This procedure will be repeated until one director receives the largest number of votes and a majority of the valid ballots cast.

7.08  If, there is no clear winner, there will be two more ballots at which the chairman may not vote.

7.09  If the two additional secret ballots also result in no clear winner, there will be one further round of voting. This time, the chairman will be permitted to vote. This time, the President-Elect will be the director who receives the largest number of votes cast, whether or not he/she receives a majority of the valid secret ballots cast.

7.10  Balloting will then take place for the office of the Vice-President in the same manner described in this Section.

Section 8 – Duties of President / President-Elect / Vice-President

8.01  When present, the President shall act as Chairman of all meetings of the Association and of the Directors, and shall subject to the direction of the Directors, give general management direction to the Chief Executive Officer, for the general business affairs of the Association and shall act as spokesman for the Association.

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. If the President-Elect is unable to assume the duties, then the Vice-President shall assume all duties.

Section 9 – Chief Executive Officer

9.01  The Chief Executive Officer (also referred to in this Bylaw as the Executive Officer) shall be responsible for the management and operation of the Association in accordance with the policies approved and/or direction of the Board of Directors; and the Bylaw as approved by the general membership. The Chief Executive Officer is responsible for all staff.
ARTICLE 6

Section 9 – Chief Executive Officer (cont’d)

The Chief Executive Officer 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 Association, in accordance with GAAP (generally accepted accounting principles), and shall prepare or cause to be prepared regular statements setting out the Association’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 Association he shall ensure that all accounts and books for that fiscal year are audited by the Auditor who was appointed at the Annual General Meeting and ensure the audited report is presented to the Board of Directors before the Annual General Meeting.

Section 10 - Appointment of Officers and Vacancies

10.01 If the Office of the President or the Offices of the President-Elect or Vice-President become vacant, or all of them, an election will be held by the Directors, in accordance with Article 6, Section 7, under the supervision of the Chairman of the Election Committee with two (2) other Members from that Committee, or in the absence of Committee Members, other than Directors, two (2) Voting Members from the Members at large.

Section 11 – Banking

11.01 The Directors shall determine by resolution in which banking institution the funds of the Association shall be deposited.

11.02 The signing officers of the Association shall be any two (2) of the President, Immediate Past President, President-Elect, Vice-President, and the Chief Executive Officer.

Section 12 - Bonding

12.01 The Chief 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 Association.

Section 13 - Indemnity

13.01 The Association shall indemnify and save harmless the directors and officers of the Association and their heirs, executors and administrators, and estates and effects, respectively from time to time and at all times, out of the funds of the Association, from and against:

a) all costs, charges and expenses whatsoever that he or she sustains or incurs in or about any action, suit or proceeding that is brought, commenced or prosecuted against him or her, for or in respect of any act, deed, matter or thing whatsoever, made, done or permitted by him or her in or about the execution of the duties of his or her office; and

b) all other costs, charges and expenses that he or she sustains or incurs in or about or in relation to the affairs thereof, except costs, charges or expenses as are occasioned by his, her or its’ own willful neglect or default.

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 Association in any manner and includes anything in writing pertaining to any property or securities owned by the Association and/or any financial or other obligations into which the Association has entered.
ARTICLE 6

Section 14 - Execution of Contracts, Etc. (cont'd)

14.02 Any documents requiring the signature of the Association shall be signed by any two Signing Officers (as defined in Section 11.02), and once signed, the documents shall be binding on the Association. 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 Association, and such signing shall also be binding on the Association.

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 to manage the daily operations of the Association.

15.02 Where the borrowing of money requires that the property or other securities of the Association be mortgaged or otherwise pledged as collateral, the Directors shall first obtain approval of the Members at a meeting called for that purpose 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 Association 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 Association, provided that such are not inconsistent with this Bylaw. 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 Bylaw, shall immediately come into force and apply to the Association and all Members. If these new rules and regulations or amendments are not ratified at the next meeting of Members, they shall cease to exist provided that at such meeting they may be varied and further amended by the Members.
ARTICLE 7

ARTICLE 7 – COMMITTEES, COUNCILS AND TASK FORCES

Section 1 - Committees

1.01 The Board of Directors has the authority to appoint committees from time to time; and shall appoint the following committees, with the exception of the Past President’s Advisory Committee and the Regional Commercial Council.

Standing Committees
The standing committees shall meet all requirements as outlined in the OREA Standard Board Bylaw; and outlined in Article 8 and Article 9 of the RAHB Bylaw.

Arbitration Committee
Discipline Committee
Professional Standards Committee

Board Committees
The board committees guide the Board of Directors on good board governance and strategic leadership. They report directly to the Board of Directors.

Audit Committee
Finance Committee
Governance & Bylaw Committee
MLS® Committee
Nomination Committee

Operational Committees
The CEO has the authority to appoint operational committees from time to time. These committees will guide the CEO on efficient and effective operations of the association in conjunction with the Board’s strategic plan. They report directly to the CEO.

The operational committees will be established as required, and may change from time to time. Examples of such committees/task forces are: Communications Committee, Government Relations Committee, Membership Area Representation Committee (MARC), Past President’s Advisory Committee, Professional Development, Regional Commercial Council, Awards Task Force, Charity Auction Task Force, Golf Tournament Task Force, Karan Barker Memorial Scholarship Committee

1.02 The President of the Association shall be an ex-officio member of any Board Committee / Task Force appointed by the Directors, or by the President.

1.03 The duties, mandates, roles and responsibilities for all Board Committees, councils and task forces shall be as set out in the Board of Directors Governance Manual: Principles, Practice and Policies and shall serve as guidelines only. The Directors may further set out and clarify the terms of reference for any Committee of the Association and/or direct any matter to any Committee for consideration and review.

1.04 The duties, mandates, roles and responsibilities for all Operational Committees, councils and task forces shall be as set out in the Operational Manual and shall serve as guidelines only.

1.05 If any committee, council or task force member has been absent from three (3) meetings in a 12 month period, they may be removed by the Board of Directors.

1.06 Councils established as hereinbefore set forth shall function as Committees of the REALTORS® Association of Hamilton-Burlington.

1.07 Task Forces may be struck from time to time by the Directors or CEO for the purpose of dealing with special issues. The Members of the Task Force will be chosen by the Directors or CEO.
ARTICLE 8 – ARBITRATION AND APPEAL

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 Association's Arbitration Panel to the OREA Appeal Panel, as filed in Form A.
   b) "Appellant" means the party who is filing the Appeal.
   c) "Arbitration" means the proceedings (other than an Appeal) prescribed by this Article.
   d) "Arbitration Committee Chairman" means the Chairman 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 panelist or the panelists on a particular Arbitration Panel.
   f) "Claim" means a dispute between two Brokerages 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 Brokerage who has a Claim against another Brokerage.
   h) "Defence" means the Defendant's written reply to the Claim, as further described in Section 7 of this Article.
   i) "Defendant" means the Brokerage against whom a Claimant has filed a Claim.
   j) "Executive Director" means the Executive Director of the Ontario Real Estate Association (OREA) or his appointed nominee.
   k) "OREA Appeal Panel" means the persons appointed by the Executive Director or his appointed nominee to hear and deal with an Appeal, as provided for herein and in the Bylaw of OREA.
   l) "Panel Chairman" means the person, as herein provided, who is the Chairman 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.

1.02 In this Article, all letters, notices or other documents required to be forwarded to a Member by the Chief Executive Officer, or the Arbitration Committee Chairman 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.

Section 2 - Committee

2.01 The Arbitration Committee shall consist of not less than twelve (12) Broker Members of the Association, provided that not more than one (1) Broker Member employed by a Brokerage may sit on the Arbitration Committee at the same time as any other Broker Member employed by the same Brokerage.

Section 3 - Qualification of Arbitrators

3.01 No Broker 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) he 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;
   c) there is any other bias.
ARTICLE 8

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 Chief 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 Executive Director.

Section 5 - Binding Arbitration

5.01a) The provisions of this Article 8 shall constitute the arbitration agreement between and among the Brokerages 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 Brokerage agrees that any Claim it may have against another Brokerage shall be submitted to the Arbitration Committee for hearing and resolution in accordance with this Article, unless all of the parties to the Claim have mutually agreed not to arbitrate the Claim at the Association and have advised the Association in writing of that agreement. Decisions rendered by the Arbitrators shall be final and binding on the Brokerages, 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 Brokerage agrees that if it does not submit for Arbitration any Claim it may have against another Brokerage, but proceeds instead to undertake any court proceedings, that such action shall be deemed a breach of this Bylaw except where the parties to the Claim have mutually agreed not to arbitrate the Claim at the Association and have advised the Association 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 Chairman and forwarded to the Chief Executive Officer;

b) it is filed with the Arbitration Committee Chairman 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 as set from time to time by the Directors."

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 Association, 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 Chairman may, in his sole discretion, direct that the filing fee be returned to the Claimant.
ARTICLE 8

Section 7 - Filing the Defence

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

7.02 In a notice or letter accompanying the Claim, the Chief 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 Chairman, and delivered to the Chief Executive Officer;
   b) contain a brief and concise statement of the position of the Defendant with respect to the Claim and the reasons therefore; 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 Chief 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 Chairman may ask, by notice in writing, whether the Claimant and Defendant wish to meet with a conciliator.

8.02 A conciliator, who shall be a Broker Member of the Association shall be appointed by the Arbitration Committee Chairman. 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 Chairman, 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 Chairman in writing that the Claim could not be resolved, but the conciliator shall not discuss with anyone any of the matters 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 Chairman 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.
ARTICLE 8

Section 10 - Selection of Arbitrators

10.01 Where an Arbitration hearing is required, the Arbitration Committee Chairman shall appoint three (3) members of the Arbitration Committee to hear and determine the Claim, one of whom he shall appoint as Arbitration Panel Chairman.

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 Chairman may appoint any other Broker Member who qualifies to act as an Arbitrator, to sit on the Arbitration Panel.

10.03 The Panel Chairman 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 Broker or Salesperson Member of the Association, as long as such Broker or Salesperson Member of the Association 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 Chairman, such notice to be received by the other party and the Arbitration Panel Chairman at least five (5) business 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:
   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 videotape, recording secretary or stenographer.

12.02 For the purposes of the Arbitration hearings and Appeals prescribed by this Article, the Association 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 existed 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 Association.

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 and/or by the Arbitration Panel Chairman, and shall be forwarded to the Chief Executive Officer.

14.02 The Chief 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 Chairman shall govern.
ARTICLE 8

Section 14 - Arbitrators’ Award (cont’d)

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 Association to cover costs incurred by the Association in processing and administering the Arbitration;
      (ii) order that all or a portion of the filing fee be returned to the Claimant; and/or
      (iii) 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 Association, 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 Association or suspend the membership of such non-complying party in the Association for such period as the Board of Directors may in its sole discretion determine. Once the non-complying party has been expelled from membership in the Association or its membership has been suspended, the Chief Executive Officer shall so advise CREA and the Registrar within thirty (30) days of such expulsion or suspension.

Section 15 - Appeal

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

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.
ARTICLE 8

Section 15 – Appeal (cont’d)

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 Bylaw.

15.04 If a party to the Arbitration, for any reason, resigns its membership in the Association 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 Bylaw of OREA, that party shall be deemed to have waived all its rights of Appeal provided for in this Article and/or in the Bylaw of OREA. All of the rights of Appeal provided for in this Article and/or in the Bylaw of OREA shall automatically be extinguished upon such party’s resignation of membership in the Association. 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 rejoining the Association.

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 Executive Director 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; and/or
   d) if the Appellant, for any reason, resigns its membership in the Association 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 Bylaw of OREA.

Section 17 - Reply to Appeal

17.01 Upon receipt of the Appeal, the Executive Director shall forward a copy of it to the Respondent.

17.02 The Respondent shall file with the Executive Director, on or before a date set out in the notice from the Executive Director, 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 Executive Director was sent to the Respondent.

17.03 When the Executive Director 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.
ARTICLE 8

Section 18 - Notice of Appeal

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

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 Chief 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, together with any reasons for same.

Section 20 - Notice of Appeal Hearing

20.01 The Executive Director 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 may not be sooner than thirty (30) days from the date that the Executive Director 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 Member of the Association. 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 Executive Director, such notice to be received by the Executive Director 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.

22.02 The Executive Director 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 Executive Director 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 Bylaw of OREA to hear, process, decide and otherwise dispose of the Appeal.
ARTICLE 8

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;
      (ii) order that all or a part of the filing fee paid to OREA be returned to the Appellant; and/or
      (iii) 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 Chairman, and shall be forwarded to the Executive Director.

26.03 The Executive Director shall forward a copy of the OREA Appeal Panel award to the Appellant and Respondent immediately after he has received it.
ARTICLE 8

Section 27 - Indemnity

27.01 No Member of the Association may prefer charges or sue for damages any agent or employee of the Association or OREA, or any Arbitrator or member of the Appeal Panel of OREA, 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 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 Chairman 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 19, 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

ARTICLE 9 - PROFESSIONAL STANDARDS / DISCIPLINE

Section 1 - Committee Function

1.01 The Professional Standards Committee is responsible for the investigation of complaints alleging unethical conduct by REALTORS®.

This Committee provides members of organized real estate and the public with a forum to air their complaints and, as such, must be run professionally, following a clear and established set of rules. REALTORS® and the public must feel confident that their complaints will be dealt with in an unbiased and professional manner.

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 5 of this Article, proceed to research the conduct of any Member of the Association.

The Committee’s mandate and function is to uphold those lofty standards by which all REALTORS® agreed to abide by when they join organized real estate.

Section 2 - Definitions and General Provisions

2.01 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 20 of this Article.

d) "Appeal Panel" shall have the meaning prescribed thereto in Section 19.01 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) "Discipline Hearing" shall mean a hearing held by the Discipline Hearing Panel using the procedures as set out in Sections 12 through 16 of this Article.

g) "Abbreviated Hearing" shall mean a modified form of Discipline Hearing, to be used only where a Respondent accepts the allegations as contained in a Allegation Statement.

h) "Discipline Hearing Panel" shall have the meaning prescribed thereto in Section 12.01 of this Article.

i) "Executive Director" means the Executive Director of the Ontario Real Estate Association or his appointed nominee.

j) "PSC Sub-committee" shall have the meaning prescribed thereto in Section 3.03 of this Article.

k) "Reply" shall mean the written statement of the Respondent filed in response to an Allegation Statement.

l) "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.

m) "Respondent" shall mean the Member of the Association who is in receipt of an Allegation Statement.
ARTICLE 9

Section 2 - Definitions and General Provisions (cont’d)

2.02 In this Article, all letters, notices or other documents required to be forwarded to a Member by the Chief Executive Officer, or the Professional Standards Committee Chairman, the Discipline Committee Chairman, 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.

2.03 The provisions of this Article apply to all Members, including Honorary Members and Affiliate Members.

2.04 If a Member against whom a complaint has been made resigns his membership in the Association or is terminated from the Association, 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 Association, at which time the Professional Standards Committee may re-start the process from the point when the Member left the Association; or

b) with the complainant's consent, forward the complaint to any other real estate board which the Member joins after leaving the Association, and such other real estate board may process the complaint, starting at the beginning of the professional standards and discipline process.

Section 3 - Composition of Professional Standards Committee and PSC Sub-Committee

3.01 The Professional Standards Committee shall consist of not less than seven (7) Members of the Association, all of whom shall have been Members of the Association for at least three (3) years, and the Directors shall designate one (1) of them to be Chairman.

3.02 At least one (1) Member of the Professional Standards Committee shall be a Director.

3.03 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 Chairman of the Professional Standards Committee shall appoint one of the PSC Sub-committee members as Chairman of the PSC Sub-committee for that particular PSC Sub-committee meeting.

3.04 A minimum of one-third (1/3rd) of the Members appointed pursuant to Section 3, Sub-section 3.01 of this Article must be individuals who are Broker Members or Branch Managers.

3.05 No Member may serve on the Professional Standards Committee who has been disciplined by a Hearing Panel in the preceding five (5) years. The Directors shall review all names submitted for the Professional Standards Committee. Should a member not meet the criteria to serve on the Committee, said member shall be notified of such. However, the Member may appeal the decision to the Board of Directors, provided they are willing to release any confidential information needed to make a fair decision.

3.06 No Member can serve concurrently on both the Professional Standards Committee and the Discipline Committee.

3.07 Any Member of the Professional Standards Committee, who is disciplined by a Hearing Panel, immediately ceases to be a Member of the Professional Standards Committee.

Section 4 - Jurisdiction

4.01 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 5 of this Article, proceed to research the conduct of any Member of the Association.
ARTICLE 9

Section 4 – Jurisdiction (cont’d)

4.02 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 5 - Handling of Complaints

5.01 Where the Chief Executive Officer receives a written complaint concerning any alleged breach of this Bylaw or some other apparent misconduct by a Member, or if the Professional Standards Committee has a self-initiated complaint, such complaint shall 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 his Principal Broker and/or Manager. However, if a written complaint has already been reviewed by RECO and RECO has advised the complainant to deal with the Association, or if the complaint has been forwarded or returned to the Association 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 6.01.

5.02 Within two (2) weeks of receipt of the written complaint by the Association, 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;
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.

5.03 The PSC Sub-committee shall make the decision required by Section 5.02 in its sole and absolute discretion, based upon a review of the complaint; a comparison of the RECO Code and the CREA Code; and a review of the Association’s Bylaw. Whenever the complaint appears to involve conduct, which may be a breach of the RECO Code, it shall be forwarded to RECO, although under certain circumstances, all or part of the complaint may also be forwarded to the Professional Standards Committee.

5.04 Once the PSC Sub-committee has made the decision required by Section 5.02, it shall advise the complainant, the Member, and if applicable, RECO of such decision. Within seven (7) days of the PSC Sub-committee’s decision, the complaint will be forwarded in accordance with such decision.

5.05 If all or part of a complaint has been forwarded to RECO and 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 to it. However, if a complaint, which was forwarded to RECO, is returned by RECO, advising that the Association 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.

5.06 If all or part of a complaint has been forwarded to RECO and has also been forwarded to the Professional Standards Committee, the Professional Standards Committee shall deal with its part of the complaint in accordance with the provisions of this Article. If RECO asks the Association to defer its investigation and/or discipline process, the Association 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.
ARTICLE 9

Section 6 - Powers of Researcher

6.01 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 Association; or
c) RECO has forwarded or returned all or part of complaint to the Association,

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

6.02 In the process of carrying out his research (the 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.

6.03 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 Bylaw and dealt with by the Professional Standards Committee in accordance with the provisions of this Article.

Section 7 - Report of Researcher

7.01 Upon completion of his Research, the Researcher shall file a written report with the Chairman 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 8 - Disposition of Research

8.01 Upon receipt and review of the report of the Researcher, the Professional Standards Committee may, in its sole and absolute discretion:

a) determine that no further action be taken in respect of the complaint; or
b) prepare an Allegation Statement.

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

Section 9 - Allegation Statement

9.01 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 Bylaw, Rules or Regulations, or the particular paragraph(s) of the CREA Code or the particular Article(s) of the Standards of Business Practice which the Member is alleged to have violated or not complied with.

9.02 The Chief Executive Officer shall forward a copy of the Allegation Statement to the Respondent.

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

9.04 Failure of the Respondent 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.
ARTICLE 9

Section 10 - Disposition Upon Receipt of Reply

10.01 Upon receipt and review of the Reply, 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,

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

10.02 Where the matter is referred to the Discipline Committee for a Discipline Hearing, the Chairman 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.

10.03 Where the matter is referred to the Discipline Committee for a hearing, the Chief Executive Officer shall
forward to the Chairman of the Discipline Committee copies of the Allegation Statement and the Reply.

10.04 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 Chief Executive
Officer or designate 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, of if requested by RECO.

Section 11 - Discipline Committee

11.01 The Discipline Committee shall consist of not less than seven (7) Members of the Association, all of whom
shall have been Members for at least five (5) consecutive years. No one may serve on the Discipline
Committee and the Professional Standards Committee at the same time.

11.02 No Member may serve on the Discipline Committee who has been disciplined by a Hearing Panel in the
preceding five (5) years. The Directors shall review all names submitted for the Discipline Committee.
Should a member not meet the criteria to serve on the Committee, said member shall be notified of such.
However, the Member may appeal the decision to the Board of Directors, provided they are willing to
release any confidential information needed to make a fair decision.

11.03 Any Member of the Discipline Committee who is disciplined by a Hearing Panel, immediately ceases to be
a Member of the Discipline Committee.

Section 12 - Procedural Matters

12.01 The Chairman 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 Chairman.

12.02 The Discipline Committee may:
   a) 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 Allegation Statement; and/or
   b) discipline any Member as is hereinafter provided.

12.03 Not more than one (1) Member registered with a Brokerage may serve on a Hearing Panel and at least one
(1) Member of the Hearing Panel must be a Broker Member.

12.04 Prior to the Hearing both the Presenter and Respondent shall be notified of the Hearing Panel Members
and shall have the right to challenge same. The Discipline Committee Chairman shall review the reasons
for the challenge and make a determination.
ARTICLE 9

Section 12 - Procedural Matters (cont’d)

12.05 Both parties have a further right to challenge the Hearing Panel Members at the Hearing. The Hearing Panel Chairman will make a determination on the challenge.

12.06 The Discipline Hearing Panel Chairman shall determine a date for the Discipline Hearing and direct the Chief 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.

12.07 At the Discipline Hearing, the parties may be represented by a lawyer or a Member of the Association, 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 or a Member of the Association they shall notify, in writing, the other party and the Discipline Hearing Panel Chairman, such notice to be received by the other party and the Discipline Hearing Panel Chairman 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.

12.08 On the date set for the Discipline Hearing, the Discipline Hearing Panel shall proceed to hear and determine the matters contained in the Allegation Statement, 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.

12.09 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 videotape, recording secretary or stenographer.

12.10 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 Association.

Section 13 - Abbreviated Hearing

13.01 An Abbreviated Hearing shall be held in accordance with Section 12 of this Article except as otherwise contemplated by this Section 13.

13.02 The Allegation Statement shall be read into the record and the Researcher shall introduce pertinent evidence to the Discipline Hearing Panel.

13.03 The Respondent and/or the Researcher may speak to the matter of penalty.

Section 14 - Documents

14.01 The Chief 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 Chief Executive Officer or his designate 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.
ARTICLE 9

Section 14 – Documents (cont'd)

14.02 If a complaint is forwarded to RECO, in accordance with this Article, the Association shall be deemed to have enforced the corresponding section of the CREA Code.

Section 15 - Decision of the Discipline Hearing Panel

15.01 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 Chairman of the Discipline Hearing Panel shall govern.

15.02 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 Chairman thereof; and
   c) specify the penalty imposed.

Section 16 - Decision and Penalties

16.01 The Discipline Hearing Panel in its decision may:
   a) find the Respondent has not engaged in the conduct set out in the Allegation Statement.
   b) upon finding the Respondent has engaged in the conduct set out in the Allegation Statement, impose one or more of the following penalties:
      i) a reprimand;
      ii) a suspension of Association membership privileges as defined by the Discipline Hearing Panel in its decision, or from using any one or more of the Association's facilities or services as set out by the Discipline Hearing Panel, or both, for such period of time as the Discipline Hearing Panel deems appropriate;
      iii) A fine of not less than five hundred dollars ($500.00) nor more than twenty-five thousand dollars ($25,000.00);
      iv) the costs of the Discipline Hearing of not less than $250.00;
      v) termination of membership in the Association; and/or
      vi) order that the Respondent attend and successfully complete and/or pass any courses of an educational nature as may be available through the Association and/or OREA, including the passing of any examinations pertaining to these courses.
      vii) Pending the disposition of any Appeal, order that the decision be communicated to all Members, OREA, CREA, RECO and/or the Registrar of the Act

16.02 A copy of the Discipline Hearing Panel decision shall immediately be given to the Chief Executive Officer who shall forward same to the parties to the Discipline Hearing, being, the Chairman of the Professional Standards Committee, and the Respondent.

16.03 Subject to the appeal provisions set out in the remainder of this Article for all hearings, 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.

16.04 For the purpose of this Article, the "Discipline Compliance Date" for each Discipline 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 Respondent discontinues the Appeal or resigns membership in the Association, 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.
ARTICLE 9

Section 16 - Decision and Penalties (cont’d)

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".

16.05 If the Respondent fails to comply with a discipline decision by the Discipline Compliance Date, as determined in accordance with section 16.04, the Board of Directors may, at any subsequent meeting of the Board of Directors, and without further proceedings, terminate the Member from membership in the Association or suspend the Respondent's membership in the Association for such period as the Board of Directors may in its sole discretion determine. The Chief Executive Officer shall advise CREA and the Registrar of such termination of membership within thirty (30) days of such termination.

Section 17 - Publishing the Decision

17.01a) 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 Association, without revealing the name or any other information which may reveal the identity of the Respondent (except in the case of termination from or suspension of membership, in which case the Association 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 Association may advise the person who made the complaint of the general outcome of the Discipline Hearing and, if applicable, which sections of the Code of Ethics or the Bylaw the Respondent was found to have breached.

Section 18 - Appeal of Discipline Hearing Decision

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

18.02 The Appeal may be from a finding that the Respondent (now called the Appellant) engaged in the conduct set out in the Allegation Statement or from the penalty imposed, or both.

18.03 The Appeal shall be accompanied by a filing fee, as set out in the Associations Fee Schedule.

18.04 The Appeal shall contain a brief and concise statement of the grounds for Appeal (hereinafter referred to as the Appellant's Statement).

18.05 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 18.01 hereof, or if the filing fee is not delivered within the same thirty (30) day period.
ARTICLE 9

Section 18 - Appeal of Discipline Hearing Decision (cont’d)

18.06 Upon its receipt, the Chief Executive Officer shall forward the Appellant's Statement to the Chairman 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 Chief Executive Officer.

18.07 Upon receipt of the Professional Standards Committee's reply to the Appellant's Statement, the Chief Executive Officer shall forward a copy of same and the Respondent's Reply to the Appellant, and to the Appeal Panel.

18.08 If the Respondent (now called the Appellant), for any reason, resigns his membership in the Association either during the period of time during which he may file an Appeal in accordance with section 18.01 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 Association 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 Association.

Section 19 - Composition of Appeal Panel

19.01 The Appeal Panel shall consist of three (3) Broker Members or Salesperson Members who are either on the Board of Directors or who are past presidents of the Association (including a Chairman, who shall be the President, or one of the Appeal Panelists appointed by the President) all of whom are not members of either the Professional Standards or Discipline Committees.

19.02 No one may sit on an Appeal Panel if:

i) they are a Member of either the Professional Standards or Discipline Committee; or

ii) there is any conflict with the parties to the Hearing or the matter under Appeal.

19.03 The Chairman of the Appeal Panel shall determine a date, time and place for the Appeal Hearing.

Section 20 - Nature of Appeal Hearing

20.01 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 21 of this Article.

20.02 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.

20.03 The Chief Executive Officer shall forward the Appellant's Statement and the Reply to the Appeal Panel together with those materials comprising the Record of Discipline Hearing (as referred to in Section 21.01 below).
ARTICLE 9

Section 21 - Record of the Discipline Hearing

21.01 For purposes of this Article, the Record of the Discipline Hearing shall include the following:
   a) the written Allegation Statement;
   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 by a person authorized by the Discipline Hearing Panel Chairman, 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, together with reasons for the decision.

Section 22 - Appeal Hearing

22.01 After the Professional Standards Committee’s reply to the Appellant’s Statement has been received by the Chief Executive Officer and forwarded to the Appellant, or if no such reply is received by the Chief 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 Chairman of the Professional Standards Committee, by the Chief Executive Officer, at least twenty (20) days prior to the date of the Appeal Hearing.

22.02 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.

22.03 At the Appeal Hearing, the Appellant may be represented by a lawyer or a Member of the Association. The Professional Standards Committee may be represented by the Researcher or another Member of the Association or 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 Chairman, such notice to be received by the other party and the Appeal Panel Chairman 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 23 - Disposition of Appeal

23.01 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 16.01 of this Article; and/or
   f) direct the disposition of the Appeal filing fee.

23.02 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 Chairman shall govern.
ARTICLE 9

Section 23 - Disposition of Appeal (cont’d)

23.03 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 Chairman of that Panel; and
   c) set out the disposition of the Appeal.

Section 24 - Notification of Decision

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

24.02 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 final and binding, and may be communicated to the Members of the Association OREA, CREA, RECO and the Registrar of the Act or any successor legislation, without revealing the name or any other information which would identify the Appellant (except in the case of termination from or suspension of membership, in which case the Association 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 25 - Appeal to OREA

25.01a) Any dispute between a Member and the Association which relates to the enforceability of any decision of a Discipline Hearing Panel under Article 9 of this Bylaw (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 Executive Director 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 Executive Director 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 Association 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 Association and the decision of the Discipline Hearing Panel (as confirmed or amended by the Appeal Panel as provided for in Section 23) 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 Association.

Section 26 - Indemnity

26.01 No member of the Association may prefer charges or sue for damages any agent or employee of the Association 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 an absolute defence against such charges or suit and each Member hereby waives his right to file such charges or suit.
ARTICLE 10

ARTICLE 10 - SYMBOLS, ETC.

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 Association 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 Association, 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 Bylaw.

1.04 The Board of Directors may issue a Certificate of Membership to any type of Membership in a form to be determined by the Board of Directors from time to time.

1.05 Each Certificate of Membership is the property of the Association and is subject to recall and cancellation by the Association on resignation, expulsion or other termination of a Member’s membership for any cause.
ARTICLE 11

ARTICLE 11 – ORDER OF PROCEDURE

Section 1 - Order of Procedure at Meetings

1.01 Unless specifically provided for in this Bylaw to the contrary, all Association meetings of the Members, the Board of Directors, Committees, Councils and Task Forces 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 AND CREA MEMBERSHIP

Section 1 - Membership in OREA

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

Section 2 - Membership in CREA

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

2.02 The Association and its members hereby adopt the Principles of Competition for Real Estate Boards and Associations.

Section 3 - Termination of Membership

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

Section 4 – Reciprocal Agreements with Other Boards and Other Board Members

4.01 The Association may enter into any agreement with any other Real Estate Board or other Board Member, which is a member of OREA with the purpose of accessing MLS® information in each jurisdiction.

4.02 Where the Association does enter into such an agreement, as referred to above, the privileges and obligations of members of the other Association shall be strictly limited to those privileges and obligations as set forth in the Agreement between the parties.
ARTICLE 13 - BYLAW AMENDMENTS

Section 1 - Bylaw Amendments

1.01 The provisions of this Bylaw may be enacted, amended or repealed at any properly constituted meeting of the Directors, provided that at least two-thirds (2/3) of 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.

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 Bylaw Amendments

2.01 Any enactment, amendment or repeal of this Bylaw as approved by the Directors is not enforceable until confirmed by not less than two-thirds (2/3) of the Voting Members who are entitled to vote and present, either in person or by proxy, at a duly called meeting of the Members of the Association.

2.02 Even though, by definition, "Bylaw" includes rules and regulations, Section 2.01 hereof 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 Notice of the time and place of any Meeting of the Members shall be communicated to each Member in good standing.

1.02 Unless otherwise specified in this Bylaw, any letter, notice, document or any other material (hereinafter collectively referred to as "Notices") required or permitted to be given or forwarded by the Association 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 in an electronic format to;
   c) delivered personally (or by courier) addressed to; or
   d) telecopied (faxed) addressed to

   such Member at its/his address as recorded with the Association.

1.03 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 day (not including the day of mailing) after mailing (example, if mailed on a Monday afternoon, deemed receipt on Saturday).

   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 Association.

   e) 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.

1.04 If Notices are mailed, faxed or delivered to a Member and have been returned on three consecutive occasions because such Member cannot be found, the Association need not send any further Notices to such Member until it/he/she informs the Association in writing of its/his/her new address.
ARTICLE 15 - ADOPTION OF CREA CODE

Section 1 – CREA REALTOR® Code and Standards of Business Practice

1.01 The Association hereby adopts the CREA REALTOR® Code and by this reference to it, the CREA REALTOR® Code is deemed to be part of this Bylaw.

1.02 The Association shall adopt such Bylaw, 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 CREA Code.

1.03 If a complaint is forwarded to RECO, in accordance with Section 4 of Article 9, the Association shall be deemed to have enforced the corresponding section of the CREA Code.

PASSED THIS ___________________ DAY OF _____________________, 20______.

_________________________    __________________________
PRESIDENT       CHIEF EXECUTIVE OFFICER
# DUES AND FEES SCHEDULE

## QUARTERLY DUES

<table>
<thead>
<tr>
<th>Annual</th>
<th>Jan / Apr / Jul / Oct</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Broker Member and Salesperson Member per quarter</td>
<td>$125 + HST</td>
</tr>
<tr>
<td>b) Senior Member per quarter</td>
<td>75 + HST</td>
</tr>
<tr>
<td>c) Retired Member annually</td>
<td>10 + HST</td>
</tr>
<tr>
<td>d) <strong>NEW Member Only</strong> - Pro-rated monthly</td>
<td>$125.00 + HST</td>
</tr>
<tr>
<td>January / April / July / October</td>
<td>$83.34 + HST</td>
</tr>
<tr>
<td>February / May / August / November</td>
<td>$41.67 + HST</td>
</tr>
</tbody>
</table>

## FEES

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Brokerage Entrance Fee</td>
<td>$3,000 + HST</td>
</tr>
<tr>
<td>b) Branch Office Fee</td>
<td>$500 + HST</td>
</tr>
<tr>
<td>c) Broker Member, Salesperson Member Entrance Fee</td>
<td>$1,000 + HST</td>
</tr>
<tr>
<td>d) Former Member rejoining the Association after being out for one (1) year</td>
<td>$500 + HST</td>
</tr>
<tr>
<td>e) Dual Member Entry Fee</td>
<td>$500 + HST</td>
</tr>
<tr>
<td>(applicable to those with membership in another board)</td>
<td></td>
</tr>
<tr>
<td>f) Scout Activation Fee</td>
<td>$25 + HST</td>
</tr>
<tr>
<td>g) Processing Fee</td>
<td>$50 + HST</td>
</tr>
<tr>
<td>h) Access Fee – In accordance with the MLS® Access Agreement (s)</td>
<td></td>
</tr>
</tbody>
</table>

### MLS®

- $48 per member per month including Broker load listings and revisions, MLX, MLXpro, Geowarehouse, Realtorlink, MPAC, and one Administrative Employee (effective January 1, 2013 – no longer included)
- $38 per senior member per month including Broker load listings and revisions, MLX, MLXpro, Geowarehouse, Realtorlink, MPAC and one Administrative Employee (effective January 1, 2013 – no longer included)
- $15 per month for each additional Administrative Employee

- Board loaded listing fee $35 + HST
- Board loaded revision (after 2 free) $10
- Board takes photo $8 + HST

## FILING

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Arbitration</td>
<td>$300</td>
</tr>
<tr>
<td>b) Discipline Appeal</td>
<td>$400</td>
</tr>
</tbody>
</table>

## FINES FOR NON-REGISTERING / LATE REGISTRATION

The following policy will apply for non-registration / late registration applications:

- first offense a letter of warning, fine waived;
- second offense a fine of $200;
- third offense a fine of $400
- all subsequent offenses a fine of $500

Should a member dispute a fine they can appeal the decision to the Finance Committee.
DEFINITIONS

Act means the *Real Estate and Business Brokers Act* (Ontario) and all regulations promulgated thereunder as such legislation and regulations may be amended or replaced from time to time.

Amendment to Listing Agreement means the Association’s standard form agreement used by Members to amend the information within, or provisions of, a Listing Agreement.

Association means the REALTORS® Association of Hamilton-Burlington and its successors and assigns, from time to time.

Association’s MLS® System means the cooperative selling system for real estate operated by or on behalf of the Association in association with the MLS® Marks.

Board Load means the entry of information pertaining to an MLS® Listing by Association staff onto the Association’s MLS® System, including, but not limited to, information from the Property Information Form and the reporting of sales and conditional sales.

Broker Load means the entry of information pertaining to an MLS® Listing by a Member onto the Association's MLS® System, including, but not limited to, information from the Property Information Form and the reporting of sales and conditional sales.

Broker of Record means a person registered as a broker under the Act, who is a director, officer, and shareholder, in the case of an incorporated Brokerage Member; the sole proprietor, in the case the Brokerage Member is a sole proprietorship; or a partner, in the case of the Brokerage Member is a partnership; and who is or has been designated as the “broker of record” of the Brokerage Member for the purposes of the Act, the Bylaws of the Association and/or these Rules.

Brokerage means a Person that, on behalf of others and for compensation or reward or the expectation of such, Trades in real estate and holds themselves out as such, registered under the Act as a broker and which is a Member of the Association.

Buyer means a Person acquiring or attempting to acquire an interest in real estate through a Purchase.

Buyer Representation Agreement means a Services Agreement entered into between a Buyer and a Buyer Representative.

Buyer Representative means the Member or Members representing a Buyer under a Buyer Representation Agreement.

Client means a Buyer or a Seller whom a Member is representing, or providing services to, pursuant to a Services Agreement.

Commission Trust has the meaning ascribed to such term in Section 14 of these Rules.

Co-operating Brokerage means a Brokerage which effects a Trade in real estate as a Buyer Representative.

CREA means The Canadian Real Estate Association and its successors and assigns, from time to time.

Exclusive Listing means a Listing that is not listed on the Association’s MLS® System.

HST means the tax commonly known as the Harmonized Sales Tax as imposed by the *Excise Tax Act* (Canada), as such legislation may be amended or replaced from time to time.

Listing means the Offer of real estate the right of which has been granted pursuant to a Listing Agreement.

Listing Agreement means the Services Agreement entered into between a Seller and a Seller Representative in respect of a Listing, including, but not limited to, the Association’s standard form listing agreement.
DEFINITIONS (cont’d)

Listing Brokerage means a Brokerage which has listed real estate for Sale through the Association’s MLS® System pursuant to a Listing Agreement.

Listing REALTOR® means the individual REALTOR® employed or contracted by the Listing Brokerage to act as a Seller Representative under a Listing Agreement.

Mandatory Fields means the dark shaded fields on the Property Information Form which are required to be completed.

Member shall mean any member of the Association who is either a Brokerage member, broker member or salesperson member, all as further described in Article 2 of the Bylaws of the Association.

MLS® Data means any text, images, data, or information gathered, compiled, stored or published as part of the Association’s MLS® System sheltered in computerized, electronic or other form, including, but not limited to, all dailies, catalogues and sold sheets.

MLS® Listing means a Listing on the Association’s MLS® System.

MLS® Marks means the trademarks and certification marks owned and licensed by CREA to the Association, including, but not limited to, the words REALTOR® and REALTOR® Link, the REALTOR® and REALTOR® Link logos, and the words Multiple Listing Service® and MLS® and the related MLS® logos.

Offer means any offer relating to a Trade in real estate.

Person includes, where applicable, an individual, a partnership, a corporation and any other entity legally capable of buying and selling real estate or otherwise receiving services from a Member.

Property Information Form means the data input form entitled “Property Information Form” attached to the Association’s standard form of Listing Agreement.

Purchase includes an actual or proposed exchange, option, lease or other acquisition of an interest in real estate.

REALTOR® refers to a person who is a real estate practitioner licensed under the Act and a member of CREA.

REALTOR® Code means the code of ethics to which all REALTORS® are subject to as adopted and amended, from time to time, by CREA.

RECO means the Real Estate Council of Ontario and its successors and assigns, from time to time.

Rules means the set of rules and regulations set out herein, and any additions or amendments thereto as may be adopted, from time to time, by the Association.

Sale includes an actual or proposed exchange, option, lease or other disposition of an interest in real estate.

Seller means a Person disposing of or attempting to dispose of an interest in real estate by Sale.

Seller Representative means the Member or Members representing a Seller under a Listing Agreement.

Services Agreement means any agreement, written or otherwise, that establishes a relationship between a Member and a Person which identifies the responsibilities of each party and includes the services to be performed by the Member and any compensation payable, in connection with a Trade in real estate, including, but not limited to, a Buyer Representation Agreement and a Listing Agreement.

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.
SECTION 1 - MLS®

1.01 Only properties with a real estate component may be listed on the Association’s MLS® System.

1.02 For the purpose of these Rules, “real estate” means:
   • real property;
   • a leasehold or other interest in real property other than fee simple;
   • a time share agreement with regard to real or leasehold property;
   • a movable dwelling that is designed for use as a permanent residence;
   • a business, including an interest or share of a business, with or without premises, and the fixtures, stock-in-trade, good and chattels associated with the business, provided such items are sold in bulk as part of the business operation.

1.03 Acceptance of Listings
   (a) Only Listings that comply with the following three (3) pillars of the MLS® Marks may be placed on the Association’s MLS® System.
   (b) The Three Pillars of the MLS® Marks are:
      (i) Membership
          Only REALTORS® may place a Listing on the Association’s MLS® System.
      (ii) Agency
          A Listing REALTOR®/Listing Brokerage must act as agent for the Seller in order to post, amend or remove a property listing on the Association’s MLS® System. The nature of any additional services to be provided by the Listing REALTOR®/Listing Brokerage to the Seller is determined by agreement between the Listing Brokerage and the Seller.
      (iii) Compensation to Co-operating Brokerage
          The Listing REALTOR®/Listing Brokerage agrees to pay to the Co-operating Brokerage compensation for the co-operative selling of the property. An offer of compensation of zero is not acceptable.
   (c) The Interpretations are:
      (i) The Listing REALTOR®/Listing Brokerage shall be available to provide professional advice and counsel to the Seller on all Offers and counter Offers unless otherwise directed by the Seller in writing.
      (ii) The Listing REALTOR®/Listing Brokerage is responsible and accountable for the accuracy of information submitted to the Association for inclusion in the Association’s MLS® System, and the Association is responsible for ensuring that the data submitted to it meets reasonable standards of quality.
      (iii) Only REALTORS® are permitted to display the MLS® Marks in signage, advertising, etc.
      (iv) Where the Seller directs the Listing REALTOR®/Listing Brokerage in writing to do so, the Seller’s contact information may appear in the REALTOR® only remarks (non-public) section of a Listing on the Association’s MLS® System. The Seller’s contact information shall not appear on REALTOR.ca or in the general (public) remarks section of a Listing on the Association’s MLS® System. The Listing REALTOR® may include a direction in the General Description section on REALTOR.ca or on websites operated by CREA or the Association to visit the REALTOR® website to obtain additional information about the Listing (but the nature of such additional information shall not be specified).
      (v) Where the Seller has reserved the right to sell the property themselves, that fact shall be specified in the Association’s MLS® System.
SECTION 1 - MLS® (cont’d)

1.04 Responsibilities / Penalties

(a) All Members of the Association shall abide and be governed by these Rules.

(b) The Association reserves the right to deal with complaints against Members in accordance with the Article 9 of the Bylaw, notwithstanding the Member’s Services Agreement or other arrangement with the Client.

(c) (i) The Listing Brokerage and the Listing REALTOR® are responsible for the accuracy and correctness of an MLS® Listing and for submitting the Listing Agreement to the Association as requested. The Listing Brokerage and the Listing REALTOR® are required to ensure that all information in the MLS® Listing provided to the Association, including, but not limited to, the District/Neighbourhood Code, Address (street and municipality), Property Type and the Tax Roll Number, is accurate and correct. All Listings shall comply with the REALTOR® Code, the Act, the Bylaws of the Association, these Rules, and any other rule or regulation or policy of the Association.

(ii) The Listing Brokerage and Listing REALTOR® are responsible for reporting sales in accordance with Section 9 of these Rules, and are required to ensure that all information provided to the Association on the report of Sale is correct including, but not limited to, name of the Member(s) who represented the Buyer and the selling price and further that the information be in accordance with the information recorded on the Trade Record Sheet as required by RECO.

(iii) The Listing REALTOR®/Listing Brokerage, by placing an MLS® Listing on the Association’s MLS® System, shall indemnify and save the Association harmless from any loss to the Association arising out of any claim in respect of or in connection with the Listing Agreement, the Property Information Form and/or publication of the MLS® Listing on the Association’s MLS® System.

(d) (i) The Association shall conduct audits of MLS® Listings to ensure that MLS® Listings comply with these Rules. These audits will assist with the process of verifying information and adherence to these Rules by its Members. Areas which are checked include, but are not limited to, the property address, the listing price, commencement date, expiry date of the listing. The Brokerage and Member whose listing has been selected for audit shall, if required, provide a copy of the Listing Agreement and other documentation that comprises the Listing to the Association, with the information on compensation agreed to between the Seller and the Brokerage removed. Failure to provide the requested Listing Agreement or to make any corrections requested will result in the matter being referred to the Professional Standards Committee of the Association.

(ii) If necessary, the Association will make any correction to an MLS® Listing on the Association’s MLS® System to mirror the information shown on the Listing Agreement pertaining to such MLS® Listing which is subject to an audit conducted by the Association as contemplated above.

(iii) Failure to comply with these Rules shall render the Listing Member liable to fines or suspensions of access to, or the use of, the Association’s MLS® System in accordance with these Rules.

(iv) Members are responsible to ensure that the necessary consent has been obtained from their Client to collect, use and disclose the Client’s personal information on MLS® Listings.

SECTION 2 - MLS® LISTINGS

2.01 The Association’s standard form of Listing Agreement shall consist of: a Property Information Form page and/or Signature Report Form and a listing contract page.
SECTION 2 - MLS® LISTINGS (cont’d)

2.02 All documentation for Listings to be processed on the Association’s MLS® System shall be submitted on the Association’s approved MLS® forms, signed and dated by all Seller(s) or their legally authorized representatives. Such Listing must give all data available and as full and accurate description of the property as possible. The price, date of expiry, Seller(s) name, name of the Listing Brokerage, Listing REALTOR® and Listing Brokerage phone number, are to be shown on the MLS® Listing. In addition, the commencement date must display on the data page and the commencement date and signing date must be on the Listing Agreement page. Any listing taken on a standard MLS® form is subject to these MLS® Rules upon signature of the Seller(s).

2.03 (i) In all instances when any Listing Agreement or Amendment to Listing Agreement is obtained, the Listing Brokerage shall submit to the Association or process through Broker Load such information through the Association’s MLS® System within two (2) Association business days immediately following the commencement date of the Listing Agreement, or the date the Amendment to Listing Agreement takes effect, as applicable.

(ii) Commencement date shall be the date the listed property becomes available for Sale.

2.04 (i) An MLS® Listing may be extended to a new expiry date provided the Seller has signed an Amendment to Listing Agreement or has given written notification prior to the original expiry date and such notification has been received in accordance with Subsection 2.03.

(ii) A Listing price may be changed provided the Seller has signed the Amendment to Listing Agreement and such notification has been received by the Association in accordance with Subsection 2.03.

2.05 The Listing Brokerage and Listing REALTOR® are responsible for the accuracy of all information submitted by the Listing Brokerage to the Association’s MLS® System, whether Board Loaded or Broker Loaded.

2.06 Upon request of the Seller, the Association shall provide to the Seller a copy of the MLS® Listing as such Listing appears on the Association’s MLS® System.

2.07 All properties which are to be sold separately must be listed individually.

2.08 The applicable Association processing fee for an MLS® Listing shall be as set by the Association.

2.09 Should a change to Mandatory Fields be required on an MLS® Listing, the Listing Brokerage is required to Broker Load or submit to the Association an Amendment to Listing Agreement signed by the Seller within two (2) Association business days of the signing date of the Amendment to Listing Agreement.

2.10 No Member shall Broker Load or submit an MLS® Listing that contravenes these Rules, the Bylaws of the Association or the code of ethics of RECO. The Association may, in its sole discretion, deem any such MLS® Listing to be invalid. The Association may either remove an MLS® Listing from the Association’s MLS® System or refuse to publish such MLS® Listing, and without limiting the generality of the other provisions contained in these Rules, a Listing shall not be accepted by the Association as an MLS® Listing:

(i) if it excludes any Member(s) from showing or inspecting the property;

(ii) if it excludes any Member(s) from acting as a Co-operating Brokerage; or

(iii) if all Mandatory Fields have not been completed accurately.

For all MLS® Listings which contravene these Rules, the Association shall send written notice to the Listing Brokerage who shall, within two (2) Association business days, remedy the information through initialed corrections on the original Listing Agreement, submit an Amendment to Listing Agreement, or process a cancellation for such Listing. Notwithstanding the forgoing, if an MLS® Listing requires changes to Mandatory Fields, the Listing Brokerage shall process an Amendment to Listing Agreement by the date specified in the notification to the Listing Brokerage provided by the Association.
SECTION 2 - MLS® LISTINGS (cont'd)

2.11 For Broker Loaded MLS® Listings, Listing Brokerages are not required to forward copies of the Listing Agreement and completed Property Information Form to the Association at the time of submission of such MLS® Listing to the Association. However, MLS® Listings are subject to audit by the Association, and the Listing Brokerage may from time to time, be required to forward to the Association a copy of the Listing Agreement and completed Property Information Form, and any other documentation that comprises the Listing. Failure to provide such paperwork when requested by the Association by the time stipulated will result in the Listing being automatically removed from the Association’s MLS® System.

2.12 The information relating to an MLS® Listing which has commenced but has yet to be processed or published by the Association shall be given forthwith by the Listing Brokerage to any Co-operating Brokerage, upon request.

2.13 A new Listing Agreement shall not commence before the expiry of an existing Listing Agreement, subject to the provisions of Section 4 (Power of Sale Listings) of these Rules.

2.14 No MLS® Listing shall appear on the Association’s MLS® System that is not immediately available for inspections, showings and, subject to the provisions of Subsection 2.15, the registration of Offers.

2.15 If an MLS® Listing indicates that Offers are not to be presented for a period of time, the Listing Brokerage shall complete, as part of the Listing, the Seller’s written direction on the Association’s form entitled “Direction re: No Offer Presentations” and disclose all particulars of such direction in the “Remarks” field of the MLS® Listing. Should the Seller rescind a restriction pertaining to the presentation of Offers, the Listing Brokerage shall immediately, and with reasonable notice to all parties:

(a) complete, as part of the MLS® Listing, the Seller’s written direction on the Association’s form entitled “Amendment to Listing Agreement” and make the necessary changes to the “Remarks” field for such MLS® Listing; and

(b) if the Listing Brokerage is representing the Seller in the negotiation of Offers, notify by telephone, all Co-operating Brokerages, who requested and/or registered Offer presentations, that such restriction is removed and arrange for the presentation of all Offers to the Seller, without delay.

2.16 Save and except where an MLS® Listing includes the Seller’s contact information, when requested by a Co-operating Brokerage, the Listing Brokerage shall immediately make available all information regarding the MLS® Listing necessary for preparing an Offer.

2.17 Members shall ensure that lock boxes provided for the purposes of access to the property which is the subject of an MLS® Listing are set with a unique code for the security of their Seller’s property. Further, Members shall change the lock box combinations, as required during the course of the Listing to maintain reasonable security, and not use any preset manufacturer’s codes.

SECTION 3 - SUSPENSIONS, CANCELLATIONS AND TRANSFERS

3.01 An MLS® Listing may be suspended from the Association’s MLS® System before its expiration date provided that a copy of the Association’s standard form entitled “Suspension of Listing Agreement” is filed with the Association by the Listing Brokerage, in accordance with Subsection 2.03, which suspension of Listing Agreement shall be signed by the Seller who signed the original Listing Agreement or by his/her/their lawfully authorized representative and by the Broker of Record or manager of the Listing Brokerage. Such Suspension of Listing Agreement shall not constitute a cancellation of the terms and conditions of the original Listing Agreement.

3.02 An MLS® Listing may be cancelled by filing the Association’s standard form entitled “Cancellation of Listing Agreement” signed by the Seller who signed the original Listing Agreement or the Seller’s lawfully authorized representative and by the Broker of Record or manager of the Listing Brokerage and a copy of such Cancellation of Listing Agreement shall be forwarded to the Association, in accordance with Subsection 2.03.
MLS® RULES & REGULATIONS

SECTION 3 - SUSPENSIONS, CANCELLATIONS AND TRANSFERS (cont'd)

3.03 An MLS® Listing may be transferred from one (1) office to a branch office within the same Listing Brokerage by written transfer, signed by the Listing Brokerage and a copy of such transfer forwarded to the Association. Such transfer shall not constitute an amendment to the Listing, only a change in computer information.

3.04 The expiry date may be amended provided the Seller has given written authorization. If the amended expiry date is prior to the existing date, the Amendment to Listing Agreement must be signed by the Listing Brokerage and a copy forwarded to the Association for processing, in accordance with Subsection 2.03.

SECTION 4 - POWER OF SALE LISTINGS

4.01 A mortgagee exercising a power of sale, by virtue of the terms of a mortgage, or under the provisions of the Mortgages Act (Ontario), or a Condominium Corporation exercising a sale under provision of the Condominium Act (Ontario), may list the mortgaged or defaulted premises on the Association's MLS® System with a Listing Brokerage.

4.02 A statement from the Listing Brokerage shall accompany the submitted MLS® Listing and shall state that, by reason of a default existing under the mortgage or default under the Condominium Act (Ontario) on the subject property, the Person signing the Listing Agreement has the power and authority to list the property for sale.

SECTION 5 - MLS® SERVICES

5.01 Every Member shall subscribe to the Association’s MLS® System electronically.

5.02 The monthly subscription fee for access to the Association’s MLS® System shall be as set by the board of directors of the Association.

SECTION 6 - SOLICITATION

6.01 No Member shall directly or indirectly solicit another Member’s Client for the purpose of offering to provide the same type of real estate services.

6.02 Members shall make a reasonable enquiry to determine that a prospective Seller or Buyer is not subject to an existing Services Agreement to ensure that they are not offering the same type of real estate services.

6.03(A) If, prior to expiry of an existing Listing Agreement, the Seller initiates communication with a Member for the purpose of Listing or discussing the Listing of the property then, despite the provisions of Subsection 6.03 (B) and 6.03(C), the Member may enter into a Listing Agreement with the Seller for the property if, and only for so long as, the following conditions are met:

(i) such contact and communication for the purpose of Listing or discussing the Listing of the property between the Member and the Seller was initiated by the Seller;

(ii) communication must not interfere with the current contractual relationship between another Member and the Seller; nor counsel breach of contract; and

(iii) any new Listing Agreement for the property that the Member and Seller enter into shall not commence until the existing Listing Agreement for the property has expired.

6.03(B) A Member shall not allow a Listing Agreement for the same Trade function to commence knowing another MLS® Listing from the same Seller regarding the same property is in effect. A Member shall be deemed to know of another MLS® Listing if it appears either as active or suspended on the Association’s MLS® System, when the Member’s subsequent MLS® Listing is taken.
SECTION 6 – SOLICITATION (cont’d)

6.03(C) A Member may only communicate with a Seller of a current MLS® Listing with respect to the listed property if:
   (i) the MLS® Listing for such Seller includes the Seller’s contact information; or
   (ii) in all other cases, such Member receives the express written consent of the Listing Brokerage in each instance.

6.04 Members are not prohibited from contacting another Member’s Client for the purpose of offering a different type of real estate service, provided the service being offered is unrelated to the type of service currently provided for in the pre-existing Services Agreement.

6.05 Notwithstanding the foregoing provisions, under no circumstances shall the following sources be used by a Member to identify prospective Clients:
   (i) the Association’s MLS® System;
   (ii) Members’ real estate signs; and
   (iii) other Member generated sources of information such as, but not limited to, printed and television advertising, office window displays, and the Internet.

SECTION 7 - MLS® DATA AND OTHER BOARD PUBLICATIONS

Ownership

7.01 The Association is the owner of all copyright in the Association’s MLS® System and all data contained therein. The Association’s MLS® System and all MLS® Data contained therein are a licensed product for the exclusive use of Members and other authorized users and any use of the Association’s MLS® System or of the MLS® Data contained therein for any unauthorized purpose is prohibited. The right to use, reproduce or download all MLS® Data is at the discretion of the Association and is limited to the specific uses permitted by the Association.

7.02 Members shall comply with, observe and be bound by all restrictions, copyright notices or other limitations of access to the Association’s MLS® System and the MLS® Data contained therein and use thereof as may be adopted by the board of directors of the Association from time to time.

7.03 The Members shall advise and obtain their Client’s authorization that:
   (a) all information concerning this Client’s Listing and the Listing Agreement, the properties affected thereby and the transactions thereunder shall be made available not only to all other Members and their respective Clients, but also third party users authorized by the Association;
   (b) the Association may, at its option, advertise in any medium, including the Internet, any properties listed on the Association’s MLS® System; and
   (c) the Association may compile, retain and distribute the Listing information indefinitely and may compile, retain and publish any statistical analyses including historical MLS® Data based on such information.

7.04 The Association shall not be responsible for any indirect, special or consequential damages or any other obligations or liability arising out of, or in any way connected with the Association’s MLS® System or the use of the MLS® Data contained therein, including but not limited to, computer failure or interruption, or negligence.

Authorized and Unauthorized Use

7.05(a) The information contained on the Association’s MLS® System is confidential and shall not be distributed to unauthorized persons or used in any unauthorized manner.
   (b) For the purposes of these Rules, authorized use of the Association’s MLS® System or MLS® Data means:
      (i) the extraction of MLS® Data from the Associations MLS® System by Members of the Association in good standing necessary to assist them in representing their Clients in the Trade of real estate; and
      (ii) any other specific use authorized in writing by the Association.
SECTION 7 - MLS® DATA AND OTHER BOARD PUBLICATIONS (cont’d)

(c) In addition, the authorized uses described in Subsection 7.05(b) shall also:
   (i) reflect accurate and current information as contained in the MLS® Database;
   (ii) include the name of the Listing Brokerage; and
   (iii) include the registered MLS® Marks.

(d) For the purposes of these Rules, unauthorized use of the Association’s MLS® System or MLS® Data is any use not expressly described in Subsection 7.05(b) and (c) hereof and includes, but is not limited to:
   (i) the extraction of MLS® Data for the purposes of creating a book or for the population of another database;
   (ii) reproduction of MLS® Data beyond that necessary to prepare presentations to a Client;
   (iii) the alteration, modification or reformatting of the MLS® Data on the Association’s MLS® System in any form whatsoever, electronic or otherwise; and
   (iv) the sale or distribution of any portion of MLS® Data to any third parties.

Access

7.06 Personal computer access codes, log-on account number and/or passwords issued to a Member in order to provide access to the Association’s MLS® System or the MLS® Data contained therein and/or other Association information and services (collectively, the “Access Codes”) are for the Member’s sole and exclusive use and their sale, distribution or disclosure to, or use by, any other person is prohibited.

7.07 Any computer software or hardware provided by the Association to any Member to access the Association’s MLS® System and the MLS® Data contained therein and/or other Association information (regardless of whether such software or hardware is provided with or without a cost to the Member) (collectively, the “Access Program”) are for the Member’s sole and exclusive use and their sale, distribution or disclosure to, or use by, any other person is prohibited.

7.08 Personal computer access codes are the sole responsibility of the Member and disclosure to anyone is prohibited.

7.09 The Member who is the Broker of Record of each Brokerage shall ensure that any individual who has been provided with Access Codes and/or Access Programs complies with the Association’s Bylaws and these Rules while Employed (as defined in the Association’s Bylaw) by such Brokerage.

7.10 The Broker of Record of each Brokerage shall notify the Association within forty eight (48) hours after any individual who has been provided with Access Codes and/or Access Programs ceases to be Employed by the Brokerage.

Remedies

7.11 Any theft, sabotage, unauthorized use of, or unauthorized access to the Association’s MLS® System or the MLS® Data constitutes a breach of these Rules and shall be dealt with in accordance with the provisions of the Association’s Bylaws. Notwithstanding any sanctions or penalties imposed by the Association, the Association reserves the right to seek and all redress and remedies available to it in a civil action against the unauthorized person (whether such person is a Member or non-Member) and/or any Member permitting the unauthorized access or to unauthorized use of the Association’s MLS® System or the MLS® Data contained therein by an unauthorized person. In the event it is discovered there is a breach of these Rules by a Member, such Member’s access to the Association’s MLS® System shall be immediately suspended pending investigation by the Association.

7.12 In addition to the Association’s rights and remedies set out in Subsection 7.11, the Association reserves the right to immediately terminate a Brokerage’s or an individual Member’s Access Codes and/or Access Programs, without notice, in the event of any unauthorized use of, or granting unauthorized access to, the Association’s MLS® System or any MLS® Data contained therein or any other breach of the provisions of this Section 7.
SECTION 7 - MLS\textsuperscript{®} DATA AND OTHER BOARD PUBLICATIONS (cont'd)

**Association’s Website**

7.13 Members may “link” to the public portion of the Association’s website from their own websites, provided the link is connected to the home page of the Association’s website (i.e. such link takes users from Member’s website to the Association’s website using an icon on the Member’s website for this purpose).

7.14 The Association’s MLS\textsuperscript{®} System or any portion thereof shall not be used as a “frame” on a Member’s website (i.e. the Association’s MLS\textsuperscript{®} System or the MLS\textsuperscript{®} data contained therein must not appear to reside on the Member’s website, making it look as if the Association’s MLS\textsuperscript{®} System is the Member’s). The only exception to the foregoing rule is that a Member’s website shall be permitted to cause any of the MLS\textsuperscript{®} Data to appear within full feature frames of their own design provided the property information taken from the Association’s MLS\textsuperscript{®} System which is displayed on the Member’s website is only for properties listed by that Member’s Brokerage.

7.15 The Association is not responsible for the contents of any off-site pages or any other sites linked to or from the Association’s MLS\textsuperscript{®} System. Maintenance of the Member’s website is the sole responsibility of the Member.

7.16 All of the restrictions contained in this Section 7 that relate to the authorized and unauthorized use of and access to the Association’s MLS\textsuperscript{®} System, apply equally to any portion of the MLS\textsuperscript{®} Data which can be obtained from the Association’s MLS\textsuperscript{®} System.

7.17 Any form of advertising based in whole or in part on the MLS\textsuperscript{®} Data supplied by the Association, including but not limited to, current Listing information and sold information, must clearly demonstrate the period of time over which the claims are based and must include the following notice: "Based in whole or in part on information supplied by the REALTORS\textsuperscript{®} Association of Hamilton-Burlington for the period of (insert applicable date) through (insert applicable date)"; or other substantially similar notice.

7.18 The Association is a signatory to one or more agreements with other real estate boards and associations in the Province of Ontario. Pursuant to these agreements, Members may have the right, on an individual basis, to obtain property information from such other boards and associations and/or to obtain other services from such other boards and associations (such as the right to place Listings on the MLS\textsuperscript{®} of such other boards and associations). The Association recognizes that in order for its Members to obtain such information or service from other boards and associations, Members will enter into contracts, on an individual basis, with such other boards and associations. Such contracts will provide rules for the use of MLS\textsuperscript{®} data and MLS\textsuperscript{®} services provided by such other boards or associations. If a Member of this Association breaches the terms of any contract(s) with such other boards or associations, the breach will be deemed to be a breach of these Rules and shall be dealt with in accordance with the provisions of Article 12 of the Association’s Bylaws.

7.19 All multimedia links on REALTOR.ca, namely alternate feature sheet – field 63; virtual tour – field 64; sound bites – field 65; sales brochure – field 66; additional photos – field 67; and Board preferred map service to locate property – field 84, must be limited to property specific information and advertisement of private sales is not permitted on those links. Further, webpages linked directly from REALTOR.ca through multimedia links must not indicate where private sale information can otherwise be located. Webpages linked directly from REALTOR.ca through multimedia links or "REALTOR\textsuperscript{®} Website" links cannot automatically redirect users to a third party site. In accordance with The Canadian Real Estate Associations’ MLS\textsuperscript{®} Technology Council’s Policy, multimedia links are to be limited to their respective fields. This ensures that REALTOR.ca displays information that consumers expect to see on the link they wish to use. MLS\textsuperscript{®} Systems are member to member cooperative systems and members who participate on REALTOR.ca (which is a member developed and financed site) must respect the member to member facet in all multimedia links provided in association with REALTOR.ca. Seller contact information must not be displayed on webpages that are linked directly from REALTOR.ca through multimedia links. The listing REALTOR\textsuperscript{®} brokerage website may be linked directly from REALTOR.ca through the "REALTOR\textsuperscript{®} Website" link that appears on REALTOR.ca feature sheets, but this specific webpage of the REALTOR\textsuperscript{®} brokerage website must not display seller contact information. As well, members can include in the General Description – field 27 (public remarks, known as field – 31 in the French version) a comment to "see my website for further information" without specifying the nature of such additional information.
SECTION 8 - SELLING PROCEDURES

8.01 Members shall co-operate with each other in a professional manner when carrying out negotiations in the best interests of their respective Clients. A Member shall not negotiate with or make Offers to the Client of another Member respecting matters in which the other Member is representing the Client unless:

(i) the MLS® Listing for such Client of another Member includes the Seller’s contact information; or

(ii) in all other cases, without the knowledge, consent and involvement of the other Member.

8.02 A Member shall present all written Offers, including counter Offers, received by such Member as objectively and as quickly as possible. A Member shall establish a system to ensure that all Offers the Member receives from another Member are received and presented to their Client on a timely basis, including in the absence of the Member.

8.03 Unless the applicable MLS® Listing provides for the Seller’s contact information, appointments to inspect or show an MLS® Listing must be made through the Listing Brokerage, or directly with the Seller, with the prior permission of the Listing Brokerage. If a request for an appointment is received from a Co-operating Brokerage directly, Listing Brokerages shall make appointments for Co-operating Brokerages without delay.

8.04 If a Member is unable to keep an appointment, the Member shall:

(i) where the appointment was made directly with the Listing Brokerage, advise the Listing Brokerage, or if direct contact with the Listing Brokerage is not possible, advise the Seller directly; or

(ii) where the appointment was made directly with Seller as permitted under these Rules, advise the Seller directly.

8.05 Appointments to inspect property relating to an MLS® Listing shall be continued even after an Offer to Purchase is received, or until requested by the Seller to discontinue appointments.

8.06 The Co-operating Brokerage may have the right to be present when their Client’s Offer is presented by the Listing Brokerage to the Seller and the Listing Brokerage may have the right to be present when any counter Offer is presented by the Co-operating Brokerage to the Buyer subject to the direction of the Seller and/or Buyer. The forgoing provision only permits a Member to accompany the presentation of Offers to another Member’s Client, it does not, however, give any authority to negotiate during this time and does not mean that the Member may be present during subsequent discussions between the other Brokerage and their Client.

SECTION 9 - REPORTING OF SALES

9.01 An important part of the inherent value of the Association’s MLS® System is the transaction data accumulated for sales of listed properties. Therefore, it is the responsibility of all Members to ensure, regardless of their business model, that property sold information for properties listed on the Association’s MLS® System, including the reporting of conditionally sold properties and sale prices, be reported to the Association. Members are not permitted to avoid these reporting responsibilities to the Association by, for example, cancellation of a Listing between receipt (or anticipated receipt) and acceptance of an Offer, or encouraging a Seller to do so. Accordingly, the Listing Brokerage will report by Broker Load all sales and conditional sales for Broker Loaded MLS® Listings effected during the Listing term and during the holdover period of an MLS® Listing, within two (2) Association business days following written acceptance of any Offer by the Seller. If the MLS® Listing is Board Loaded, the sale or conditional sale must be submitted in writing within two (2) Association business days following written acceptance of any Offer by the Seller. Power of Sale and commercial sales shall be reported not later than two (2) Association business days after closing.

9.02 In the event a unconditional sale or a conditional sale falls through, the Listing Brokerage will notify the Association in writing or by Broker Load, within two (2) Association business days. If services are to be resumed, the Listing Brokerage shall so notify the Association.

9.03 When a property with an MLS® sign has been reported sold firm, a member shall, within two (2) RAHB business days, place a ‘sold’ sign on the property or remove the ‘for sale’ sign.
SECTION 10 - ADVERTISING

10.01 Subject to the provisions of Section 6 of these Rules, no Brokerage may advertise another Brokerage’s Listed property unless permission is granted by the Seller in writing. The forgoing sentence shall not prohibit the other Brokerage from publicly displaying pictures of Listings on such Brokerage’s premises, provided that there is no indication of the address of the Listed property.

10.02 No Brokerage shall advertise any real estate or other property listed on the Association’s MLS® System at any price other than the listed price.

10.03 Signs giving notice of sale, rent, lease, development, exchange or open house shall not be placed on any property by more than one Brokerage, unless authorized by the Seller. Signs may only be erected on locations that conform with Municipal and Provincial sign legislation, all applicable laws, regulations, codes and bylaws. A Member shall not interfere with another Brokerage’s sign, unless such property is subsequently listed by said Member.

10.04 Brokerages which list real estate on the Association’s MLS® System which is not located within the jurisdiction of the Association shall not, by sign or other advertisement in that outside area, indicate that such property is listed on the MLS® system of such other jurisdiction unless the Listing has been submitted and accepted by the board or association in whose jurisdiction the property is located, or such advertisement indicates specifically that the property is listed on the Association’s MLS® System.

10.05 No marketing of any property, including placing a sign on any property, is permitted until the commencement date of the Listing Agreement pertaining to such property.

SECTION 11 - BROKERAGE COMMISSION

11.01 Listings being submitted through the Association’s MLS® System shall contain the amount of commission the Listing Brokerage shall pay to the Co-operating Brokerage expressed either as a percentage of the selling price, or a specified amount.

11.02 No Member shall attempt to negotiate the distribution of commission between Members in the presence of the Seller or Buyer.

11.03 A Co-operating Brokerage shall not use the terms of an agreement of purchase and sale or an offer to lease or other agreement in respect of a Trade to modify the Listing Brokerage’s commission rate or fee, or amount that the Listing Brokerage shall pay to the Co-operating Brokerage, nor make the submission of an executed Offer, contingent on the Listing Brokerage’s agreement to modify the Listing Brokerage’s commission rate or fee, or amount that the Listing Brokerage shall pay to the Co-operating Brokerage.

11.04 If representing a Seller in the negotiation of Offers, a Listing Brokerage with a competing Offer must disclose the details of any commission reduction or other inducement to any Person who makes a written Offer to Purchase to such Listing Brokerage, at the earliest practicable opportunity and before any Offer is presented.

11.05 The Co-operating Brokerage may be paid a lower commission than that specified on the Association’s MLS® System if an agreement in writing has been reached between the Listing Brokerage and the Co-operating Brokerage, or their authorized representatives. No attempt may be made to negotiate such an agreement in the presence of the Seller.

11.06 Should the Co-operating Brokerage initiate any suggestion of a reduction in commissions, the Listing Brokerage shall be permitted to retain an amount equal to that as shown on the Listing Agreement, which they would have retained had such action not been taken.
SECTION 11 - BROKERAGE COMMISSION (cont’d)

11.07 All commissions payable to the Co-operating Brokerage are due on the closing date of the Sale or when the commission has been received. If the Listing Brokerage fails to pay the commission due to the Co-operating Brokerage within five (5) Association business days of receipt of such commission by the Listing Brokerage, then the Co-operating Brokerage may notify the Association in writing of such default and the Association shall, on three (3) days written notice by registered mail, courier, or hand delivery to the Listing Brokerage, suspend access to the Association’s MLS® System by that Brokerage until the payment due to the Co-operating Brokerage has been made, unless in the opinion of the board of directors of the Association, there are circumstances which would excuse the Listing Brokerage’s failure to pay the Co-operating Brokerage. Where access to the Association’s MLS® System has been suspended, there shall be a one thousand dollar ($1,000) service charge (or such other amount as set by the board of directors of the Association from time to time) levied to re-instate such access.

11.08 Where the full commission is not received by the Listing Brokerage, the Listing Brokerage shall pay to the Co-operating Brokerage the proportionate amount of such commission actually received. The proportionate amount shall be determined by the Listing Brokerage with reference to the ratio with which the commission payable to the Co-operating Brokerage as indicated on the MLS® Listing was to the total commission as set out in the Listing Agreement between the Listing Brokerage and the Seller. In the event of a dispute then the Listing Brokerage shall provide to the Co-operating Brokerage, documentation verifying proportions.

11.09 Where a reduced commission or no commission is received by the Listing Brokerage after completion of a Trade, it shall be the duty of the Listing Brokerage, within five (5) business days of the closing date, to collect such commission or balance of commission owing.

11.10 Any collection costs incurred by the Listing Brokerage in complying with Subsection 11.09 of these Rules, shall be deducted from the commission received, and the balance shall be distributed in accordance with Subsection 11.08 of these Rules.

11.11 In the event that the Listing Brokerage decides not to take legal action against the Seller to recover the commission, the Co-operating Brokerage may do so and the Listing Brokerage agrees to an assignment of its rights under the Listing Agreement to give effect to this provision. Unless the Listing Brokerage and Co-operating Brokerage otherwise agree, any monies so collected shall be dealt with in the same manner as if collected by the Listing Brokerage under 11.08 hereof, except, all collection costs shall be deducted from the Listing Brokerage’s portion of the commission.

11.12 In the event of any commission being payable as a result of the holdover period in the Listing Agreement, such commission shall be dealt with in accordance with Section 11.

SECTION 12 - TRADING PROCEDURES

12.01 In all cases, Brokerages shall make every attempt to obtain adequate deposits. Such deposits shall be made out in the name of the Listing Brokerage, unless otherwise directed by their Client, and turned over to the Listing Brokerage, or as otherwise directed by such Client, together with a copy of the agreement of purchase and sale or other agreement evidencing the Trade in real estate. When the deposit is held by the Co-operating Brokerage, they shall disburse funds in accordance with written directions of the Listing Brokerage or the Seller, as applicable.

12.02 Contacts with Client’s solicitors about the closing of sales will be the responsibility of the respective Brokerages and/or their Clients. No Member shall contact the other Member’s Client or their solicitor directly, except with the other Member’s or Member’s Client’s permission, as applicable.

12.03 Under no circumstances may the terms of an Offer be disclosed to anyone other than the parties to the Offer or their authorized representatives. The Brokerage must not disclose these terms to its own salespeople, other Brokerages, or other prospects. An Offer is a confidential document and must be treated as such.
SECTION 12 - TRADING PROCEDURES (cont'd)

12.04 Showing means introducing and accompanying a prospective Buyer to a property by the act of examining the property; or by causing such examination of the property by the prospective Buyer under arrangement made directly with the Seller as permitted under these Rules, or by the Listing Brokerage or its representative, as applicable.

The following shall not in themselves constitute a showing:

(a) The placing of a sign or advertising by any means;
(b) The attendance of a prospective Buyer at an open house; or
(c) A prospective Buyer attending a listed property without a Member.

Inspection means previewing of the property by Members only.

12.05 Where a listed property is shown by one Member and is sold by another Member to the same Buyer, the Brokerage that obtained the accepted Offer shall be the one by whom the commission shall be deemed to be earned, provided that no unethical practice was performed in the process of procuring the accepted Offer.

12.06 Where a listed property has been shown by one Member, no other Member shall attempt to obtain an Offer to Purchase on the same property from the same prospective Buyer by unethical practice. This does not preclude a Member from entering into a Buyer Representation Agreement with such Buyer, provided the Member did not engage in any unethical act or obtain the agreement by unethical means.

12.07 Where a property has been shown by a Member to a prospective Buyer, the following shall be deemed to be unethical actions:

(a) It shall be unethical for a Member to persuade or try to persuade such prospective Buyer to leave a Member from another Brokerage for the purpose of dealing with such Member regarding the same property or by suggesting the Buyer can obtain the property more cheaply through such Member or to offer to such prospective Buyer any form of inducement.

(b) It shall be unethical for a Member to suggest to a prospective Buyer, that such Buyer be shown properties with Members from other Brokerages, with the intention or instruction, or implied instruction to return to that Member for the submission of any Offer to Purchase on any one of such properties.

12.08 With the knowledge and authority of the Listing Brokerage, keys or other entry systems may only be used by Members for the purpose of inspecting properties or showing properties. The making of duplicate keys from the one obtained, the action of failing to return the key to the Listing Brokerage within a reasonable time, or the turning over of the key or information on the entry system to any Person not authorized by the Listing Brokerage, is an unauthorized use.

The member conducting the showing or inspection will remain on the premises during the entire period of access unless permission in writing has been obtained from the Listing Brokerage and will ensure that all security precautions are taken.

12.08a) Keys shall be re-deposited in a lockbox immediately upon exiting the property and the lockbox shall be properly secured.

12.08b) The member conducting the showing or inspection is solely responsible to ensure that all security precautions are taken prior to departing the property.

12.09 To the extent of a conflict between the RECO code of ethics, the REALTOR® Code or any applicable laws, and any provision of these Rules, the RECO code of ethics, the REALTOR® Code and such laws shall prevail.
SECTION 13 – CONVEYING OFFERS

13.01 Subject to the provisions of Section 8, a Member shall convey any written Offer received by the Member to the Member’s Client at the earliest practicable opportunity.

13.02 A Member shall establish a method ensuring that
(a) any written Offers sent to the Member are received by someone on behalf of such Member, if the Member is not available at the time an Offer is submitted;

(b) written Offers received by the Member are conveyed to their Client at the earliest practicable opportunity, even if the Member is not available at the time an Offer is submitted; and

(c) in the case of multiple Offers, all Co-operating Brokerages or Members of such Co-operating Brokerages with Offers registered with such Member are informed of the existence of all other signed Offers. Communication of this information shall be made by the Listing Brokerage to all Co-operating Brokerages without delay, after being notified of other signed Offers and prior to their presentation.

Without limiting the generality, Sections 13.01 and 13.02 apply regardless of the identity of the person making the Offer, the contents of the Offer or the nature of any arrangements for commission or other remuneration.

SECTION 14 - COMMISSION TRUST

14.01 Commission Trust Account means a trust account maintained at a Canadian chartered bank or trust company and designated as a “Commission Trust Account”. The Commission Trust Account shall be used only for the receipt and disbursement of the Commission Trust Amount in connection with a Trade, or any amounts the Brokerage has otherwise agreed to receive in trust for a REALTOR® for remittance to a third party on behalf of a REALTOR®, and kept separate and apart from the statutory trust account that a Brokerage is required to maintain for consumer funds.

Commission Trust Agreement means the clause added to the agreement of purchase and sale or other agreement entered into to effect a Trade in real estate.

Commission Trust Amount in any Trade shall mean the commission trust amount indicated on the Commission Trust Agreement for that Trade, provided that if no such amount is indicated on the Commission Trust Agreement, the Commission Trust Amount shall be calculated in accordance with the commission rate or fee or amount that the Listing Brokerage shall pay to the Co-operating Brokerage, as shown on the most recent Property Information Form filed with the Association MLS® System in accordance with Subsections 12.01, 12.02 and 12.03, as the case may be, or as agreed to by the Listing Brokerage and Co-operating Brokerage, as provided for in Subsection 12.05 of these Rules.

14.02 All deposits and other monies received by or due to the Listing Brokerage directed to satisfy commission payable or damages or other compensation in lieu of commission, plus applicable HST on any of the foregoing amounts, in connection with a Trade shall be received and held by the Listing Brokerage in trust and shall constitute a commission trust (the “Commission Trust”). The beneficiaries of the Commission Trust shall be the Co-operating Brokerage to the extent of the Commission Trust Amount, and the Listing Brokerage as to the balance after payment of the Commission Trust Amount.

14.03 When an Offer for a Trade procured by a Co-operating Brokerage is accepted, the Listing Brokerage shall execute and deliver to the Co-operating Brokerage a Commission Trust Agreement for the Trade.
SECTION 14 - COMMISSION TRUST

14.04 Following the completion of the Trade no funds shall be transferred or paid from the Listing Brokerage's Commission Trust Account to or for the benefit of the Listing Brokerage or any third party until the Commission Trust Amount has been disbursed to the Co-operating Brokerage. All such disbursements shall be made directly from the Listing Brokerage’s Commission Trust Account. Where the Listing Brokerage has more than one trust account, funds deposited with the Commission Trust may be transferred from one trust account maintained by the Listing Brokerage to the Commission Trust Account maintained by the Listing Brokerage, and such funds shall at all times, notwithstanding any such transfer, continue to be deposited with the Commission Trust. Provided that where the full commission is not received by the Listing Brokerage, the provisions of Section 11 shall apply.

14.05 The Listing Brokerage and Co-operating Brokerage shall each retain a copy of any Commission Trust Agreement for a period of at least six (6) months following the completion of a Trade and shall provide the Association with a copy of any such Commission Trust Agreement within fifteen (15) days of a request for a copy of such agreement.

14.06 Subject to the provisions of the Act, the Listing Brokerage shall maintain proper books and records with respect to all Trades concerning the Commission Trust Account. Commission or other compensation payable by Clients shall be known as a receivable due to the Commission Trust and not as a receivable due to the Listing Brokerage. Amounts due to a Co-operating Brokerage and the Listing Brokerage for a particular Trade shall be shown as payables of the Commission Trust.

14.07 The following provisions are deemed to be included in all Commission Trust Agreements:

“All monies received by or due to the Listing Brokerage in connection with the transaction including, without limitation, any deposit, damages, other considerations or amounts in lieu of damages received or due from the Seller/Landlord or other person, or other compensation received or due from the Seller/Landlord or other person, shall be held by the Listing Brokerage in trust for the benefit of the Co-operating Brokerage and Listing Brokerage as herein provided for and all funds received on account of the Commission Trust shall be deposited directly to the Listing Brokerage’s Commission Trust Account. The obligation of the Listing Brokerage as trustee under the Commission Trust shall be discharged by the Listing Brokerage paying, following the completion of or other termination of the Transaction, the following amounts in the following order:
(a) first to the Co-operating Brokerage the Commission Trust Amount; and
(b) next to the Listing Brokerage the balance of the Commission Trust.”

SECTION 15 – PRIVACY COMPLIANCE

15.01 In addition to all other requirements contained in these Rules, when dealing with any property that is the subject of an MLS® Listing, all Listing Brokerages and Co-operating Brokerages must obtain the consent of each and every Client in order for the Association to collect, use and disclose the information regarding such Client’s property and the transaction on the Association’s MLS® System.

15.02 Immediately upon request of the Association, a Member shall provide the Association with proof of the consent described in Subsection 15.01 from the Member’s Client in regard to any property that is the subject of an MLS® Listing for which the Member’s Client is the Seller or Buyer.