



Real Estate Institute of Canada
Institut canadien de l'immeuble

PROFESSIONAL STANDARDS HANDBOOK

December 2017 Edition

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Please submit all correspondence to:

REIC Professional Standards Committee
Attn: Executive Director & CEO
5407 Eglinton Ave. West, Suite 208
Toronto, ON M9C 5K6
Email: professionalstandards@reic.com

Part 1 – Definitions

Appeal Panel

An Appeal Panel of the Respondent's peers decides if there are grounds to order a new Hearing Panel or confirms the decision of the original Hearing Panel.

Applicant

Any person making an application to become a Member of the Real Estate Institute of Canada.

Board of Directors

Refers to the Board of Directors of the Real Estate Institute of Canada.

Candidate

A non-voting Member of the Institute. These are individuals working towards achieving a designation from the Real Estate Institute of Canada.

Charge

A letter to the Respondent, prepared by the PSC Liaison and signed by the PSC Chair, stating the particulars of the Unethical Conduct that violates the articles of REIC Code of Professional Standards and/or the IREM Code of Professional Ethics.

Client:

- a Member's employer;
- any person for whom services are provided, and with whom a consensual relationship of trust has been created, whether by express agreement or by implication; **or**
- any person who has agreed to provide any remuneration or other consideration, directly or indirectly, contingent or otherwise, to a Member for services rendered or to be rendered.

Code

The REIC Code of Professional Standards and/or the IREM Code of Professional Ethics.
(Appendices I, II)

Complainant

The person(s) making the complaint against a Member of the Real Estate Institute of Canada.

CREA

The Canadian Real Estate Association. It is the federal association that represents all REALTORS® across Canada.

Hearing Panel

A Hearing Panel of the Respondent's peers decides if there has been a violation of the Code and determines what disciplinary action, if any, should be taken.

Institute

The term Institute will refer to the Real Estate Institute of Canada (REIC).

IREM

The Institute of Real Estate Management is an internationally recognized association that owns the CPM®, ARM® and ACoM designations. IREM has its own Code of Professional Ethics to which

designated Members and Candidates must also adhere. IREM has delegated the responsibility of handling complaints regarding Canadian Members to REIC.

Member

An individual holding a Voting or Non-Voting Membership in the Institute. This includes Candidates.

Non-Monetary Forms of Disciplinary Action

Members found in violation of the code may have one or more of the following non-monetary forms of disciplinary action applied:

- a) a letter of reprimand;
- b) attendance and successful completion of an Institute course or courses, or any other educational program deemed appropriate, within a specified timeframe, at the Member's expense;
- c) suspension of Membership for a defined period;
- d) suspension of Membership for a defined period, as well as attendance and successful completion of an Institute course or courses, or any other educational program deemed appropriate, within a specified timeframe, at the Member's expense;
- e) termination of Membership;
- f) publication of the decision;
- g) referral of the case to the applicable authorities if warranted or required.

PSC (Professional Standards Committee)

The PSC is a standing committee of the Real Estate Institute of Canada that derives its authority from the Board of Directors through the approved Terms of Reference. (Appendix V) The PSC is comprised of a prescribed group of Members who oversees the enforcement of the Code, investigates alleged violations and decides any disciplinary action, as required.

Researcher

The member who has been appointed by the PSC to voluntarily investigate a complaint. In some circumstances, a legal professional may be engaged to carry out this role.

Respondent

The Member(s) who must respond to the alleged violation of the Code.

Sector

Indicates one of a full range of real estate activities such as Sales, Leasing, Property Management, Real Estate Finance, and Reserve Fund Planning.

Statement of Facts

A document submitted by the Complainant that outlines the activities of the Respondent which led to the complaint. Specific Article(s) of the REIC Code of Professional Standards and/or the IREM Code of Professional Ethics must be cited as they relate to the alleged violation.

Unauthorized Use of Designations

Designations granted by REIC/IREM are reserved solely for the use of Members in good standing. Individuals who have resigned their membership or who have been suspended or terminated for any reason or individuals who have never obtained a REIC/IREM designation are prohibited from promoting themselves in any form as meeting the criteria required to use the applicable designation(s) and receiving any benefits derived from membership in the Institute.

Unethical Conduct

Unethical Conduct is defined as conduct of a Member where he or she has violated the REIC Code of Professional Standards and/or the IREM Code of Professional Ethics.

Part 2 – REIC and its Relationship to the Code, Authority and Duties

2.1 Mission

The Institute's Code of Professional Standards is a document fundamental to the pursuit of its mission. REIC adopted its current Core Purpose/Mission statement in 2017. The mission is “To advance professionalism in the real estate industry”.

2.2 History

The Real Estate Institute of Canada was formed in 1955. The objective of its founders was to establish higher standards of practice, i.e. a “professional” standard, in real estate. Higher education and a minimum number of years of experience were, and are still, the prerequisites to Membership with the Institute's Code of Professional Standards as the ongoing mutual obligation that bound, and continues to bind, the Membership together in the dedication to uncompromising standards of business practice.

2.3 Importance of Ethics and Professional Standards

One of the most basic defining features of professionals is that they act in such a way that personal gain is never placed above the best interest or good of the public.

Members of the Real Estate Institute of Canada have, by their affiliation, set themselves apart as a distinct group of individuals dedicated to higher standards of business practice than the minimum standards set out in the law. The Code is the written and sworn contract which sets out these higher standards by which the Members have agreed to adhere.

2.4 Code and the Institute

The Articles of the Institute's Code of Professional Standards are designed to spell out, in practical terms, the professional imperatives of integrity, prudence, competence, cooperation and full disclosure.

They also have been structured to address the wide divergence of responsibilities of Members. REIC Members may be governed by additional Codes outside of REIC's jurisdiction. These may include, but are not limited to:

- Appraisers' Institute of Canada's CUSPAP
- CREA Code
- Federal and Provincial Laws and Acts
- IREM Code
- Provincial REALTOR® Codes

In most instances, the Articles of the Institute's Code complement these other standards. However, should some point of conflict arise, the Institute will enforce its rules separate and apart from any interpretations or actions taken by any other organization having jurisdiction over a Member. The Institute will take such proceedings into consideration but will not be bound by, or in any way connected to them.

The only exception is with IREM's Code of Professional Ethics. REIC is responsible for the oversight of the IREM Code as well as the Institute's own Codes, with respect to the CPM®, ARM® and ACoM Canadian Members. The Articles of the IREM Code are specific to the responsibilities of the property manager, commercial manager and residential manager, and in all cases are complementary to the REIC Code. Recommendations for disciplinary action for violation of the IREM Code of Professional Ethics may be subject to the approval of the Ethics and Discipline Committee of the Institute of Real Estate Management (IREM).

2.5 Legal and Statutory Requirements

The Code does not mention specific legal or statutory requirements that Members must follow because Members are governed by a number of different provincial and territorial regulations according to their field of practice. However, it does state that all Members “will conduct business in strict accordance with all applicable laws, Bylaws and regulations and in accordance with any Code of Professional Standards enacted by the Institute”.

The Code provides the Institute with the right to investigate any alleged violation and, where appropriate, discipline a Member. The licence suspension or conviction of a Member under provincial, territorial or federal legislation may result in an investigation or discipline under REIC or IREM’s Code. Pertinent facts concerning such matters may result in, or become part of, a professional standards complaint.

2.6 Rights of the Institute to Enforce the Code

REIC maintains its right to enforce the Code in several ways. Firstly, the Code contains a direct reference to REIC’s right to make inquiries regarding the conduct of Members and mandates the production of evidence and testimony. Specifically it states that Members agree to “... cooperate in the enforcement of the Code of Professional Standards and the resolution of any matter brought before the Professional Standards Committee”.

Furthermore, the application form that must be signed by each Applicant/Member clearly states:

I shall conduct my real estate activities in accordance with the Code of Professional Standards of this Institute and shall also be bound by the Bylaws and Rules and Regulations of the Institute as they are now or as they may be amended from time to time subsequent to this application and the decisions of any Institute committee and the Board of Directors affecting my participation or Membership of the Institute.

The application further requires that members subscribe to the official pledge of the Institute:

I subscribe to the official pledge which is as follows. I pledge myself:

- *to the advancement of professionalism in real estate through the mutual efforts of Members of the Real Estate Institute of Canada and by any other proper means available to me;*
- *to seek and maintain an equitable, honourable and cooperative association with fellow Members of the Institute and with all others who may become a part of my business and professional life;*
- *to place honesty, integrity and industriousness above all else; to pursue my gainful efforts with diligent study and dedication to the end that service to my employers and Clients shall always be maintained at the highest possible level; **and***
- *to comply with the principles and declarations of the Real Estate Institute of Canada as set forth in their Bylaws, Regulations and Code of Professional Standards*

2.7 Failure to Comply

If a Member fails to comply with a final decision approved by the PSC in a professional standards case, his or her Membership may be terminated by the PSC.

2.8 Responsibility of REIC

The Institute sets criteria for Membership and, in granting designations, is establishing a level of competence acceptable for individual practitioners participating in REIC. It is the responsibility of REIC to maintain and promote the Institute’s Code of Professional Standards in order to ensure that the credibility of REIC, its designations and its Members is never compromised. It is the obligation of the Institute to be vigilant in ensuring that all REIC Members meet the minimum standards of the Code, and that violations are promptly brought to the attention of the PSC.

2.9 Responsibility of Membership

All Members, including Candidates, are required to comply with the Code of Professional Standards and are also urged to participate in its enforcement. It is the obligation of every member to be vigilant in ensuring that all REIC Members meet the minimum standards of the Code, and that violations are promptly brought to the attention of the PSC. When circumstances warrant, Members should, after careful consideration, use the procedures outlined herein to file complaints *in writing* with the PSC.

2.10 Responsibility of Chapters

Local Chapters have been created for the purpose of Member education, networking, study of local markets and the advancement of the objectives of the Institute. With respect to professional standards, Chapters are expected to:

- assist, upon request, the PSC, Executive Director & CEO, PSC Liaison, Board of Directors, Hearing Panel or Appeal Panel involved in the resolution of a professional standards complaint;
and
- provide assistance, when called upon by the Chair of the PSC or PSC Liaison, in the selection of Members for the PSC, Hearing Panels or Appeal Panels.

2.11 Authority of Professional Standards Committee (PSC)

The PSC has certain rights and duties in administering the Code of Professional Standards. The PSC is empowered to investigate and discipline any Member for violating the Code as outlined in this handbook.

2.12 Authority of Board of Directors

The Board of Directors has delegated its authority to the PSC to decide the appropriate disciplinary action where a Member has been found in violation of the Code of Professional Standards of the Institute.

The Board of Directors, through the PSC must ensure that a confidential, fair and impartial investigation is conducted in good faith according to the rules and procedures outlined in this handbook when written complaints alleging violation(s) of the Code of Professional Standards or the IREM Code of Professional Ethics are lodged against any Member of REIC.

Part 3 – Administration and Enforcement of the Code of Professional Standards

3.1 Purpose of this Handbook

- a) This handbook has been designed for four reasons:
 - to make the Code a more understandable and usable document;
 - to provide practical direction to the Members in the interpretation of the Code;
 - to describe clearly the procedures involved in enforcing the Code; **and**
 - to emphasize the fundamental role of the Code and its importance to the Institute.
- b) This handbook outlines the Professional Standards complaints process, and while reasonable efforts will be made to comply with the timelines indicated, circumstances may warrant extensions as approved by the PSC Chair.

3.2 Limitations

- a) This handbook does not apply to employees of the Institute unless they are also an REIC Member. Procedures to handle internal staff complaints are documented in the REIC Employee Policy Manual.
- b) The process adopted in this handbook does not preclude the Board of Directors from pursuing legal action against any Member if the circumstances so warrant.

3.3 Communication

- a) Communication (including letters, notices, documents, complaints, etc.) must be sent by courier, registered mail, certified mail, email or other method, requiring proof of delivery. In the case of email, a delivery/read receipt will suffice as proof of delivery.
- b) Communication must be marked “Private and Confidential”.
- c) Communication referenced in these proceedings will be deemed to have been received five (5) business days following the sending of such communication to the last known address of the Member shown on the Institute's records.

3.4 Confidentiality

- a) Communication must be marked “Private and Confidential”.
- b) REIC will make every effort to ensure confidentiality for Members involved in complaints. Confidentiality extends to all records relating to complaints, including but not limited to meetings, interviews and investigation results. Breaches of confidentiality may be subject to appropriate disciplinary action at the discretion of the PSC Chair. Any record of disciplinary action that occurs as a result of a complaint will be kept on file in accordance with Article 3.5. However, all records will be subject to the federal *Personal Information Protection and Electronic Documents Act*, and the *Access to Information Act* and may be subject to disclosure under these Acts or to a court of law.
- c) Complainant(s), Respondent(s), Hearing Panel Witnesses, PSC, Hearing Panel, Appeal Panel, and Researcher(s), must sign the REIC Professional Standards Committee Confidentiality Agreement. (Appendix IV)

- d) The Board of Directors will not have access to any documentation pertaining to complaints. The Board of Directors, Members or employees of REIC will be given information only as is necessary and proper for the effective implementation of any penalty imposed.
- e) Any PSC decision may be published in REIC National and/or Chapter newsletters or elsewhere as deemed appropriate, with the content being approved by the PSC Chair.

3.5 Document Retention

Following the final resolution of a complaint, all documents held by the PSC, Researchers, Hearing Panel, Appeal Panel and witnesses relevant to Professional Standards complaints must be destroyed. All PSC documents held by staff will be sealed and held in strict confidence at the REIC National office.

3.6 Damages

The Complainant will not be liable for any damages to the Respondent as a result of the complaint. REIC, its Board of Directors, Employees and Members or Agent thereof, will not be liable for any action or omission in the course of the procedures set out in this handbook.

3.7 PSC Terms of Reference

The PSC Terms of Reference (Appendix V) outline the following:

- Authority and Mandate
- Composition and Eligibility
- Appointment
- Operating Year, Meetings, Planning
- Responsibilities
- Staff Resources

3.8 Complaints Procedure

Initiating a Complaint

- a) Any person, whether a Member of the Institute or not, having reason to believe that a Member has violated the Code may file a complaint. A complaint must be received within one (1) year after the facts could have been known in the exercise of reasonable diligence.
- b) A complaint must comply with all of the following information:
 - indicate the name of an active REIC Member who is believed to have violated the Code;
 - include a Statement of Facts indicating the Article(s) of the Code that are believed to have been violated;
 - not exceed ten (10) pages;
 - be signed and dated; **and**
 - be delivered to the PSC, care of the Executive Director & CEO, at the Institute in a sealed envelope marked "Private and Confidential" at the address shown on Page 3 or by electronic submission to professionalstandards@reic.com.

Handling of a Complaint

- c) Within ten (10) business days of receiving a complaint, the PSC Liaison will send a copy of the Professional Standards Handbook to the Complainant, together with a letter of acknowledgement advising him/her:
 - to review the handbook carefully;
 - that their identity will not be concealed from the Member; **and**

- that they may only withdraw their complaint if such notification is received at Institute within seven (7) business days of the date of the acknowledgement letter.
- d) Not sooner than ten (10) business days after the date of the letter of acknowledgment, the PSC Liaison will send a copy of the complaint to the Chair and Members of the PSC and to the Member against whom the complaint was made (Respondent). A copy of the handbook will also be sent to the Respondent.
- e) Upon receipt of the complaint from the PSC Liaison, the PSC Chair will convene a meeting within thirty (30) business days to review the complaint. Based on that information, the PSC will decide either:
- that the Respondent has not violated the Code. In this case, the complaint is dismissed and both the Respondent and Complainant are notified. No further action is warranted, the decision is binding and is not subject to review or Appeal; **or**
 - that further action is warranted. The PSC Chair will then appoint a person within twenty (20) business days as a Researcher to investigate the complaint and the surrounding circumstances. Both the Respondent and Complainant are notified of the Researcher's appointment and requested to sign and submit the REIC Professional Standards Committee Confidentiality Agreement to the PSC Liaison.
- f) The decision of a majority of the Members of the PSC will be deemed to be the decision of the PSC. If a majority decision cannot be reached, the Chair will cast the deciding vote.

3.9 Researcher Selection and Function

Selection

- a) The PSC Chair, with advice from the PSC and the PSC Liaison, will select and request a member to volunteer as a Researcher. Upon accepting the role, the Researcher will sign and submit the REIC Professional Standards Committee Confidentiality Agreement to the PSC Liaison.
- b) The Researcher should, wherever feasible, hold the same designation as the Member against whom the complaint is made. If this is not feasible, then the Researcher should represent the same sector as the Respondent.
- c) The Researcher should, wherever feasible, reside in the same province as the Member against whom the complaint is made.
- d) The Researcher may be a Member of the PSC.
- e) In some circumstances, the Researcher may be a legal professional who is engaged to carry out this role.

Function

- f) The Researcher's role is to investigate the complaint and to provide a written report. Please see the Researcher Guidelines outlined in Appendix III.
- g) The Researcher may request access to any evidence relevant to the complaint.

- h) The Researcher must conclude the investigation within thirty (30) business days of appointment by the PSC. Should the Researcher be unable to fulfill the requirements within the time period, a notice must be provided to the Chair of the PSC explaining the reason for the delay and setting a new deliverable date to be confirmed by the Chair. The Respondent and the Complainant must be notified no later than five (5) business days following the decision of the Chair.
- i) The Researcher will, upon completion of the investigation, deliver a written report to the Chair of the PSC, care of the PSC Liaison.

3.10 Review of Researcher's Report

- a) Upon receipt of the Researcher's report the PSC Chair will convene a meeting within twenty (20) business days to review the report and make a decision.
- b) The PSC will decide either:
 - that the Respondent has not violated the Code. In this case, the complaint is dismissed and both the Respondent and Complainant are notified. No further action is warranted, the decision is binding and is not subject to review or Appeal; **or**
 - that the Respondent has violated the Code. Therefore, a Charge of Unethical Conduct will be prepared. The PSC has the right to add, delete or amend any contraventions of the Code as cited by the Complainant contained in the Statement of Facts.

3.11 Charge Preparation

- a) If the PSC decides that the Respondent has violated the Code, a Charge of Unethical Conduct will be sent to the Respondent within ten (10) business days of the PSC decision. It will be reviewed and signed by the PSC Chair.
- b) The Charge will state all of the following:
 - the particulars of the Unethical Conduct and the Article(s) of the Code that have been violated;
 - that the Respondent has the right to make a written reply or submit a statement of defence to the Charge within twenty (20) business days;
 - that the Respondent may request, within twenty (20) business days, a Stay of Proceedings based on evidence that demonstrates continuation of proceedings would be unfair to the Respondent or potentially result in inconsistent findings due to pending litigation; **and**
 - that if no reply is received within twenty (20) business days of the date of the Charge, the PSC, without further notice, will approve a non-monetary form of disciplinary action.

3.12 Request for Stay of Proceedings by Respondent

- a) If a request for a Stay of Proceedings is received from the Respondent, the PSC Liaison will validate the evidence stated in the request.
- b) The PSC will decide within twenty (20) business days of receipt of the request whether or not to stay the proceedings. The decision to stay the proceedings will be supported by evidence that demonstrates continuation of proceedings would be unfair to the Respondent or potentially result in inconsistent findings due to pending litigation.
- c) Respondent and the Complainant will be notified of the decision of the PSC within ten (10) business days.

3.13 Stay of Proceedings Procedures

- a) The PSC Liaison will follow up at least every six (6) months on all cases where a Stay of Proceedings has been granted and report to the PSC.
- b) The PSC will decide when to proceed based on evidence that proceeding would be fair to the Respondent.
- c) The PSC will then notify the Respondent that they need to reply to the Charge within twenty (20) business days.
- d) The Complainant will be notified that the case is proceeding.
- e) The PSC will follow the process prescribed in this handbook.

3.14 Failure to Respond to a Charge by Respondent

- a) Should a Respondent fail to reply to a Charge within twenty (20) business days, the PSC will convene a meeting and will approve a non-monetary form of disciplinary action.
- b) The Respondent and the Complainant will be notified of the decision of the PSC within ten (10) business days. The notification will:
 - state that the Respondent has violated the Code;
 - specify the Article(s) of the Code that have been violated; **and**
 - specify the non-monetary forms of disciplinary action that apply.
- c) No further action is warranted; the decision is binding and is not subject to review or Appeal.

3.15 Receipt of Respondent's Reply to a Charge or Statement of Defence

- a) Upon receipt of the Respondent's reply or statement of defence, the PSC Chair will convene a meeting within twenty (20) business days.
- b) The PSC will decide:
 - that the Respondent has not violated the Code. Therefore, the complaint is dismissed and both the Respondent and Complainant are notified. No further action is warranted, the decision is binding and is not subject to review or Appeal; **or**
 - to refer the Charge to a Hearing Panel due to the complex or onerous nature of the complaint; **or**
 - to grant a stay of proceedings if requested. (See 3.12) **or**
 - that the Respondent has violated the Code. Therefore, the PSC will determine a non-monetary form of disciplinary action and notify the Respondent and the Complainant of the decision of the PSC within ten (10) business days. The notification will:
 - state that the Respondent has violated the Code;
 - specify the Article(s) of the Code that have been violated; **and**
 - specify the non-monetary forms of disciplinary action that apply.

3.16 Hearing Panel Composition

- a) A Hearing Panel is required when the PSC refers a charge to a Hearing Panel.
- b) The Chair and Members of a Hearing Panel will be appointed by the Chair of the PSC. Upon appointment, they will each be required to sign and submit the REIC Professional Standards Committee Confidentiality Agreement to the PSC Liaison.

- c) A Hearing Panel will consist of at least three (3) Members including the Chair who:
- have been designated for at least three (3) years;
 - hold the same designation as the Respondent where feasible; **and**
 - are not Members of the PSC or the Board of Directors.

3.17 Hearing Panel Procedures

- a) Within twenty (20) business days of the PSC's decision requiring the need to strike the Hearing Panel, the Chair of the Hearing Panel will set a date, time, and location for the Hearing, after consulting with the Executive Director & CEO.
- b) A Notice of Hearing will be sent at least twenty (20) business days prior to the date of the Hearing by the PSC Liaison to all of the following:
- the Respondent;
 - the Complainant;
 - all Members of the Hearing Panel;
 - the Researcher;
 - other appointee of the PSC; **and**
 - any witnesses who are to be called.
- c) The Notice of Hearing will state all of the following:
- the particulars of the Unethical Conduct and the Article(s) of the Code that have been violated;
 - the Hearing Panel details (i.e. date, time, location);
 - those noted in b) above have the right to attend in person; attendance by electronic means is to be permitted only in extraordinary circumstances as approved by the Hearing Panel Chair;
 - that the Complainant, Researcher, appointees or witnesses may be asked by the Hearing Panel to attend and testify in person;
 - that any appointees or witnesses are required to sign and submit the REIC Professional Standards Committee Confidentiality Agreement to the PSC Liaison;
 - the Respondent or the Complainant may be represented by a lawyer or a Member of the Institute. Notification of such representation should be received by the PSC Liaison at least five (5) business days prior to the Hearing Panel date; and
 - that the Hearing Panel may proceed in the absence of the Respondent.
- d) The Executive Director & CEO or PSC Liaison will serve as secretary to the Hearing Panel. Legal counsel for the Institute may serve as an advisor to the Hearing Panel.
- e) All relevant evidence will be presented to the Hearing Panel, including the testimony of witnesses. Any documentation to be discussed at the Hearing Panel must be provided in hardcopy by the relevant party in sufficient quantity for all those in attendance. All materials provided to the Hearing Panel will be kept in safe custody by either the Hearing Panel or the Institute until the complaints process has been concluded, up to and including an appeal.
- f) The Chair of the Hearing Panel will commence the proceeding, explain the rules governing the hearing and outline the order of presentation of evidence. A suggested order is as follows:
- Complainant
 - Complainant's witnesses
 - Researcher

- Respondent
 - Respondent's witnesses
 - Any other witnesses
- g) After each presenter, there will be an opportunity for cross examination and rebuttal.
- h) A reasonable amount of time must be allowed to present materials relevant to the case. The presentation of material should not exceed more than thirty (30) minutes for each presenter unless additional time is deemed necessary by the Chair of the Hearing Panel.
- i) The cross examination should not exceed more than fifteen (15) minutes for each presenter unless additional time is deemed necessary by the Chair of the Hearing Panel.
- j) The rebuttal should not exceed more than fifteen (15) minutes for each presenter unless additional time is deemed necessary by the Chair of the Hearing Panel.
- k) The proceedings of the Hearing Panel may be recorded via a recording secretary, or any electronic means including video and/or audio.
- l) The Hearing may be suspended under exceptional circumstances by a majority of the Members of the Hearing Panel. In this event, the presenters at the Hearing will be notified (date, time and location) at least twenty (20) business days prior to the date of the Hearing continuance.

3.18 Hearing Panel Decision

- a) Upon adjournment of the Hearing, and within ten (10) business days, the Hearing Panel will decide that the Respondent has either :
- not violated the Code and determine that the complaint is dismissed; **or**
 - violated the Code and determine what non-monetary forms of disciplinary action will be applied.
- b) The decision of a majority of the Members of the Hearing Panel will be deemed to be the decision of the Hearing Panel. If a majority decision cannot be reached, the Chair will cast the deciding vote.
- c) The decision of the Hearing Panel will:
- be sent to the Chair of PSC;
 - state if the Respondent has violated the Code, or not;
 - specify the Article(s) of the Code that have been violated, if any; **and**
 - specify the non-monetary forms of disciplinary action, if any, that apply.

3.19 Communication of a Hearing Panel Decision

- a) If a Hearing Panel's decision is that the Respondent has not violated the Code, within ten (10) business days, both the Respondent and Complainant will be notified. No further action is warranted; the decision is binding and is not subject to review or Appeal.
- b) If a Hearing Panel's decision is that the Respondent has violated the Code, within ten (10) business days, the Respondent and Complainant will be notified of all the following information:
- the particulars of the Unethical Conduct and the Article(s) of the Code that have been violated;
 - specify the non-monetary forms of disciplinary action that apply;
 - that the Respondent has the right to request an appeal of the Hearing Panel decision within twenty (20) business days;

- that the request for appeal will be reviewed by the PSC to decide if sufficient grounds exist; **and**
- that if no request for appeal is received within twenty (20) business days of the date of the Hearing Panel decision, the decision of the Hearing Panel is binding. No appeal of this decision is permitted.

3.20 Grounds for an Appeal

- a) An appeal may be granted by the PSC if the Respondent proves that any of the following situations have occurred:
- Procedural error;
 - A conflict of interest exists between the Respondent and a Member of the Hearing Panel; **or**
 - Bias against the Respondent exists based on grounds of discrimination as set out in the Canadian Charter of Rights and Freedoms.
- b) The request for appeal cannot contain any new evidence.

3.21 Appeal Request Procedures

- a) The decision of the Hearing Panel may be appealed by the Respondent. The request must be sent to the PSC Liaison within twenty (20) business days of the date of the Hearing Panel Decision notice. The request must include a concise statement of the grounds for the Appeal.
- b) Review of the Request for Appeal will be considered by the PSC (based on Article 3.20) within twenty (20) business days.
- c) The PSC will decide either:
- that sufficient grounds exist for an Appeal and the complaint will proceed to an Appeal Panel. The Respondent and Complainant will be notified within ten (10) business days; **or**
 - that insufficient grounds exist for an Appeal. The Respondent and Complainant will be notified within ten (10) business days that:
 - the request for appeal has been denied by the PSC;
 - the PSC decision is binding. No appeal of this decision is permitted; **and**
 - the decision and disciplinary action of the Hearing Panel are final. (Details of the disciplinary action must be outlined.)

3.22 Appeal Panel Composition

- a) An Appeal Panel is required when the PSC has granted a Request for Appeal.
- b) The Chair and Members of an Appeal Panel will be appointed by the Chair of the PSC. Upon appointment, they will each be required to sign and submit the REIC Professional Standards Committee Confidentiality Agreement to the PSC Liaison.
- c) An Appeal Panel will consist of at least three (3) Members including the Chair who:
- have been designated for at least three (3) years;
 - hold the same designation as the Respondent where feasible; **and**
 - are not Members of the PSC, the Hearing Panel who heard the complaint being appealed, or the Board of Directors.

3.23 Appeal Panel Procedures

- a) Within twenty (20) business days of the PSC's decision requiring the need to strike the Appeal Panel, the Chair of the Appeal Panel will set a date, time, and location for the Appeal, after consulting with the Executive Director & CEO.
- b) The Appeal Panel may meet by electronic means if approved by the Chair of the Appeal Panel.
- c) Only the Appeal Panel, the Executive Director & CEO and the PSC Liaison, who will act as recording secretary, will attend. Legal counsel for the Institute may serve as an advisor to the Appeal Panel.
- d) The Appeal Panel decision will be based upon a review of all of the following information:
 - the written Charge;
 - the written reply (if any);
 - all communication sent to the parties;
 - the transcript or other summary of the proceedings of the Hearing Panel (including any audio/video recordings of those proceedings);
 - all exhibits submitted as evidence at the Hearing;
 - the recommendation of the Hearing Panel;
 - the Request for Appeal; **and**
 - the decision of the PSC.
- e) The Appeal Panel will not consider any new evidence.
- f) The Appeal Panel will be the sole judge of all matters that come before it and may adopt such procedures and rules consistent with the Bylaws of the Institute, as may be necessary to carry out its responsibilities.

3.24 Appeal Panel Decision

- a) Upon adjournment of an Appeal, and within ten (10) business days, an Appeal Panel will decide to:
 - confirm the decision of the Hearing Panel; **or**
 - direct a second hearing to take place before a new Hearing Panel. The process for the second Hearing Panel is as prescribed in Articles 3.16 – 3.19.
- b) The decision of a majority of the Members of an Appeal Panel will be deemed to be the decision of the Appeal Panel. If a majority decision cannot be reached, the Chair will cast the deciding vote.
- c) The decision of an Appeal Panel will be sent to the Chair of PSC.

3.25 Communication of an Appeal Panel Decision

- a) If an Appeal Panel confirms the decision of the Hearing Panel, within ten (10) business days of the Appeal Panel adjournment, both the Respondent and Complainant will be notified:
 - that an Appeal Panel has confirmed the decision of the Hearing Panel;
 - that an Appeal Panel decision is binding. No appeal of this decision is permitted;
 - of the particulars of the Unethical Conduct and will specify the Article(s) of the Code that have been violated; **and**
 - of the non-monetary forms of disciplinary action that apply.

- b) If an Appeal Panel directs a second hearing to take place before a new Hearing Panel, within ten (10) business days of the Appeal Panel adjournment, both the Respondent and Complainant will be notified:
- of the decision to appoint a second hearing panel;
 - that further details as prescribed in Articles 3.16-3.19 will be provided once the new Hearing Panel is appointed; **and**
 - that the decision of the second Hearing Panel is binding. No appeal of this decision is permitted.

3.26 Communication to Board of Directors

Following the resolution of a complaint where disciplinary action has been approved, the Chair of the PSC will provide a report to the Board of Directors via the PSC Liaison for information advising only of the final decision.

3.27 Communication to IREM

Following the resolution of a complaint of a member in violation of the IREM Code, where disciplinary action has been approved, the Chair of the PSC will submit a recommendation to the IREM Headquarters in Chicago.

Part 4 – Unauthorized Use of REIC/IREM Designations

4.1 REIC's Authority Regarding Use of Designations

REIC is strongly committed to protecting the interests of those Members who have legitimately met the requirements for credentialing. Only qualified Members of REIC/IREM are permitted to use any of the REIC/IREM designations, upon successfully completing the full set of requirements which include, but are not limited to, completion of courses and examinations, minimum experience, portfolios and maintaining membership with REIC.

It is prohibited for anyone who is not a Member to use these designations, alone or in combination with other words or abbreviations. It is also prohibited for a non-member to present themselves as having achieved a designation if the individual:

- Is not currently designated by REIC/IREM;
- Has allowed their membership to expire;
- Has voluntarily surrendered their designation;
- Has had the designation revoked for cause; **or**
- Has not satisfactorily met any membership maintenance requirements currently prescribed, or may come into effect from time to time by REIC/IREM.

REIC/IREM designations are registered trademarks and unauthorized use of these registered trademarks constitutes trademark infringement and is subject to damages and court injunction.

4.2 Unauthorized Use Procedures

- a) Any person, whether a member of the Institute or not, having reason to believe that an individual is using a REIC/IREM designation, or presenting themselves to be a member of REIC/IREM without authorization, may request an Unauthorized Use investigation. The submission, along with any supporting documentation, must be submitted to the PSC, care of the Executive Director & CEO, at the Institute.
- b) Upon receipt of a request for an Unauthorized Use investigation, the PSC Liaison will investigate the source of the documentation and refer to the Institute's databases to determine whether the use of the designation(s) is authorized.
- c) Should it be determined that the individual is not authorized to use the designation, then the PSC Liaison will, within ten (10) business days, send the individual a Cease and Desist letter including an Undertaking form for signature and a Reinstatement Application, if applicable. The individual will have twenty (20) business days from the date of the letter to respond.
- d) If the individual signs and returns the Undertaking, or if they reinstate their membership (pending approval from the Membership department), the investigation is closed.
- e) If no response is received or if the offender refuses to Cease and Desist, the PSC Liaison will send a second Cease and Desist letter within ten (10) business days. The individual will have twenty (20) business days from the date of the letter to respond.
- f) If the individual signs and returns the Undertaking, or if they reinstate their membership (pending approval from the Membership department), the investigation is closed.

- g) If no response to the second letter is received or if the offender refuses to Cease and Desist, the PSC Liaison will send a third Cease and Desist letter within ten (10) business days. The individual will have twenty (20) business days from the date of the letter to respond.
- h) If the individual signs and returns the Undertaking, or if they reinstate their membership (pending approval from the Membership department), the investigation is closed.
- i) If no response to the third letter is received or if the offender refuses to Cease and Desist, the PSC Liaison will send a final Cease and Desist letter within ten (10) business days. This letter may be signed by REIC's solicitor. The individual will have twenty (20) business days from the date of the letter to respond.
- j) If the individual signs and returns the Undertaking, or if they reinstate their membership (pending approval from the Membership department), the investigation is closed.
- k) If no response is received, the PSC will be notified and at the next PSC meeting may decide one or more of the following:
- send information regarding the individual's Unauthorized Use of the designation to the Regulator or other applicable party;
 - initiate a Statement of Claim through REIC's solicitor;
 - direct REIC's solicitor to negotiate the Statement of Claim, subject to the Board of Director's approval;
 - publish public notice of the Unauthorized Use of the designation.

Part 5 – PSC Function in Membership Application Process

5.1 REIC’s Application Process

REIC is strongly committed to ensuring that only individuals known for integrity, honesty and professional conduct are eligible for Membership. Applicants are required to answer the questions specified below. Should an applicant answer in the affirmative to any of these questions, the PSC is required to review and decide the applicant’s eligibility for Membership.

Excerpt from REIC Membership Application Form:

To be approved as an REIC Member, you must have a known reputation for integrity, honesty and professional conduct.

If you answer “Yes” to any of the questions below, attach a separate, written explanation that includes the following information: The date of the incident/issue with all relevant facts; date of resolution including any legal action, discipline, and/or settlement, or, if not resolved, an explanation of the status; any mitigating factors; any additional relevant information that helps in understanding the totality of the situation. This information will then be reviewed by the REIC Professional Standards Committee to determine membership eligibility.

1. Yes No Have you been convicted of a criminal offense?
2. Yes No Are you currently a defendant in any pending criminal proceeding?
3. Yes No Are you currently a respondent in or have you ever been found guilty of a civil, regulatory (i.e. licencing), or administrative proceeding involving fraud, misrepresentation, or misappropriation of funds or property?
4. Yes No Have you ever been subject to disciplinary action by REIC, IREM, a licensing body (i.e. regulator), or any other professional organization?
5. Yes No Have you as a real estate professional, or any firm that you are/were a principal in, been involved in a business bankruptcy?
6. Yes No Have you or a firm that you are/were a principal in, been a defendant/respondent in an action involving alleged fraud, misrepresentation, or misappropriation of funds or property?

5.2 Procedure for handling Affirmative Answers on Applications

- l) Upon receipt of an application that indicates an affirmative answer to any of the above questions, REIC admissions staff will immediately notify the Executive Director & CEO.
- m) Should an application be submitted to REIC without being completed in full (i.e. an application question is not answered), admissions staff will contact the applicant promptly to request that the application be completed in its entirety.
- n) The Executive Director & CEO will review the application to ensure sufficient explanatory information has been submitted by the applicant. Should additional information be required, the Executive Director & CEO will contact the applicant to request this information.

- o) Upon receipt of an application accompanied by sufficient explanatory information, the Executive Director & CEO will instruct the PSC Liaison to schedule a PSC meeting to review and determine the applicant's eligibility for REIC Membership as follows:
- that the PSC has a high degree of confidence the applicant will abide by the REIC Code of Professional Standards. The admissions staff is instructed to proceed with the application process; **or**
 - that the PSC requires additional information. The Executive Director & CEO is instructed to obtain additional information as specified. A meeting of the PSC is subsequently scheduled at which the PSC reviews and determines the applicant's eligibility for REIC Membership; **or**
 - that a Researcher is required to further investigate the circumstances surrounding the applicant's submission. A Researcher is appointed (see Article 3.9) by the PSC and instructed to report back to the PSC. A meeting of the PSC is subsequently scheduled at which the PSC reviews and determines the applicant's eligibility for REIC Membership; **or**
 - that the applicant is unsuitable for REIC Membership. The Executive Director & CEO notifies the applicant of this decision.
- p) Decisions of the PSC regarding application submissions are binding and not subject to review or Appeal.

APPENDIX I

The Code of Professional Standards of the Real Estate Institute of Canada

Introduction

The objective of the REIC Code of Professional Standards is to establish and define standards of business practice required of REIC Members.

The Member must follow the spirit, as well as the letter, of this Code. Public confidence in professions involved with real estate may be eroded by irresponsible conduct on the part of a Member.

Accordingly, Members must:

- endeavour to conduct themselves at all times so as to reflect credit on the Institute;
- inspire the confidence, respect and trust of their clients, colleagues and the community; **and**
- strive to avoid even the appearance of impropriety.

The Code of Professional Standards of REIC

ARTICLE 1. "Quality of Service"

A Member will perform professional services with competence, integrity, knowledge and highest regard for the client and public interest.

ARTICLE 2. "Well Informed and Knowledgeable"

A Member will be current with industry competency requirements and demonstrate the highest standard of professional expertise at all times.

ARTICLE 3. "Full Disclosure and Duty to Client"

A Member will be forthright and impartial when advising a Client. A Member will not withhold any information relevant to the interests of a Client and will fulfill their fiduciary duty to obtain and ascertain material information that may impact or could be of interest to the Client.

ARTICLE 4. "Care of Property"

A Member will care for the property of others entrusted to the Member in the same manner that a careful and prudent owner would care for similar property.

ARTICLE 5. "Fairness to all Parties"

A Member will at all times protect and promote the best interests of a Client, but at the same time will be fair and honest with all other involved parties, and will not misrepresent in any manner.

ARTICLE 6. "Referral When Lacking Competence"

A Member will neither advise nor render service in areas or matters which exceed the Member's competence. The Member will endeavour to direct parties to those from whom competent advice and service may be obtained.

ARTICLE 7. "Representing Divergent Interests"

A Member will neither advise nor represent parties having divergent or conflicting interests without the informed consent of all parties.

ARTICLE 8. "Conflict of Interest Between Client and Member"

Member will not:

- a) enter into a business transaction with a party to whom professional advice has been given by the Member if there is a significant risk that the interests of the Member and the Client may differ; or
- b) provide advice to a party when the personal interests of the Member, a relative or an associate are in conflict with the interests of the party, without advising the party that independent advice should be obtained and securing a written acknowledgement of same from the party.

ARTICLE 9. "Disclosure of Benefit or Fees"

A Member will not receive directly or indirectly any rebate, fee, commission, discount or other benefit, whether monetary or otherwise without the full knowledge and prior consent of the Client.

ARTICLE 10. "Fair and Reasonable Fees"

A Member will charge fair and reasonable fees commensurate with services being provided and fully disclose the amount of such fees at the time the service is provided.

ARTICLE 11. "Confidential Information"

A Member will hold in strict confidence all information provided in confidence by a Client. This information remains confidential even after completion or termination of the client relationship, and will not be disclosed unless required to do so by law.

ARTICLE 12. "Outside Interests"

A Member who engages in another profession, business or occupation beyond the usual scope of services provided to Clients must not allow such outside interests to jeopardise the Member's professional integrity, independence or competence.

ARTICLE 13. "Advertising"

All advertising placed by a Member, whether on the Member's behalf or on behalf of a Client, will provide accurate information regarding the subject of the advertisement, and will not be false or misleading in any respect.

ARTICLE 14. "Use of Designations"

A Member will not use a designation granted by the Institute in any manner contrary to this Code of Professional Standards or the bylaws and policies of the Institute. Members must be in good standing with the Institute in order to use a designation in any form of identification, marketing or advertising.

ARTICLE 15. "Other Institute Members"

A Member will not make, authorize, or otherwise encourage any unfounded oral or written statements that are derogatory to, or disparaging of, another Member's business practice. All dealings between Members will be conducted with integrity and good faith.

ARTICLE 16. "Laws and the Conduct of Business"

A Member will conduct business in strict accordance with all applicable laws, Bylaws and regulations, and in accordance with any Code of Professional Standards enacted by the Institute.

ARTICLE 17. "Member Duty to report and Cooperate in Enforcing the Code"

A Member has a duty and must report any violations of the Code of Professional Standards made by other Member(s). A Member will assist and fully cooperate in the enforcement of the Code of Professional Standards and the resolution of any matter brought before the Professional Standards Committee.

APPENDIX II

Institute of Real Estate Management (IREM) Code of Professional Ethics

Introduction

The purpose of this Code of Professional Ethics is to establish and maintain public confidence in the honesty, integrity, professionalism, and ability of the professional real estate manager. The Institute of Real Estate Management and its Members intend that this Code and performance pursuant to its provisions will be beneficial to the general public and will contribute to the continued development of a mutually beneficial relationship among Certified Property Manager® Members, CPM® Candidates, Accredited Residential Manager® Members, Accredited Commercial Manager Members, Associate Members, and other Members, national and international professional real estate associations and organizations, and Clients, employers, and the public.

The Institute of Real Estate Management, as the professional society of real estate management, seeks to work closely with all other segments of the real estate industry to protect and enhance the interests of the public. To this end, Members of the Institute have adopted and, as a condition of Membership, subscribe to this Code of Professional Ethics.

IREM Member Pledge

I pledge myself to the advancement of professional real estate management through the mutual efforts of Members of the Institute of Real Estate Management and by any other proper means available to me.

I pledge myself to maintain the highest moral and ethical standards consistent with the objectives and higher purpose of the Institute.

I pledge myself to seek and maintain an equitable, honorable, and cooperative association with fellow Members of the Institute and with all others who may become a part of my business and professional life. I recognize and support the need to preserve and encourage fair and equitable practices and competition among all who are engaged in the profession of real estate management.

I pledge myself to place honesty, integrity, and industriousness above all else and to pursue my gainful efforts with diligent study and ongoing education so that my services shall be beneficial to the general public and my obligations to my Clients shall always be maintained at the highest possible level.

I pledge myself to comply with the principles and declarations of the Institute of Real Estate Management as set forth in its Bylaws, Statement of Policies, and this Code of Professional Ethics.

Article 1. Loyalty to Client, Firm, and/or Employer

A Certified Property Manager®, CPM® Candidate, Accredited Residential Manager®, Accredited Commercial Manager, or Associate Member (hereinafter referred to as MEMBER) shall at all times exercise loyalty to the interests of the Client and the employer or firm with whom the MEMBER is affiliated. A MEMBER shall be diligent in the maintenance and protection of the interests and property of the employer and of the Client. A MEMBER shall not engage in any activity that could be reasonably construed as contrary to the interests of the Client or employer. If an activity would result in a conflict between the interests of the firm or employer and the interests of the Client, then the interests of the Client shall take precedence.

Article 2. Confidentiality

A MEMBER shall not disclose to a third party any confidential or proprietary information which would be

injurious or damaging to a Client concerning the Client's business or personal affairs without the Client's prior written consent, unless such disclosure is required or compelled by applicable laws and regulations.

Article 3. Accounting and Reporting

Pursuant to the terms of the management agreement, a MEMBER shall use reasonable efforts to provide accurate, auditable financial and business records and documentation concerning each asset managed for the Client, which records shall be available for inspection at all reasonable times by the Client. A MEMBER shall furnish to the Client, at mutually agreed upon intervals, regular reports concerning the Client's assets under management. A MEMBER shall not exaggerate, misrepresent, or conceal material facts concerning the Client's assets or any related transaction.

Article 4. Protection of Funds

A MEMBER shall at all times serve as a fiduciary for the Client and shall not commingle personal or company funds with the funds of a Client or use one Client's funds for the benefit of another Client, but shall keep the Client's funds in a fiduciary account in an insured financial institution or as otherwise directed in writing by the Client. A MEMBER shall at all times exert due diligence for the maintenance and protection of the Client's funds against all reasonably foreseeable contingencies and losses.

Article 5. Relations with Other Members of the Profession

A MEMBER shall not make, authorize or otherwise encourage any false or misleading comments concerning the practices of Members of the Institute of Real Estate Management. A MEMBER shall truthfully represent material facts in their professional activities. A MEMBER shall not exaggerate or misrepresent the services offered as compared with the services offered by other real estate managers. Nothing in this Code, however, shall restrict legal and reasonable business competition by and among real estate managers.

Article 6. Contracts

Any written contract between a MEMBER and a Client shall be in clear and understandable terms, and shall set forth the specific terms agreed upon between the parties, including a general description of the services to be provided by and the responsibilities of the MEMBER.

Article 7. Conflict of Interest

A MEMBER shall not represent personal or business interests divergent from or conflicting with those of the Client or employer and shall not accept, directly or indirectly, any rebate, fee, commission, discount, or other benefit, monetary or otherwise, which could reasonably be seen as a conflict with the interests of the Client, employer or firm, unless the Client or employer is first notified in writing of the activity or potential conflict of interest, and consents in writing to such representation.

Article 8. Managing the Assets of the Client

A MEMBER shall exercise due diligence in the maintenance and management of the Client's assets and shall make all reasonable efforts to protect it against all reasonably foreseeable contingencies and losses.

Article 9. Duty to Former Clients and Former Firms or Employers

All obligations and duties of a MEMBER to Clients, firms, and employers as specified in this Code shall also apply to relationships with former Clients and former firms and employers. A MEMBER shall act in a professional manner when, for whatever reason, relationships are terminated between a MEMBER and a Client and firm or employer. Nothing in this section, however, shall be construed to cause a MEMBER to breach obligations and duties to current Clients and firm or employer.

Article 10. Compliance with Laws and Regulations

A MEMBER shall at all times conduct business and personal activities with knowledge of and in compliance with all applicable laws and regulations.

Article 11. Equal Opportunity

A MEMBER shall not deny equal employment opportunity or equal professional services to any person for reasons of race, color, religion, sex, familial status, national origin, age, sexual orientation, or handicap and shall comply with all applicable laws and regulations regarding equal opportunity.

Article 12. Duty to Tenants and Others

A MEMBER shall competently manage the property of the Client with due regard for the rights, responsibilities, and benefits of the tenants or residents and others lawfully on the property. A MEMBER shall not engage in any conduct that is in conscious disregard for the safety and health of those persons lawfully on the premises of the Client's property.

Article 13. Duty to Report Violations

Each MEMBER has a responsibility to provide the Institute of Real Estate Management with any significant factual information that reasonably suggests that another MEMBER may have violated this Code of Professional Ethics. Such information must be presented as outlined in the Institute of Real Estate Management's Bylaws and Statement of Policies.

Article 14. Enforcement

The interpretation of compliance with this Code is the responsibility of the Ethics and Discipline Committee of the Institute of Real Estate Management. Any violation by a MEMBER of the obligations of this Code and any disciplinary action for violation of any portion of this Code shall be determined and carried out in accordance with and pursuant to the terms of the Bylaws and Statement of Policies of the Institute of Real Estate Management. The result of such disciplinary action shall be final and binding upon the affected MEMBER and without recourse to the Institute, its officers, Governing Councillors, Members, employees, or agents.

APPENDIX III

Researcher Guidelines for Professional Standards Complaints

Investigation Process

1. Gather all background material from PSC Liaison
2. Review background material
3. Request, obtain and review relevant background information not initially provided
4. Determine who to interview
5. Formulate interview questions
6. Schedule and confirm interview dates and times
7. Conduct interviews
8. Establish findings and formulate recommendation
9. Write report
10. Submit report to PSC Liaison
11. Retain all documentation (including electronic read receipts) until advised that the complaint has been resolved.

Background Material

Background material is all documentation that is relevant to a complaint, and is available in written form or for visual review. Examples of background information include the Codes, the Complainant's Statement of Facts, correspondence, and any other information submitted as part of the Complaint.

Throughout an investigation, the Researcher will need to consult background material to understand the context of a complaint, corroborate or support statements, determine who to interview, and prepare questions for interviews. It is also important for the Researcher to establish the source of background material and the chronological order in which documentation should be reviewed.

Best Practices for Reviewing Background Material

- Be systematic – prior to review of background material, the Researcher should devise a process for analyzing documentation and then apply that process to each document. Researchers should adopt a system for making notes as this saves time when preparing for interviews and writing the report.
- Be analytical – the purpose of reviewing documentation is to determine whether the information proves or disproves violation of the Code.
- Be judicious – when reviewing documentation, the Researcher should validate the source of documentation, determine its reliability, check dates of documentation, look for references to relevant background material and be alert to inconsistencies. Where relevant background material is not provided, the Researcher should endeavour to request, obtain and review this documentation.
- Be impartial – the Researcher should review the documentation with an open mind as to their relevance and significance to avoid missing essential information.

Interviews

In almost every investigation, the Complaint and the Respondent will be the key witnesses. In addition, the Researcher should interview anyone with information relevant to the Complaint. General practice is to interview the Complainant first and then the Respondent. However, when reviewing background material, the Researcher may formulate an alternative approach.

Once the Researcher has identified who should be interviewed, the Researcher should develop a list of questions for each person to be interviewed and determine the ideal order in which the interviews should take place.

The Researcher will need to contact those identified to be interviewed to arrange a date and time for the interview. Confirmation of the Interview date, time and place should be outlined in an email with a read receipt requested. Interviews may be conducted by telephone, video-conference or in person. The Researcher will need to initiate the interview by asking pre-determined questions, as well as follow-up questions to clarify information. The Researcher will need to record responses to questions and take notes during each interview. Electronic recordings are not permitted.

Best Practices for Conducting Interviews

Do:

- be courteous, objective and professional
- ask direct and simple questions
- regularly confirm information provided by the witness
- ask the witness to clarify ambiguous terms or information
- conduct the interview at the pace of the witness
- give the witness time to think and answer questions without interruption
- record the time the interview begins and ends, as well as any breaks in the interview
- if possible, conduct interviews using a method that can verify the interview took place (i.e. a mobile phone record can often verify the date, length of call and the phone number called.)

Don't:

- use vague language, jargon, acronyms or euphemisms
- use long, leading or compound questions
- give feedback on the witness' testimony, even unintentionally through facial expressions or voice inflexions
- make moral or legal judgements
- make promises you cannot keep

General practice for conducting interviews follows these four stages:

1. Introduction and establishing rapport

The purpose of this stage is for the Researcher to introduce yourself and explain the reason for the interview. This stage is also important for gaining the witness' trust and confidence in the process. To establish rapport and begin the interview, the Researcher should:

- Introduce yourself
- Explain the purpose of the interview
- Note the time the interview began
- Confirm that you will take notes during the interview

2. Free narrative

The purpose of the free narrative stage is to obtain a witness' uninterrupted account. To stimulate free narrative, the Researcher should:

- Ask open-ended questions (i.e. "Can you tell me about...?")
- Use neutral prompts that relate to the witness' account without referring to other witness' testimony (i.e. "And then what happened?")
- Repeat key phrases
- Adopt an active and neutral listener posture by not showing or vocalizing signs of agreement or disagreement
- Make note of ambiguities or need for clarification in order to return to these in the questioning stage

3. Questioning

In the questioning stage, the Researcher clarifies the information the witness has already given and uncovers information that may not have been provided in the free narrative stage. The Researcher is strongly encouraged to formulate questions in advance of the interview, especially questions that are difficult to word. It is also important to be prepared for various responses and be equipped to pursue an unexpected line of enquiry. Types of questions include:

- Open-ended questions (i.e. Tell me more about...")
- Specific questions (i.e. "What happened after you left the meeting...?")
- Closed questions (i.e. "Do you know what he said?")

4. Closure

To conclude an interview, the Researcher should:

- Summarize, if possible, what the witness said
- Ask if the witness has anything to add
- Note the time the interview concluded
- Thank the witness for her/his time

Researcher Report

The Researcher Report is the document which contains the Researcher's findings and recommendation on whether the Code has been violated. It sets out in narrative form the facts, evidence, observations and remarks regarding the Complaint based on interviews with the witnesses and draws conclusions about the Complaint.

The Researcher Report must contain the following:

- Date of Report
- Name of Researcher
- Name of Complainant
- Name of Respondent
- Article(s) of the Code that have been alleged to be violated
- Introduction – a description of the investigation process undertaken by the Researcher, including a summary about the nature of the Complaint, the scope of the investigation (i.e. who was interviewed) and any constraints to the investigation (i.e. a witness who was unable or refused to be interviewed)
- Findings – facts, evidence, observations and remarks based on the interviews of each witness. Findings should also include the length of the interview, how the interview was conducted and the role of each witness as it relates to the Complaint
- Any background material that has not already been shared with the PSC
- Recommendation(s) about whether the Code has been violated, including the relevant Articles if it is concluded that a violation has occurred

Best Practices for Writing Reports

- Be clear – write in short, simple and direct sentences and paragraphs; avoid unnecessary, obscure and confusing terms.
- Be concise – keep the report as short as possible without sacrificing clarity, completeness or accuracy.
- Be logical – address each allegation, and each element with each allegation.
- Be factual – base all your conclusions on facts; avoid theories and speculation.
- Be impartial and fair – address facts and evidence supporting the Complainant's allegation as well as the Respondent's defence.
- Be thorough – answer all questions raised in the Complaint and the investigation, and clearly record or reference all relevant interviews.

APPENDIX IV

Sample PSC Confidentiality Agreement

In consideration of my volunteer position on the Professional Standards Committee of the Real Estate Institute of Canada (REIC) I, _____, hereby acknowledge and agree as follows:

1. For the purpose of this agreement, "Confidential Information" means the information disclosed to me by REIC, its employees, agents, members and non-members relating to the operation of REIC or my volunteer position on the Professional Standards Committee, which information is considered confidential by REIC and includes, but is not limited to: electronic or written documentation, evidence, testimony, discussions, meetings and hearings.
2. The Confidential Information and any derivatives thereof, whether created by REIC or me, are and remain the sole and exclusive property of REIC.
3. I shall not, directly or indirectly, copy or remove any Confidential Information provided by REIC.
4. I shall not disclose, publish or disseminate any Confidential Information to anyone other than members of the Professional Standards Committee who are sitting on the same panel with respect to a hearing and who have signed and are subject to the same confidentiality agreement, and I agree to take reasonable precautions to prevent any unauthorized use, disclosure, publication or dissemination of Confidential Information.
5. I shall bring forward any matter of bias or conflict of interest forthwith and shall not participate in any such matters.
6. Except with the express written consent of REIC, I shall not conduct or undertake any research, review documents, interview witnesses or in any way gather evidence of any kind, directly or indirectly, in connection with the performance of my duties on the Professional Standards Committee.
7. I will immediately return, or personally destroy, by shredding or other appropriate means, all Confidential Information in any form, which is in my possession, control, or power, or whichever has been in my possession, control, or power immediately upon request by REIC.
8. I shall not, during the course of any real estate business, use my position as a member of the Professional Standards Committee to influence the actions of a fellow member or in any way attempt to gain an advantage in any manner whatsoever for myself or any entity in which I have an interest.
9. I am bound by the terms of this agreement during my time as a Professional Standards Committee volunteer with REIC and continue to be bound beyond my term as a Professional Standards Committee member.
10. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario. This document contains the entire agreement between the parties with respect to the subject matter hereof.
11. I acknowledge having read and understood all of the provisions of this agreement and having received a copy of this agreement as executed by me.

In the event that any of the aforementioned provisions are allegedly breached, such matters will be referred to the REIC National Board of Directors for review under the authority provided under its Mandate.

Signature

Printed Name

Date

APPENDIX V

Professional Standards Committee Terms of Reference

Authority and Mandate

The Professional Standards Committee (PSC) will be governed by and work within the Institute's Bylaws and any and all policies and procedures as may be established from time to time.

The PSC has certain rights and duties in administering the REIC Code of Professional Standards and the IREM Code of Professional Ethics. The PSC is empowered to investigate and discipline any Member as outlined in the Professional Standards Handbook.

- The PSC will make independent decisions regarding actions to be taken as a result of Unethical Conduct subject to the jurisdiction of the Institute.
- The PSC will investigate the actions of any Member when there is reason to believe that such Member has violated the REIC Code of Professional Standards and or the IREM Code of Professional Ethics.
- The PSC may discipline any Member for failure to co-operate fully with the PSC (including a Researcher, Hearing Panel or Appeal Panel Member) in the investigation of a complaint.
- The PSC will ensure that Unauthorized Use Procedures are followed.

Composition and Eligibility

- The PSC will be comprised of seven (7) members who are:
 - known for integrity and good judgment;
 - not currently a member of the REIC Board of Directors;
 - a voting Member in good standing for not less than five (5) years; and
 - not located in the same chapter as any other PSC member, unless the Board of Directors adopts a resolution passed by two-thirds affirmative vote.
- The PSC will have at least one Member representing each Sector of the real estate industry.
- The PSC will elect its own Chair. In the event that the PSC is unable to elect its own Chair, the REIC President will appoint the Chair.
- Any Member, including a Member of the PSC or the Board of Directors, who is either the Complainant or Respondent of a written complaint, will be prohibited from participating in the disposition of the complaint. The Respondent and Complainant will have all of the rights and obligations prescribed in this policy.
- In the event that the Complainant or Respondent is a Member of the PSC, that Member must recuse themselves from the PSC until the final decision is rendered. A qualified replacement will be appointed by the Chair of the PSC. The Member will be reinstated to their former standing, if appropriate, once a final decision is rendered.

Appointment

- Members of the PSC will serve for a maximum of two, three-year terms, or until their successors are elected, unless the Board of Directors adopts a resolution passed by majority vote to limit or extend a Member's term.
- Initially, and at the end of each three-year term, or as vacancies arise, the Nominating Committee will recommend qualified Member(s) for appointment to the PSC. The Nominating Committee will vet the interested Member(s) and make a recommendation to the Board of Directors.
- After receiving the Nominating Committee's report, the Board of Directors will appoint Member(s) to fill PSC vacancies. The Board of Directors may reject any of the Member(s) recommended by the Nominating Committee, in which case the Nominating Committee will provide additional Members' names.

Operating Year, Meetings, Planning

- The PSC's operating year will be that period between annual general meetings of the Institute.
- All PSC members will sign the REIC Professional Standards Committee Confidentiality Agreement upon being appointed to the PSC.
- The PSC will meet as necessary to carry out their mandate during their operating year. These meetings may be in person or by conference call.
- Each meeting will function with an agenda and supporting documentation, which will be distributed to committee members sufficiently in advance. Minutes will be prepared and distributed no later than fourteen (14) days after each meeting.
- The Committee will prepare a written report annually to the Board on its activities and submit it to National Office for distribution prior to the Board meeting or as requested.

Responsibilities

- Upon receipt of a written complaint or upon the Committee's own motion, to investigate, hold hearings and take any other appropriate action (as outlined in the Institute's Professional Standards Handbook) concerning matters over which the Institute has jurisdiction through its Bylaws, the REIC Code of Professional Standards, and the IREM Code of Professional Ethics.
- To investigate, upon receipt of written proof and upon the Committee's own motion, the unauthorized use of REIC and IREM designations and trademarks (as outlined in the Institute's Professional Standards Handbook).
- To submit to the Board of Directors, for their approval, any revisions deemed necessary to the REIC Code of Professional Standards or the Professional Standards Handbook.

Staff Resources

Executive Director & CEO
PSC Liaison

Approved By REIC Board of Directors June 16, 2017