



LONDON
ST. THOMAS
ASSOCIATION OF
REALTORS®

LSTAR

GOVERNANCE MANUAL

APPROVED JUNE 12, 2023
REV. 0.7 APRIL 29, 2025

This Board Governance Manual is designed to support the London and St. Thomas Association of REALTORS® (LSTAR) and each of its Directors to efficiently and effectively steward the Organization on behalf of its Members and Stakeholders. The manual is a living document and will be updated regularly to reflect the evolving requirements of the Organization.



FOCUSED ON OUR

VISION

To be the resource of choice
for REALTOR® members
and their communities.

PURSuing OUR

MISSION

To enhance REALTOR® member professionalism
by providing education, tools and advocacy to
support them in serving the community.

UPHOLDING OUR

VALUES

- Member-Centric
- Thought-Leader
- Community-Minded
- Professionalism
- Integrity

APPROVED

Approved by the Board of Directors of the London and St. Thomas Association of REALTORS® on July 12, 2023. The Governance Manual: Policies and Practices supersedes and replaces all previous General Policies.

AMENDMENTS

REVISION NUMBER	DATE OF RELEASE	SUMMARY OF CHANGES
0.1	2023-12-13	The Board approved revisions to sections 'Dimensions of Good Governance', 'Definitions', 'ITSO Director', 'Director (Re)Orientation and On-Boarding', 'Conferences & Assemblies', 'Social Media Use', 'Data Security' and Appendices N 'Professional Standards, Discipline & Appeal Policy', P 'Arbitration and Appeal Policy' and Q 'Social Media Policy for Members'.
0.2	2024-02-16	The Board approved revisions to Appendix P 'Arbitration and Appeal Policy'.
0.3	2024-04-26	The Board approved the introduction of 2.2.2.2 Committee Onboarding and Orientation and revisions to Appendices K 'Awards, Certificates, Presentations & Events', M 'Membership, Dues and Fees Policy' and Q 'Social Media Policy for Members'. The Board also added Appendices R 'Education Policy' and S 'Harassment Policy' and made other minor text revisions throughout.
0.4	2024-05-31	The Board approved amendments to 1.2.9 'Director Remuneration and Expense Policy', 1.2.10 'Travel Policy', 1.2.11 'Attendance Policy' and 1.2.12 'Director Travel Insurance Policy', and added the Terms of Reference for the Diversity Equity and Inclusion Committee to Appendix C.
0.5	2024-12-05	The Board approved amendments to Appendix C 'Committee Terms of Reference'.
0.6	2025-02-13	Amendments to Appendix C 'Committee Terms of Reference'.
0.7	2025-04-29	Replaced Appendix N: Professional Standards, Discipline & Appeal Policy, and Appendix P: Arbitration and Appeal Policy with new Appendix N: PropTx Arbitration and Professional Standards Policies



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DEFINITIONS

For this Board Governance Manual, the following definitions apply:

Act: the **Ontario Not-For-Profit Corporations Act (ONCA)**, 2010, and any statute or regulation that may be substituted, as amended from time to time.

Board: the Board of Directors of the Organization.

By-laws: By-laws of the Organization as approved by the Members.

Chair: the Chair of the Board.

CEO: the employee of the Organization who is leading the day-to-day operations of the organization and is directly accountable to the Board of Directors.

CREA: the Canadian Real Estate Association, the national body that represents REALTOR® and Board and Association Members across Canada and before the federal government.

Director: a Director of the Organization. Collectively all Directors are referred to as the “Board”.

Election Meeting: a special meeting to elect the Board of Directors.

ITSO: Information Technology Systems of Ontario, an MLS® System and technology provider that is governed by its member associations.

Member: a person or organization that has qualified under any category of membership with LSTAR established in the By-laws.

Members: the collective membership of the Organization.

Officer: an Officer of the Organization, namely the Chair, Immediate Past Chair, Chair-Elect and such other Officers as the Board may establish from time to time.

Ordinary Resolution: a resolution passed by a majority of the votes cast on that resolution or consented to by each Member of the Organization entitled to vote at a meeting of the Members of the Organization or the Member’s legal counsel.

OREA: the Ontario Real Estate Association, the provincial body that represents REALTOR® and Board and Association Members across Ontario and before the provincial government.

Organization: London and St. Thomas Association of REALTORS® (LSTAR).

RECO: the Real Estate Council of Canada, an Administrative Authority that was established by the Government of Ontario to regulate the conduct of real estate salespeople, brokers and brokerages.

Social Media: the term given to websites and online tools that allow users to interact with each other in some way by sharing information, opinions, knowledge and interests.

Stakeholder: an individual, group or company that has strong interest, influence, or impact on the Organization.



Staff Liaison: an LSTAR employee delegated under the supervision of the CEO.



INTRODUCTION



LONDON AND ST. THOMAS ASSOCIATION OF REALTORS®

GOVERNANCE MANUAL

PURPOSE OF THIS MANUAL

This Board Governance Manual is designed to support the London and St. Thomas Association of REALTORS® (LSTAR or the “Organization”) and each of its Directors to efficiently and effectively steward the Organization on behalf of its Members and Stakeholders. The Manual is a living document and will be updated regularly to reflect the evolving requirements of the Organization.

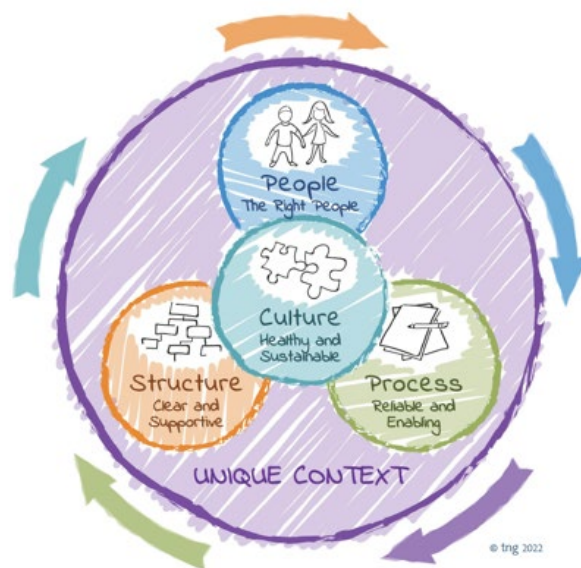
THE FUNDAMENTALS OF BOARD GOVERNANCE

The graphic depicts the most fundamental aspects of Board governance. It illustrates the relationship between the Board and its Members and key Stakeholders for whom the Organization exists. It illustrates the relationship between the Board and its sole employee, the Chief Executive Officer (“CEO”), through whom the Board delegates most operational responsibility. It also illustrates the Board’s core functions of decision-making and monitoring. This Board Governance Manual seeks to describe more fully ‘what’ the role of the Board is in each of these areas and ‘how’ it should go about discharging its duties in an ethical and responsible fashion.



DIMENSIONS OF GOOD GOVERNANCE

In adopting the 'fundamentals of governance' LSTAR acknowledges four key dimensions of governance: (1) People, (2) Structure, (3) Process and (4) Culture. Each of these dimensions is interdependent with the others. While structures and processes can appear clear and linear on paper, the 'system of governance' is dynamic. It involves people interacting with people, and the structures and processes that seek to describe how that interaction should occur. To achieve good governance, the Board must understand each dimension and its associated Principles. The Board must also seek to understand the cause-and-effect relationship that occurs between and amongst the dimensions—a relationship that will evolve over time as the Board and Organization experience and 'dance' within the system.



This Governance Manual is divided into four sections, each reflecting a dimension of good governance. Within each of the four dimensions of good governance, the Board will be guided by three levels of written direction: Principles, Policies and Practices. The Principles and Policies should remain relatively consistent over time. The Practices will evolve over time as new good governance Practices are developed and adopted. Changes to any Principle, Policy or Practice should receive full Board approval. As the Board strives to work to the standards set out in this Manual, it should keep in mind that the pursuit of good governance should be welcomed as an evolution not a revolution!

Governance Principles

Defines at a high level, 'why' the Organization governs the way it does, where 'why' constitutes the larger guiding purpose that specific Policies and Practices set out to accomplish.

Governance Policies

Defines 'what' specific actions and /or behaviours are expected for:

- The Board as a whole
- Individual Board Directors
- The CEO
- Board Committees and Task Forces

Governance Practices

Defines specifically 'how' the Principles and Policies are to be carried out efficiently and effectively.



1. 'Right People' as Directors

This dimension describes the elements needed for assembling and maintaining qualified and capable Directors. There are two Principles that guide this dimension:

PRINCIPLE #1.1 BOARD COMPOSITION

Board composition will be competency-based. The Board will attract, engage and sustain Directors that have and demonstrate diverse skills, experience, capacity, attitude and identities that enhance the Board's capacity to govern at the highest standard. Board composition will not require Directors to represent a defined Stakeholder or constituency group.

PRINCIPLE #1.2 DIRECTOR CONTRIBUTION

The Board will provide clear expectations, direction and support to Directors to enable them to fulfill their duties and obligations and raise their individual and collective capacity to govern at the highest standard.

2. Clear and Supportive Structures

This dimension describes the hierarchical arrangement of lines of authority, communication, rights and duties. It includes how roles, power and responsibilities are assigned, controlled and coordinated to achieve the objectives and strategy of the Organization and the Board. The Principles guiding this dimension are:

PRINCIPLE #2.1 BOARD ACCOUNTABILITY

The Board is ultimately responsible and accountable for the entire Organization. It is charged with making decisions and monitoring organizational compliance, risk and performance on behalf of Members and key Stakeholders. The Board is also a self-responsible and accountable 'unit of the organization'. It is charged with monitoring and improving its own performance and contribution to the Organization as a governing body.

PRINCIPLE #2.2 BOARD COMMITTEES

The Board may establish any Committee or other advisory body it determines necessary for the execution of the Board's governance responsibilities. The Board will determine the composition and Terms of Reference for any such Committee. Board Committees will report directly to the Board of Directors.

3. Reliable and Enabling Processes

This dimension describes the series of actions or functions needed to bring about desired results. In the case of good governance, the desired results are the ethical stewardship and strategic leadership of Members' and Stakeholders' investments and interests as discharged through the decision-making and monitoring functions of the Board. The Principles guiding **reliable and enabling processes** are:

PRINCIPLE #3.1 BOARD DECISION-MAKING

The Board is charged with making well-informed and responsible decisions that move the



Organization in a balanced and sustainable way towards its approved priorities on behalf of its Members and key Stakeholders.

PRINCIPLE #3.2 BOARD MONITORING

The Board is charged with monitoring the compliance, risk and performance of the Organization on behalf of its Members and key Stakeholders to ensure that their resources and interests are safeguarded from harm.

4. Healthy and Sustainable Culture

This dimension describes the stated organizational intentions and Board behaviours, norms and rituals that compel people to do their best to serve the Organization's purpose, putting collective interests ahead of any one individual interest. The Principle of **organizational sustainability** guides the dimension of a **healthy and sustainable culture**:

PRINCIPLE #4.1 ORGANIZATIONAL SUSTAINABILITY

Long-term viability and sustainability of an organization are dependent upon a 'culture' that is open, transparent, forward-looking and focused. Together with the CEO, the Board is charged with setting and shaping the culture of the Organization.

ROLE OF FOUNDATIONAL DOCUMENTS

LSTAR's governance system is defined in its foundational documents. The Board's authority emanates from these documents.

- LSTAR is a not-for-profit corporation and is regulated by the **Ontario Not-For-Profit Corporations Act (ONCA), 2010** and any statute or regulation that may be substituted, as amended from time to time (the "Act")
- LSTAR's Letters Patent or any Articles of Continuance describe the general aims and objectives of the Organization and the ownership structure.
- LSTAR's By-laws describe how the activities and affairs of the Organization are to be transacted. They address corporate matters such as categories, powers and conditions of membership, authorities and terms of Directors and Officers, meetings of Directors and Members.
- LSTAR's Governance Policies and Practices (this document) describe the Board's preferred and agreed manner of conducting Board business. Governing Policies are established by and for the Board to define strategic intent, set boundaries and ensure appropriate fiduciary oversight.
- All Directors and Committee Members are required to read, understand and comply with the Act, Letters Patent, By-laws, and Governance Policies and Practices. A copy of these documents is provided to all Directors and Committee Members and is also available to all Members. Any questions related to these foundational documents should be addressed to the office of the CEO.



UNDERSTANDING THE FIDUCIARY RELATIONSHIP

Members as Controlling ‘Owners’

LSTAR exists for and is controlled by the Members in accordance with the Letters Patent and By-laws. The By-laws describe the specific rights and powers of the two classes of membership in the Organization: Individual Members and Firm Members. LSTAR maintains a list of all Members for the purposes of general correspondence, voting at annual and special meetings and as the official contact between the Members and LSTAR. Members exert their rights and powers primarily through the election of Directors and by amending LSTAR’s By-laws. Members provide input to the direction of LSTAR by participating in LSTAR Committees and Member surveys.

Directors as Stewards

LSTAR’s activities and affairs are managed by the CEO and are ‘stewarded’ by the Board in accordance with the Letters Patent and By-laws. Board Directors do not represent the interests of any one Member. All Directors stand in a ‘fiduciary relationship’ with the Organization, LSTAR. This term includes but goes beyond financial accountability for the Organization. As fiduciaries, every Director of the Organization—in exercising their powers and discharging their duties—shall “act honestly and in good faith with a view to the best interest of the corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.” More specifically, Directors are expected to understand and abide by the duties of care, loyalty and obedience as specified in Section 1.2.2.

GOVERNANCE AND MANAGEMENT PHILOSOPHY

LSTAR’s Board operates in a model that distinguishes between stewardship, strategic leadership and operational management. In this oversight model, the Board, its Committees and the CEO have distinct and complementary responsibilities in advancing the mission of LSTAR.

Distinct Roles

The Board provides the overall stewardship for the Organization on behalf of its Members. In this role, the Board and its Board Committees monitor and ‘oversee’ the entire Organization. Ultimately, the Board is accountable for all aspects of the Organization; however, for practical purposes it delegates day-to-day operational management to the CEO, who is the ‘sole employee of the Board’. The Board delegates this authority and a supporting budget to the CEO in a manner that provides a broad degree of freedom to exercise creativity and judgment to achieve the goals of the Organization, as articulated in the Board-approved strategic plan. The Board’s delegation to the CEO is documented to provide absolute clarity to both parties. These are important distinctions that must be respected for an oversight governance model to thrive.

Complementary Roles

Strategy is the place where the Board and the CEO work in a more complementary fashion. By working together and offering diverse expertise to the planning process, together they form the strategic leadership for LSTAR. Together, they establish and approve the corporation’s vision, mission, values and strategic plan. Together, they ensure that LSTAR’s goals are clear, that parameters and approval points are established, and that evaluation criteria are mutually agreed. These complementary roles and structured interactions ensure there is alignment between governance and management that serves the interest of Members and ensures clear accountability for outcomes.



Committee Roles

LSTAR differentiates between Board Committees and Operational Committees. The Board, as whole, delegates some Board functions to specific Board Committees (e.g., Executive, Finance, Audit & Risk, Governance, Nominating) and individual Directors (Officers) to streamline the work of the Board. These Committees and individuals are accountable to the Board and must fulfil the Board's clearly expressed and documented delegated work to the best of their abilities. LSTAR also relies on Operational Committees which support the day-to-day work of the Organization and are accountable to the CEO.

UNDERSTANDING THE BOARD'S AUTHORITY

The Board exercises its authority as a whole. No individual Director or Board Committee can act with the authority of the Board unless specifically delegated to do so by the Board. When the Board authorizes a Director or Committee to act on its behalf, the Director or Committee will do so in a manner consistent with the Board's documented governance Policies and Practices.

The Board's authority can only be exercised at officially called, held and chaired Board meetings. Any binding decision must be recorded in the Board's meeting minutes. No other form of direction by the Board or Committee shall be permitted.

THE BOARD'S PRIMARY FUNCTIONS

The Board is established to provide progressive, collective stewardship and strategic direction to LSTAR. All Directors, whether elected or appointed, are entrusted to direct the activities of the Organization as a whole, rather than in their own interest, their Member organization's interest or that of any specific group. They are entrusted to protect the interests of LSTAR and its Members as a collective group. Following is a brief description of the Board's primary functions.

Defining the Strategic Direction of the Organization

It is the Board's responsibility to determine and approve the vision and mission as well as the strategic goals and priorities of the organization based upon input and feedback from LSTAR Members, Directors, staff and other industry Stakeholders.

While staff and others will undertake the preparatory work in the planning process and make recommendations regarding the goals and priorities, it is the Board's responsibility to make the decisions regarding the strategic direction of LSTAR, consistent with LSTAR's By-laws and Member expectations.



Establishing Governance Policies and Practices

Governance Policies and Practices are established by and for the Board. They are not intended to direct staff how to accomplish their tasks, but rather give staff clear direction on what the Organization is to accomplish while establishing protective limits in key operational areas. Governance Policies and Practices enable the Organization to function without constant input from the Board.

Assuring Financial Sustainability

The Board approves the annual budget of the Organization such that financial resources are allocated in a manner consistent with the strategic plan, goals and priorities. It is the Board's responsibility to ensure the stability and endurance of the Organization. The Board regularly reviews the financial status of the Organization at Board Meetings and is supported by the Finance Committee, the Audit & Risk Committee and third-party auditors appointed by the Board.

Assuring Legal Compliance

The Board is responsible for ensuring that all legislative and legal compliance requirements are met.

Monitoring and Evaluating Organizational Performance

In order for the Board to answer to Members for the performance of the Organization, it needs to monitor the results that are achieved and evaluate LSTAR's performance vis-à-vis the Board-approved strategic plan. Monitoring provides an opportunity for redirection if it is required in order to achieve the goals identified. Monitoring is accomplished through the following mechanisms:

- Regular CEO reports to the Board
- Regular Board Committee reports to the Board
- Commissioned reports to the Board from independent, external third parties
- Strategic plan performance review
- Financial report reviewed by the Board

Hiring and Evaluating the CEO

The Board is responsible for the engagement, direction and evaluation of the CEO and all decisions with respect to the CEO's employment with the Organization. The Board is also responsible for succession planning for this critical position.

Ensuring Effective Governance

The Board is accountable for its own performance and self-improvement. The Board is responsible for monitoring and evaluating its own effectiveness and for making improvements in the governance system that lead to better stewardship, transparency and accountability to Members. This includes ensuring that there is Director succession that enables sustainably sound governance. Regular evaluation of Board and Director performance supports this accountability.



GOVERNING IN CONTEXT

While it is true that Boards everywhere are largely accountable for the same core elements of governance, implementing good governance doesn't happen in a vacuum. There will always be some subtle differences in how a Board carries out its governance responsibilities. These differences will most often affect the Practices of governance vs. the overriding Principles and Policies of governance. It is for this reason that each section of the manual contains the Policy which reflects current good governance standards and the Practice which allows for the differences in LSTAR's 'way of governing' that seeks to accommodate its unique context.

ABOUT LSTAR

LSTAR is a REALTOR® association that serves and represents over 2,300 REALTORS® from London, St. Thomas, Strathroy, Middlesex County, & Elgin County.

LSTAR Members are licensed professionals governed by a high standard of professional service and a strict Code of Ethics and are committed to providing the best possible service to their clients and consumers.

Our Vision

To be the resource of choice for REALTOR® Members and their communities.

Our Mission

To enhance REALTOR® Member professionalism by providing education, tools and advocacy to support them in serving the community.

Our Values

- Member-Centric
- Thought-Leader
- Community-Minded
- Professionalism
- Integrity



POLICIES AND PRACTICES



1. GOOD GOVERNANCE DIMENSION 1: 'RIGHT PEOPLE' AS DIRECTORS

Principle #1.1. Board Composition

1.1.1. BOARD SIZE AND COMPOSITION

As per By-law 6.1, 6.2 and 6.3, the administration of the affairs of LSTAR shall be vested in a Board of Directors of ten (10) individuals comprising:

- a) The following individuals who shall hold office as of right:
 - i. The individual who was Chair in the preceding year—or in the event that such person cannot act, the most recent Past-Chair so willing to act—as immediate Past-Chair.
 - ii. The individual who was Chair-Elect in the preceding year, as Chair.
- b) A Member of the Commercial Committee, appointed by the Board.
- c) Seven (7) Members who are elected by the Members or acclaimed in accordance with this By-law and LSTAR Policies.

Composition requirements include:

- a) The Board of Directors shall include at least three (3) Directors who are a Broker of Record and three (3) Directors who are Salespersons or Brokers.
- b) If possible, the composition of the Board shall include a Director, as recorded on the LSTAR membership management system, who is on the roster of a Brokerage or a Branch office with a physical address in St. Thomas.
- c) Not more than two (2) individual Members who are employed by or are partners or directors of the same Firm may serve as Directors at the same time.
- d) Notwithstanding (c) above, if a sitting Director, during the Director's term, becomes non-compliant with (c), the Director may complete their term.

To qualify for election as a Director and throughout each Director's term, the person must:

- a) Be an individual Member in good standing and have been a Member continuously for at least twelve (12) consecutive months immediately preceding the election.
- b) Not be an undischarged bankrupt.
- c) Not have been convicted of a criminal offence involving fraud or moral turpitude.
- d) Have the qualifications established by the Board of Directors for candidates from time to time, based on skill sets relevant to the competent management of the affairs of LSTAR.
- e) If elected, complete leadership courses as set out in LSTAR Policy.
- f) Not otherwise be disqualified by virtue of ONCA.



1.1.2. DIRECTOR ATTRIBUTE INVENTORY

The Board shall have in place an up-to-date inventory of its sitting Directors' attributes (skills, knowledge, experience, identity, etc.). The inventory will include the identification of critical competency gaps and/or requirements that should be filled (via recruitment and/or development) to optimize the Board's capacity to govern. The Board will use the same attribute inventory criteria and tool to recruit and qualify successor Directors.

The Board will use a [Director Attribute Matrix \(Appendix A\)](#) to evaluate existing and candidate Board Directors. The Board will review the matrix annually to identify areas for Director recruitment and for Board development. The Board will work to ensure that directorship reflects diversity and the unique needs of LSTAR.

1.1.3. DIRECTOR RECRUITMENT, ELECTION & SUCCESSION

The Board shall have in place an open and transparent Director recruitment, election and succession strategy that augments the current Directors' competencies and ensures Board sustainability over time. The Board is committed to a merit-based system for Board composition within a diverse and inclusive culture, which solicits multiple perspectives and views and aspires to be free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Board will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Nominating Committee will follow the [Board Nomination and Election Policy \(Appendix J\)](#) and will proactively recruit and qualify candidates for available Director positions.

The Nominating Committee will provide and circulate the names of candidates for consideration by LSTAR voting Members in advance of the Election Meeting. The report of the Nominating Committee must be forwarded to the CEO not less than thirty (30) days before the date of the Election Meeting. The CEO must enclose, with the notice of the meeting of Members at which the election of the Directors is to be held, a copy of the report of the Nominating Committee.

1.1.4. ITSO DIRECTOR

The call for a volunteer for this position shall be included with the call for volunteers for Committees to build a list of potential candidates. A description of position and recommended qualifications shall be included so volunteers understand the requirements of this position.

Qualifications/commitments of the ITSO Director shall include the following:

- a) Previous experience on a Board of Directors in organized real estate.
- b) Member of LSTAR in good standing for a minimum of five (5) years.
- c) Minimum of three (3) years experience on LSTAR Committees.
- d) Commitment to provide non-confidential information to LSTAR's Board of Directors/Brokers Issues Advisory Group/general Membership.
- e) Commitment to participate in and represent LSTAR at all ITSO Board of Directors meetings.



- f) Commitment to participate in at least one ITSO Committee.
- g) Experience in running a business (preferred).
- h) A strong knowledge of Organized Real Estate.

Candidates for this position shall be determined by the Executive Committee with input from the CEO.

In the event more than one eligible ITSO Director Candidate is available, the Executive Committee may determine whether to recommend one candidate or put multiple names forward for election at the ITSO AGM.

The ITSO Director shall, at the request of the Chair, attend LSTAR Board meetings as an observer.

The ITSO Director may be required to travel to ITSO meetings and events, doing so will be at the discretion of the CEO.

Should the ITSO Director be unable to complete their term, the Executive Committee shall be responsible for recommending another Member that meets the qualifications noted above. The Member recommended to fill this vacancy shall hold office for the remainder of the term.

If the LSTAR Board of Directors feels that the ITSO Director is not performing their duties at an acceptable level, a meeting shall be arranged with the ITSO Director to discuss such concerns. If the LSTAR Board is not satisfied that the ITSO Director's performance has improved within 60 days, they may choose to notify ITSO of such concerns and request that ITSO's Executive be consulted to determine if action should be taken.

1.1.5. OFFICERS OF THE CORPORATION

In accordance with By-law 8.2 (a), the Officers of the Organization are the Chair, immediate Past-Chair, Chair-Elect and such other Officers as the Board may from time to time establish. The CEO shall act as liaison between the Directors and staff, in that the CEO reports any issues to the Chair. The Board of Directors reports any issues to the Chair and any staff issues are directed to the CEO. **Directors do not deal with the staff without consulting the CEO.**

Officers will serve terms of office as outlined in By-law 8.2 (b) "All Officer terms shall be for one year or until their successors are elected or appointed" and By-law 8.4 (a) "At the first meeting of the Board of Directors following the election of Directors each year, the current Chair will become the Immediate Past-Chair as of right and the current Chair-Elect will become Chair as of right."

All Officers will be elected or appointed by the Board at the first meeting of the Board following the Election Meeting each year. The Governance Committee will develop a nomination process which gives all Directors the right to submit their names for Officer elections if they are otherwise qualified.

Vacancy - Chair

If the office of Chair becomes vacant the Chair-Elect shall become Chair for the balance of the unexpired term.



Vacancy – Chair-Elect

If the office of Chair-Elect becomes vacant the Directors shall, by secret ballot, elect a Chair-Elect from among the eligible Directors to fill the position.

Election of Officers

At the first meeting, or as soon as practical following an Election Meeting, the Board of Directors will appoint the Chair as Past-Chair, appoint the Chair-Elect as Chair and elect from among the elected Director positions a Chair-Elect.

- a) The appointment/elections for the various offices will be in the following order:
 - i. Appointment of Chair as Past-Chair;
 - ii. Appointment of Chair-Elect as Chair;
 - iii. Election of Chair-Elect
- b) The order of speakers will be determined by random lot. Each candidate will be allotted one speech of two (2) minutes to address the Directorate, following which an election will be conducted by secret ballot. The scrutineer will notify the Chair of the results.
- c) In the event there are more than two candidates and no majority attained, the candidate with the lowest number of votes will be removed from subsequent ballots.
- d) In the event there is a tie for the first place, where no other candidate can be dropped from the ballot, two subsequent ballots will be held between the tied candidates. If the tie is not broken by the second subsequent ballot, the Chair-Elect will be decided based on years of experience on the Board of Directors. If there remains a tie, the Chair-Elect will be decided by a random draw.
- e) In the event there is a tie for last place and no majority attained, all candidate names shall be placed on the subsequent ballot. If the tie is not broken by the subsequent ballot, a run-off ballot shall be held between the persons tied. The person with the fewest votes in the run-off ballot shall be removed from subsequent ballots.
- f) The ballots shall be destroyed following the election.

Officer Qualifications

All Officers (except the CEO) must be Directors and Members in good standing.

- a) In order to be eligible for the office of Chair-Elect, a candidate must be a sitting Director who has served a minimum of one (1) full year as an LSTAR Director within the immediately preceding five (5) years.

1.1.6. DIRECTORS' TERMS OF OFFICE

Terms of office must be in accordance with By-law 6.5. In the event a vacancy occurs on the Board of Directors, the Board will follow By-law 6.9.



Principle #1.2. Director Contribution

1.2.1. BOARD 'AS A WHOLE' DUTIES

The Board is accountable for the entire Organization that is LSTAR with consideration to the following:

- a) The Board of Directors is expected to demonstrate 'due diligence' which requires that Directors take reasonable steps to ensure compliance with any applicable provisions of legislation or regulations.
- b) The Board's authority is derived from the Board 'as a whole'; no one individual or minority group of Directors has authority to direct the CEO or the Organization.
- c) The Board conducts its business and exerts its collective authority only at official Board meetings; any decision of the Board will be taken only at Board meetings and will be officially recorded in the minutes.
- d) The Board will regularly monitor and discuss its own processes and performance.
- e) The Board as a whole will act in strict accordance with the Organization's established governing documents (Legislation, Letters Patent, By-laws, Policies and Practices).

To perform its job, the Board shall:

- a) Determine the mission, visions, values, strategies and major goals/outcomes, and hold the CEO accountable for developing an operating plan based on Policies and Practices.
- b) Determine the boundaries within which the CEO is expected to achieve the goals/outcomes.
- c) Monitor the performance of the Organization relative to the achievement of the goals/outcomes within the CEO boundaries.
- d) Select, fairly compensate, nurture, evaluate annually and—if necessary—terminate a CEO, who functions as the Board's sole employee.
- e) Maintain and constantly improve all ongoing Policies of the Board in this Board Governance Manual.
- f) As soon as possible after the General Election Meeting, the Executive Committee shall select and approve all Committee Chairs, Committee appointees, advisory groups and the Political Action Committee representatives. The Executive Committee shall also recommend any new Task Force or other advisory body to the Directors.
- g) Ensure financial solvency, integrity and transparency through Policies and Practices.
- h) Establish all membership dues and fees.
- i) Require regular financial and other external audits to ensure compliance with the law and with good practices.



- j) Evaluate and constantly improve the Board's performance.

1.2.2. DIRECTORS' DUTIES

All Directors stand in a fiduciary relationship to the Organization. As fiduciaries, Directors are expected to act honestly and in good faith, to exclusively serve the best interests of LSTAR and to exercise the care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

Directors are expected to understand and abide by the following governance duties:

1.2.2.1. Duty of Care/Diligence:

- a) Act reasonably.
- b) Act prudently.
- c) Act in good faith.
- d) Act honestly.
- e) Act with a view to the best interests of the Organization.
- f) Exercise reasonable care.
- g) Be well-informed about finances and activities.
- h) Act cautiously.
- i) Anticipate consequences of decisions and actions before they are undertaken.

1.2.2.2. Duty of Loyalty:

- a) Put the interests of LSTAR first.
- b) Avoid conflicts of interest.
- c) Disclose conflicts if they occur.
- d) Respect confidentiality.
- e) Act as one entity.
- f) Support the decisions of the Board, even if disagreeing personally or voting differently.
- g) Directors shall not advocate, lobby for or assist others who are, or likely will be, dealing with LSTAR.

1.2.2.3. Duty of Obedience:

- a) Act within the contractual relationship that is held with Members.



- b) Obey external laws and rules imposed on LSTAR.
- c) Act within the scope of the governing documents.
- d) Ensure others act within the scope of the governing documents.
- e) Ensure governing documents remain current and accurate.

1.2.2.4. Duty of Impartiality:

Directors must be attentive, fair and impartial in the performance of their functions. This means that:

- a) Directors must strive to be impartial and unbiased in their decision-making.
 - i. They will at no time afford any undue preferential treatment to any group or individual, discriminate against any group or individual or otherwise abuse the power and authority vested in the Board of Directors.
 - ii. Directors will demonstrate a high degree of sensitivity to issues legally protected under the Ontario Human Rights Code—namely age, ancestry, colour, race, citizenship, ethnic origin, place of origin, creed, disability, family status, marital status (including single status), gender identity, gender expression, receipt of public assistance (in housing only), record of offences (in employment only), sex (including pregnancy and breastfeeding) and/or sexual orientation.
- b) Directors shall not engage in any form of discrimination or harassment that is contrary to the letter or spirit of the law, or otherwise bring disrepute to the Board of Directors.
- c) Directors shall conduct themselves in a manner that respects the integrity of the Board of Directors and its processes.

1.2.2.5. Duty of Competence:

Directors will maintain a level of competence, where skill and knowledge are evident in the discharge of statutory responsibilities, obligations and duties.

- a) Directors will develop and maintain a breadth of knowledge and a working understanding of the strategic directions of LSTAR, as well as an awareness of the implications of their decisions and role.
- b) Directors will prepare for Board meetings, including the review of relevant documents.
- c) Directors will take steps to maintain a high level of skill and knowledge of procedural issues, relevant laws and technical issues specific to the Board of Directors, including specific knowledge of emerging issues and trends pertaining to the work of the Board of Directors.
- d) Directors will **not** be involved in the day-to-day management and personnel issues of LSTAR.

1.2.2.6. Duty of Confidentiality:

Directors and non-Director Committee members will maintain the confidentiality of all confidential, sensitive or proprietary information entrusted to them. Confidential information includes, but is not



limited to, information relating to the business or affairs of LSTAR, its Members or suppliers that is not otherwise publicly available. Directors and non-Director Committee members shall not:

- a) Either during their term as Director or non-Director Committee member or any time thereafter, disclose confidential information to any person unless such disclosure is legally mandated or specifically authorized. In such circumstances, the disclosure must be solely for the purposes of fulfilling the Director or non-Director Committee member's obligations to LSTAR.
- b) Disclose the content of discussions, meetings or communications of Directors that is not expressly authorized by the Board of Directors.
- c) Disclose any information that could adversely affect LSTAR's image and/or its reputation.

1.2.2.7. Duty of Speaking with One Voice:

The Board of Directors' decisions are based on majority rule. Compromises and healthy debate are ways of making better decisions. Once a decision is made, Directors are obligated to present this view to the outside world.

- a) The Board of Directors must speak with one voice.
- b) All Directors must publicly uphold the decisions of the full Board of Directors.
- c) If a Director strongly disagrees with a motion, votes against or abstains from voting, the Director can have this noted in the minutes of the proceedings.
- d) Directors must not serve as spokespersons for LSTAR unless designated by the Board to do so.

1.2.2.8. Duty of Collegiality:

Directors will foster a collegial working environment and conduct themselves in a respectful manner that reinforces the integrity and professionalism of the Board of Directors.

- a) Directors must ensure that both the Board and the staff are partners with unique perspectives, and who value one another's insights, comments and experiences.
- b) Directors will be available for meetings and be available to mentor and to assist new Directors.
- c) Directors shall share relevant experiences and information with one another where this can be of benefit to them.
- d) Directors will be committed to positive and constructive forms of interaction through:
 - i. Focusing on issues—not personalities—when disagreeing with each other.
 - ii. Encouraging responsive and attentive listening.
 - iii. Demonstrating respect for the dignity and opinions of each Member through verbal and non-verbal means.
- e) Directors will understand, accept and discharge their duties in accordance with LSTAR's established Policies and Practices, including [Appendix B: Director Code of Conduct & Conflict of Interest Practice](#) and those set out in this document.



- i. Directors will sign off agreeing to abide by these practices on an annual basis.
- ii. Breaching any of these duties will be cause for disciplinary action and/or expulsion from the Board.

The Board of Directors will serve to enforce these Policies and Practices. The Board of Directors is responsible for how they act and how they hold Directors accountable. If this commitment cannot be sustained, resignation is recommended.

1.2.3. BOARD LEADERSHIP DUTIES

When present, the Chair of the Board will chair all meetings of the Board of Directors and will, subject to the direction of the Directors, act as spokesperson for the Board, promote interest and active participation in the Board on the part of the Members and report the activities of the Board to the Members. The Chair has no extraordinary rights or authorities beyond those of any other elected Board Director. The Chair will work with the Directors and the CEO to ensure that the Board and each Director can contribute in a meaningful way to the strategic leadership of LSTAR.

The Officers of the Board must understand, accept and discharge their duties in accordance with By-law 8.6 and the following expectations:

Chair Role

The Chair is the formal leader and representative of the Board internally to the Organization and externally to Stakeholders. This position includes the following responsibilities:

- a) Communicate with—and support—the CEO between meetings.
- b) Act as a resource to the CEO as required.
- c) Focus Board activities on strategic priorities.
- d) Ensure Board goals are developed and implemented.
- e) Ensure the Board Governance Manual is reviewed on a yearly basis by the Board.
- f) Facilitate/coordinate that Board issues are brought to the Board through an effective agenda.
- g) Prepare and review the request for Board reports prior to each meeting.
- h) Work with the Governance Committee to ensure effective Board governance within the Board and its Committees and their work plans.
- i) Preside at all Board and Member meetings and act as Chair.
- j) Encourage Director participation.
- k) Connect with each Director individually and informally to obtain Director feedback.
- l) Speak on behalf of the LSTAR Board.
- m) Promote interest and active participation in the Organization on the part of the



Members and reports activities of the Organization to Members by means of letters, publications, speeches, etc.

- n) Act as official host of all Organization social events (complimentary tickets shall be given to the Chair for all Organization functions, and to their spouse/guest if the occasion warrants).
- o) Act as an ex-officio member at all Committee/Task Force meetings (the Chair may offer input, but may not make motions or vote at the Committee/Task Force meetings unless they are a voting Member of the Committee as stated in the committee's Terms of Reference; their presence only counts as part of quorum if they are a voting member of the Committee).
- p) Review the CEO's expenses at least once per year.
- q) Meet from time to time with the leadership of government and other organizations to discuss problems or solutions of common interest to LSTAR and the real estate profession.
- r) Attend meetings and conferences of OREA, CREA and other groups as deemed necessary for the benefit of the Organization.

The Chair will receive a \$20,000.00 honorarium during their year as Chair. This sum is paid quarterly at the end of each quarter during the term. In addition to the honorarium, the Chair will also receive, at no cost, LSTAR dues during their term as Chair. All functions and travel for which the attendance or presence of the Chair is desired or required shall be at the expense of the Association.

The Chair will also have access to a discretionary expense budget of \$1,500 during their year as Chair to support the advancement of LSTAR's interests and relationships with other Boards and Associations, stakeholders and community partners. Receipts will be submitted to LSTAR for reimbursement.

At the Chair's discretion, the Chair may bring a companion to accompany them to meetings, conferences and/or events, with travel, shared accommodations and 50% of the Per Diem in accordance with LSTAR's Travel Policy (which would be payable to the Chair as a taxable benefit).

Further to these commitments, the Organization will support the Chair as follows:

- a) The new Chair will be announced each January in appropriate media.
- b) The Chair will be given a "Chair's Pin" at the beginning of their term.
- c) The Chair's picture will be taken at the beginning of their term and placed in the Chairs' gallery.

Chair-Elect Role

The Chair-Elect's role is to provide support to the Chair in their duties as the Chair of the Board.

This position includes the following responsibilities:



- a) Act as the official back-up for the Chair position, filling in for Chair responsibilities (as per role description) when the Chair is unavailable to do so.
- b) Shadow and learn from the current Chair to refine the understanding of the Chair position and develop skills that can be applied when the Chair-Elect assumes the position of Chair.
- c) Be conversant with the Organization By-laws, Policies and Practices.
- d) Attend all Directors' meetings and be fully informed on all current issues brought before the Directors for consideration.
- e) Attend other such meetings as are required at the provincial and national levels and reports on the content and value of these meetings to the Board.
- f) Develop a strong and cooperative working relationship with the Chair and the CEO.
- g) Speak on behalf of LSTAR if the Chair is not available.

The Chair Elect will receive a \$6,000 honorarium during their term as Chair Elect. This sum is paid quarterly at the end of each quarter during their term. In addition to the honorarium, the Chair Elect will also receive, at no cost, LSTAR dues during their term as Chair Elect. All functions and travel for which the attendance or presence of the Chair-Elect is desired or required shall be at the expense of the Association.

Past-Chair

The Past-Chair shall have such duties and powers as the Board may specify from time to time.

- a) Attend all meetings of the Directors and perform the duties of a Director.
- b) At the request of the Chair, provide advice and guidance to the Directors as a whole and to the Chair and the Chair-Elect.
- c) From time to time, as appropriate, chair Task Forces as designated by the Chair.
- d) Chair the Nominations Committee.
- e) Perform other duties as required by the Directors, or as requested by the Chair.

The Past-Chair will receive a \$3,000 honorarium during their term as Past-Chair. This sum is paid quarterly at the end of each quarter during their term. The Past-Chair will receive, at no cost, LSTAR dues during their term as Past-Chair. All functions and travel for which the attendance or presence of the Past-Chair is desired or required shall be at the expense of the Association.

1.2.4. BOARD CHAIR PERFORMANCE EXPECTATION

The Chair (and Chair-Elect as back-up) are expected to do their best to adhere to the following standards. The Chair will be evaluated against these standards annually using a self- and peer-to-peer assessment. Results of the assessment are to be reported anonymously. The assessment report will be confidential to the individual and used for developmental purposes (the Chair may



voluntarily agree to share the results with the entire Board).

1.2.4.1. Maintain Relationship with the CEO

Maintain an open and productive working relationship with the CEO. Communicate, coordinate and support Board related activities with the CEO between Board meetings.

1.2.4.2. Ensure an Effective Agenda

Ensure that Board and Director issues are brought to the Board through the development of an effective Board meeting agenda. Ensure agenda items are focused at the right governance/strategic level.

1.2.4.3. Facilitate Productive Meetings

Set and maintain conditions for an engaging and effective Board meeting. Manage Board meeting time to ensure meetings run efficiently and effectively. Respect and adhere to agreed meeting timelines.

1.2.4.4. Focus on Strategic Direction and Priorities

Ensure Board discussions and decisions are linked to the approved strategic plan and priorities for the Organization. Ensure that Member interests remain central to all decisions.

1.2.4.5. Encourage Director Contribution

Encourage every Director to contribute to Board discussions and decisions. Ensure diverse perspectives are welcomed and valued as part of Board dialogue.

1.2.4.6. Manage Disruptive Behaviour

Ensure that Directors adhere to agreed Board meeting protocols. Address Director behaviour that is not conducive to respectful and productive group dialogue and decision-making practices.

1.2.4.7. Steward Board Policy and Practice

Understand and reinforce adherence to Board policy and practice.

1.2.4.8. Advance Board Performance Goals

Ensure Board work plan priorities are clear, documented and moving forward. Ensure governance enhancements are supporting Board effectiveness.

1.2.4.9. Model Director Performance Standards

Lead by example. Champion the high-performance standards expected of all Directors.

1.2.4.10. Fairly Represent the Board

Ensure the Board speaks with one-voice to Stakeholders. Confidently and accurately speak on behalf of the Board in a manner that builds Stakeholder trust and respect for the Board.

1.2.5. DIRECTOR PERFORMANCE EXPECTATIONS

All Directors are expected to do their best to adhere to the following standards. Directors will be evaluated against these standards annually using a self- and peer-to-peer assessment. Results of the assessment will be reported anonymously. The assessment report will be confidential to the individual and the Chair and will be used for development purposes.

1.2.5.1. Be Prepared

Prepare for meetings by reviewing the pre-reading materials in advance, reflecting on the key



issues and forming your thoughts/questions before the meeting. Seek clarification from report authors before the meeting. Come to the meetings ready to address the items on the agenda.

1.2.5.2. Be Attentive

Remain attentive throughout the entire meeting. Avoiding temptations to be distracted by electronic devices or fellow Directors. Listen carefully to the viewpoints offered by fellow Directors.

1.2.5.3. Participate Appropriately

Think and act independently. Actively participate in meetings, drawing on your experience and expertise to bring relevant and constructive insights and perspectives into the dialogue. Avoid dominating the dialogue. Respect the role of the Chair in managing the agenda and group process.

1.2.5.4. Say it in the Meeting

Express your views in the meeting, not before or after the meeting is over.

1.2.5.5. Avoid Micro-Management

Focus your questions and comments at a governance/oversight/strategic level. Do not get into the 'weeds' of operational issues and management's responsibilities. Focus on what needs to be done not how it will be done.

1.2.5.6. Build Mutual Respect

Engage with fellow Directors and management in a respectful manner even when offering a different point of view. Make an effort to build a constructive working relationship with fellow Directors and the management team.

1.2.5.7. Maintain Integrity

Always act ethically and with integrity. Focus your perspectives, discussions and decision-making on the best interests of the Organization and its Members, not on your own interests.

1.2.5.8. Make Well-Informed Decisions

Seek out and use sound evidence when forming and communicating your position on an issue. Do not let your own opinions or the opinions of others interfere with making well-informed decisions that can better withstand challenge from Members and Stakeholders.

1.2.5.9. Support Board Process and Decisions

Respect the Board's decision-making process. Once a formal decision has been made by the Board, support the Board's process and its decision. Respect that the Board speaks with one voice and only through formal mechanisms (minutes/Chair/CEO).

1.2.5.10. Respect Confidentiality

Respect the confidentiality of all Board discussions and organizational business issues. Do not share documents, details of meetings or discussions outside of the Board room.

1.2.5.11. Donation of Time and Expertise

Attend LSTAR functions and special events. Promote and encourage the support of LSTAR in social and public settings.

1.2.6. DIRECTOR (RE)ORIENTATION AND ON-BOARDING

The Board will ensure that the annual Director orientation and on-boarding system provides an effective introduction to the Organization and the requirements of the position for new Directors,



as well as an effective review for existing Directors.

Directors have a duty to be knowledgeable about not only the affairs of LSTAR, but also about the Board's governance Policies and Practices and their rights, duties and obligations as Directors. LSTAR will provide supports that allow Directors to maximize their contribution in the best interests of the Organization through a robust orientation and ongoing training opportunities.

Board orientation will be a critical and on-going process of continuous improvement and capacity building. It will consist of a combination of online courses and annual orientation sessions that will be considered a mandatory part of the Board Director's performance expectations.

As per CREA's Core Standards Policy, LSTAR must provide at least three hours of mandatory education to Directors every year.

Prior to their first meeting, all Directors are required to take a series of courses selected by the Organization.

Further, the Board will host an annual Director (re)orientation, which will include as a minimum an overview of the following:

- a) History, organizational structure, core business activities, resources and staff
- b) Strategic framework, direction and plan
- c) Board-level monitoring tools
- d) Progress against current planning priorities and goals
- e) Environmental scan and risk update
- f) Governance framework, By-laws, Principles, Policies and Practices
- g) Board and Director accountabilities and performance standards
- h) Director Code of Conduct, liability and coverages
- i) Board Committees and mandates
- j) Board meeting protocols and schedule
- k) Biographies, skills and experience of Board members and key senior operational leaders

All Directors are required to take three (3) hours of Director (re)orientation training within 60 days of becoming a Director, as per the 2021 CREA Minimum Standards outline.

Additionally, every new Director will be asked to schedule a meeting with the CEO and the Chair to address any situational needs and establish expectations for the relationship.

1.2.7. DIRECTOR ONGOING DEVELOPMENT

The Board will ensure that Directors receive ongoing education, training and development that continuously improves their ability to carry out their governance responsibilities/duties and keeps them informed about strategic issues facing the Organization.



On an annual basis, the Board of Directors and CEO will identify Board development and continuing education needs. The Board Governance Committee will create an implementation plan and budget to address these needs. Orientation sessions to learn about and understand new practices will form part of the regular Board meeting agenda.

In addition, at least once a year the Board will hold an off-site retreat for one or more of the following purposes:

- a) On-going governance orientation/(re)orientation
- b) Long-term strategic planning
- c) Annual review and renewal of strategic priorities
- d) Team-building

1.2.8. DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Board will be adequately informed about all potential Directors liability issues. The Board will have Director and Officer liability insurance in place at all times.

The Board will annually receive verification of review, renewal and adequacy of the Director and Officer liability insurance and its provider. Directors will be informed of the liability and insurance at the annual governance orientation. Directors will sign off accepting the information and coverage.

1.2.8.1. Liability Under the *Income Tax Act*

Section 227.1 of the **Income Tax Act** imposes personal liability on Directors of corporations who have failed to remit withholding taxes with respect to the corporation's employees. This applies to the Board as a non-profit corporation.

1.2.9. DIRECTOR REMUNERATION AND EXPENSE POLICY

No Director shall be paid for services as a Director and no Director shall be allowed to profit directly or indirectly from their position as a Director. Directors will be reimbursed however, for reasonable expenses that may be incurred in the performance of their duties as a Director, including those detailed in LSTAR's Travel Policy, and be provided with a professional development budget, as set in the Attendance Policy, to build individual and collective leadership capacity for the benefit of the Association.

1.2.10. TRAVEL POLICY

This policy sets out the travel and reimbursement guidelines for anyone travelling on behalf of the Association.

Directors, Members and Staff may attend meetings, conferences, and events on behalf of the Association in accordance with LSTAR's Attendance Policy, or at the discretion of the CEO.

The Association will cover (or reimburse) reasonable travel expenses, including:

- i. Registration Fees:



- a. Where possible, LSTAR shall register attendees and prepay all registration fees for conferences and events on behalf of Directors and Staff.
- ii. Accommodation:
 - a. Where possible, LSTAR shall arrange, book and prepay for all accommodation.
 - b. LSTAR shall cover the charges for a standard room, taxes and parking, if applicable.
 - c. Attendees may need to use a personal credit card to for damage deposits and to facilitate personal charges to the room.
 - d. Where an attendee wishes to make his or her own arrangements, reimbursement for accommodation shall be at the rate arranged by LSTAR.
 - e. Where an attendee wishes to extend their stay for personal reasons, they shall pay for or reimburse the Association for any incurred costs.
- iii. Travel:
 - a. Where possible, LSTAR shall arrange and prepay for all travel, including:
 - i. Air:
 - 1. Return economy class airfare and airport and luggage fees.
 - ii. Personal Auto
 - 1. The mileage reimbursement rate shall be \$0.70 per kilometer.
 - 2. In all instances where personal auto is used, attendees are encouraged to "carpool".
 - iii. Other Transportation
 - 1. For other modes of travel, LSTAR will pay for any reasonable expenses.
 - iv. Other Travel expenses
 - 1. Reasonable expenses for parking, taxis and transfers will be reimbursed.
 - b. In no case may travel arrangements exceed the lesser of the amounts allowable for available or equivalent airfare or personal auto.
- iv. Meals and Incidentals
 - a. Attendees shall receive a Per Diem for meals and incidental expenses when traveling on behalf of LSTAR, including travel days.
 - b. The daily Per Diem maximum is \$250 for travel within Canada and \$350 for travel to the United States.
 - c. Attendees will not be required to submit a receipt for the Per Diem claims.

Where possible, LSTAR will provide Per Diems and mileage to Directors and Staff in advance of travel.

Any expenses incurred during travel on behalf of LSTAR that are covered within this policy, paid by the Director, may be submitted with receipts to the Association within 30 days from the date of the meeting, conference, or event, will be paid out within 15 days of receipt by LSTAR.

If a Director or Staff attending a meeting, conference, or event on behalf of the Association, changes their original travel plans, or fails to attend, any expenses paid by the Association, that cannot be recouped, shall be the responsibility of the Director or Staff to reimburse the Association for that amount.

This policy and the corresponding dollar amounts are in Canadian dollars, unless otherwise stated, and will be reviewed annually by the Finance Committee.

1.2.11. ATTENDANCE POLICY



Voting delegates will attend all annual and special general meetings and carry the Association's votes, as set in CREA, OREA and ORCF's Bylaws.

Unless otherwise passed by a resolution at a regularly scheduled meeting of the Board of Directors, the official voting delegates shall be as follows and assigned in the following order:

- Chair
- Chair-Elect
- Past-Chair
- An alternate will be appointed, if required

To support good governance and awareness of provincial and national issues that may impact the Association and its membership, all Directors shall have the opportunity to attend all OREA, ORCF and CREA annual general meetings and lobby days.

To support individual professional development and address skills and competency gaps on the Board, all Directors will have access to a budget of \$8,000 to attend additional conferences, events and/or take leadership training, including, but not limited to, those hosted by other Boards and Associations.

After the first meeting of the Board, the Chair and LSTAR Staff will work with each Director to determine how they can best utilize their leadership development budget allocation.

Persons attending conferences and events at LSTAR's expense are expected to attend, participate in the associated sessions and events included as part of the conference and contribute to a debrief at the next Board of Directors meeting to share insights and feedback.

1.2.12. DIRECTOR TRAVEL INSURANCE POLICY

The Association's Travel Insurance Policy covers all persons travelling on LSTAR business within Canada and the United States.

1.2.13. SOCIAL MEDIA USE

LSTAR has established accounts on several Social Media networks to provide LSTAR Members and the public with an online network where they can have access to up-to-date and valuable information about the real estate market and LSTAR activities, thereby expanding the dialogue about matters important to the London and St. Thomas real estate environment beyond the borders of membership.

If a Director chooses to participate in any LSTAR-sponsored Social Media activity, the Member must do so in accordance with [LSTAR's Social Media Policy \(Appendix Q\)](#) and all other LSTAR policies and applicable laws.

The Board will also ensure that if/when LSTAR Directors post and interact through their own Social Media, they do so in an appropriate manner. LSTAR respects the rights of its Directors to use Social Media in both their personal and professional lives. However, Directors must adhere to this policy.

Directors must demonstrate professionalism, honesty, fairness and integrity at all times in these online settings. Directors are prohibited from posting content on social media sites that may be considered offensive (i.e., obscene, harassing, mean-spirited, menacing, disrespectful,



discriminatory, fraudulent, invasive of privacy, infringing on intellectual property rights or otherwise injurious or objectionable).

LSTAR reserves the right to monitor social media sites. Directors should not expect any posts or comments they publish on any social media sites to be private. Directors must not disclose any personal, confidential or proprietary information about LSTAR, its Members, employees, volunteers or others associated with LSTAR. Directors using social media must respect copyrights, trademarks, rights of publicity and other third-party rights.



2. GOOD GOVERNANCE DIMENSION 2: CLEAR AND SUPPORTIVE STRUCTURES

Principle #2.1. Board Accountability

2.1.1. LETTERS PATENT & BY-LAWS

The Board will ensure that LSTAR's Letters Patent and By-laws comply with legislation, are relevant to the Organization within its evolving context and support effective decision making and monitoring.

Letters Patent

The intention of the Letters Patent (or any Articles of Continuance) is a clear articulation of the key purpose and scope of the activities of the Organization as a legal entity. When changes to any By-law, key Policies and Practices or strategic directions are considered, the Letters Patent will be checked to ensure the changes are within the scope of the Letters Patent and there is no contravention of the Letters Patent. If there is a need to change the Letters Patent, legal counsel must be sought.

By-laws and Policies

The intention of By-laws is to guide the Members of the Organization in their stewardship and oversight responsibilities. By-laws inform and provide a foundation for governing Policies and Practices and are not intended to act as the sole governing policy document for the Organization. From time to time, government legislation may change and By-laws must be kept current with new legislation. The Governance Committee is responsible for the review and upkeep of the By-laws. Any consideration for a By-law change shall be discussed fully with the Board prior to being brought forward for a vote by Members. If there is a lack of alignment between the By-laws and the Policies and Practices or strategic directions, the Governance Committee will review both and determine whether the By-law, Policy, or strategic direction must be altered to ensure alignment.

The provisions of the By-laws may be amended or repealed by an Ordinary Resolution passed at a duly constituted Members' meeting. By-law amendments are effective from the date of the resolution of the Directors. They cease to be effective if they are not submitted to the Members' meeting or if they are rejected by the Members (By-law Article 2.1).

The Board may, by Ordinary Resolution, adopt, amend or repeal Policies that are not inconsistent with the By-laws relating to the management and operation of LSTAR, as well as procedural and other requirements relating to the By-law. Any such Policy will immediately come into force and apply to the Board, and all Members and will continue to have force and effect until amended, repealed or replaced by a subsequent resolution of the Board.

2.1.2. BOARD GOVERNANCE MANUAL

The Board's approach to governance will be based on evidenced good practice. The Governance Committee will develop, oversee and evolve LSTAR's approach to governance. The Board will maintain governance documentation (a Board Governance Manual) that provides Directors and Stakeholders with clear direction on the 'what' and 'how' of governing the organization to the highest standard. The Board will have a Practice for renewing its good practice standards.

The Governance Committee is responsible for the regular review and upkeep of LSTAR's Board Governance Manual (Principles, Policies and Practices). Any changes to a Policy or Practice will be approved by the Board and documented in the Board Governance Manual.



The CEO is authorized to make minor amendments to the Governance Manual such as policy numbering, punctuation, cross-references, operational changes and other wording adjustments necessary to add clarity and/or accurately reflect the intention of the policy and that do not change the intention of any Principle, Policy or Practice. The CEO must advise the Governance Committee of any changes made.

2.1.3. GOVERNANCE DISCLOSURE

The Board will ensure clear and transparent disclosure of LSTAR's governance Principles, Policies and Practices to its Stakeholders.

The Board—through the CEO—will have the Board Governance Manual available to the staff and all other Stakeholders through the most effective communications vehicles available to ensure transparency and instill confidence.

2.1.4. DELEGATION OF AUTHORITY

All Board authority delegated to staff is delegated through the CEO, so that all authority and accountability of staff—as far as the Board is concerned—is considered the authority and accountability of the CEO. The CEO shall be employed by and report to the Board.

The CEO is authorized to establish all further operational Policies, make all decisions, take all actions and develop all activities as long as they are consistent with any reasonable interpretation of the Board's governance Policies and Practices.

The Board may change its Policies during any meeting. Consequently, the Board may change the latitude of choice given to the CEO, but so long as any particular delegation of authority is in place, the Board and its Members will respect and support the CEO's choices. This does not prevent the Board from obtaining information in the areas where it has delegated authority to the CEO.

Except when a person or Committee has been authorized by the Board to incur some amount of staff cost for study of an issue, no Director, Officer, or Committee has authority over the CEO. Only Officers or Committee Chairs may request information, but if such a request—in the CEO's judgment—requires a material amount of staff time or funds or is disruptive, it may be referred to the Board of Directors

The CEO shall be responsible for the general supervision of the day-to-day conduct of business of LSTAR and shall have such other duties and powers as the Board may specify in Policy.

The CEO shall act as the Secretary/Treasurer of the Organization. The CEO shall be the custodian of all Organization funds and securities subject to the direction of the Finance Committee and Board of Directors.

The CEO and/or any Organization staff shall be bonded in such amounts as the Board of Directors deems appropriate.



2.1.5. BOARD MEETINGS

The Board will ensure that the number, frequency and structure of Board meetings supports the Board in effective monitoring and decision making. Board meetings will be organized to ensure the best use of Directors' face-to-face dialogue time. Meetings will effectively and efficiently address compliance and performance monitoring requirements to afford sufficient time to focus on forward-looking, strategic-level issues that can benefit from the breadth of Director diversity and competence.

Board meetings will be called with notice given in accordance with Article 7.2 of the By-laws. The Board will meet at least four (4) times annually. A schedule of meetings will be provided at the beginning of each new Board year.

The Board may also hold additional meetings (may be virtual or via teleconference) if a pressing discussion or decision is required. Decisions may be made electronically in between meetings through electronic ballots.

The meeting minutes, detailed meeting agenda and preparation package will be sent to all Directors at least one week in advance of any scheduled meeting. Directors are expected to read the Board package in advance, attend all Board meetings in person and come prepared to participate fully in the agenda. Board meetings will be led/facilitated by the Chair with support from the CEO.

LSTAR will follow accepted [Board Meeting Protocols and Report Framework \(Appendix E\)](#) to ensure thoroughness and consistency of meeting material and meeting proceedings. [Board & Committee Meeting Evaluation \(Appendix D\)](#) will be used to ensure continuous improvement of all Board meetings.

All newly-elected Directors will be allowed to attend the balance of Directors meetings as observers after they have been elected and prior to their term of office commencing.

Principle #2.2. Board Committees

2.2.1. COMMITTEES

Subject to the limitations on delegation set out in the Act and the By-laws, the Board may establish any Committee or other advisory body it determines necessary for the execution of the Board's governance responsibilities. The Board will determine the composition and Terms of Reference for any such Committee. Board Committees will report directly to the Board of Directors. The Board may dissolve any Committee by resolution at any time.

The Board expects the CEO to form Operational Committees (including working groups, program Committees or Task Forces) as they deem necessary to support the day-to-day management of the organization. Operational Committees will report directly to the CEO. The CEO will keep the Board apprised of any material developments of Operational Committees.



2.2.2. BOARD COMMITTEES

2.2.2.1. Terms of Reference

The current Board Committees and their Terms of Reference are in [Appendix C: Committee Terms of Reference](#). They include:

- a) Arbitration Committee
- b) Audit and Risk Committee
- c) Commercial Committee
- d) Community Engagement Committee
- e) Discipline Committee
- f) Diversity, Equity and Inclusion Committee
- g) Education Committee
- h) Executive Committee
- i) Finance Committee
- j) Governance Committee
- k) Nominating Committee
- l) Political Affairs Committee
- m) Professional Standards Committee

The Board will review its Committee structure and the Terms of Reference on an annual basis.

2.2.2.2. Committee (Re)Orientation and On-Boarding

The Board will ensure that an annual Committee Orientation and on-boarding system provides an effective introduction to the Organization and the requirements of the position for new Chairs and Members, as well as an effective review for existing Committee Members.

Committee Chairs and Members have a duty to be knowledgeable about not only the affairs of their Committees, but also about LSTAR's governance system, Policies and Practices and the expectations for them set by the Board. Orientation and any assigned courses will be considered a key part of Committee Performance Expectations.



2.2.3. COMMITTEE PERFORMANCE EXPECTATIONS

Committees are expected to do their best to adhere to the following standards. Committees will be evaluated against these standards annually. Each Committee Member and the CEO will provide their individual assessment. Results of the assessment will be reported anonymously. The assessment report will be shared with the Board and will be used for Committee development and composition purposes.

2.2.3.1. Clear and Accurate Terms of Reference

Committee Terms of Reference are accurate and effectively inform the composition and work of the Committee. Committee Members have been oriented to the Terms of Reference.

2.2.3.2. Focused Work Plan

The committee work plan accurately describes the priorities for the coming year, including timeframes, deliverables and resource assignment. The work plan has been approved by the Board of Directors.

Committee Members have been oriented to the work plan. The work plan is kept up to date throughout the year and is an accurate record of the progress of the Committee.

2.2.3.3. Appropriate Committee Membership

Committee Members exhibit the attitude, skills, experience and competencies required to be effective contributors to the work of the Committee. There is a good balance of experience and fresh perspectives on the Committee.

2.2.3.4. Completion of Orientation and Training

All Committee Members shall take part in LSTAR's Annual Committee Orientation and take all assigned training prior to their first meeting.

2.2.3.5. Effective Meeting Agenda and Material

Committee meeting agendas are established ahead of time, are clear and enable the Committee to focus on their work. Agenda items are well-supported with background material that enables Members to come well-prepared.

2.2.3.6. Productive Meetings

The Committee Chair sets and maintains conditions for an engaging and effective meeting. Meeting time is managed to ensure they run efficiently and effectively. Meetings respect and adhere to agreed timelines. Sufficient meetings are scheduled to accomplish the work of the Committee.

2.2.3.7. Prepared Members

Committee Members come well prepared and come ready to address the items on the agenda.

2.2.3.8. Balanced Member Contribution

All Committee Members are encouraged to contribute to Committee discussions and decisions. Diverse perspectives are welcomed and valued as part of Committee dialogue.

2.2.3.9. Effective Staff Support

Staff Liaison support the work of the Committee and contribute to efficient and effective Committee work.

2.2.3.10. Informed Recommendations

The work of the Committee results in well-informed recommendations that the Board can readily



understand and address. Committee recommendations are largely endorsed by the Board.

2.2.3.11. Meeting Evaluations

Meeting evaluations are completed annually. These evaluations are reviewed by the Committee Chair and Staff Liaison who act on the feedback to continually improve the effectiveness of meetings.

2.2.4. COMMITTEE CHAIR PERFORMANCE EXPECTATIONS

Committee Chairs are expected to do their best to adhere to the following standards. The Committee Chairs will be evaluated against these standards, annually using a self- and peer-to-peer assessment.

2.2.4.1. Maintain Relationship with Committee Members

Maintain an open and productive working relationship with the Committee members. Communicate, coordinate and support Committee-related activities with the Staff Liaison between Board meetings.

2.2.4.2. Ensure an Effective Agenda

Ensure that issues are brought to the Committee through the development of an effective meeting agenda. Ensure agenda items are focused at the right Committee level.

2.2.4.3. Facilitate Productive Meetings

Set and maintain conditions for an engaging and effective Committee meeting. Manage meeting time to ensure meetings run efficiently and effectively. Respect and adhere to agreed meeting timelines.

2.2.4.4. Focus on Terms of Reference and Work Plan

Ensure Committee discussions and decisions are linked to the approved Terms of Reference and work plan for the Committee. Ensure that Member interests remain central to all decisions.

2.2.4.5. Encourage Committee Member Contribution

Encourage every member to contribute to Committee discussions and decisions. Ensure diverse perspectives are welcomed and valued as part of Committee dialogue.

2.2.4.6. Manage Disruptive Behaviour

Ensure that members adhere to agreed meeting protocols. Address member behaviour that is not conducive to respectful and productive group dialogue and decision-making practices.

2.2.4.7. Steward Board Policy and Practice

Understand and reinforce adherence to Board Policy and Practices as they relate to Committee work.

2.2.4.8. Advance Board Performance Goals

Ensure Committee work plan priorities are clear, documented and aligned with the Board's expectations.

2.2.4.9. Model Director Performance Standards

Lead by example. Champion the high performance standards expected of all Directors.

2.2.4.10. Fairly Represent the Committee

Ensure the Committee speaks with one voice to the Board and CEO. Confidently and accurately



speak on behalf of the Committee in a manner that builds trust and respect for the Committee.

2.2.5. DISSEMINATION OF INFORMATION/MATERIAL

Distribution of Meeting Minutes

Committee

- a) To the Chairs in advance of next meeting.
- b) To the Committee Members.
- c) To the Board of Directors.

Board of Directors

- a) To all Directors in advance of next meeting.
- b) Once approved by the Board of Directors, the minutes will be posted on the Members-only website with a notice being put in e-Bulletin notifying Members they are available.
- c) On copies available to the Members, names of Directors and Members will be deleted if the item being dealt with is of a sensitive nature.

Annual Meeting

- a) To every Member of the Organization ten days in advance of the Annual General Meeting.

Member Meeting

- a) To all Members in advance of the next Members Meeting.



3. GOOD GOVERNANCE DIMENSION 3: RELIABLE AND ENABLING PROCESSES

Principle #3.1. Board Decision-Making

3.1.1. BOARD DECISION MAKING

The Board will have in place a decision-making process that meets current good practice. Board Directors will exercise independence of mind in decision-making. The Board will leverage the diversity of its Directors' knowledge and experience—as well as input from Members and Stakeholders—in discussions and decision-making. The Board will use the Organization's mission, vision, values, strategic plan and priorities as key criteria in its decision-making practice.

The Board seeks informed consensus among its Directors wherever it is reasonably possible. Each Director is given an opportunity to share their opinion on any matter that is before the Board. Accordingly, the Chair and the CEO will:

- a) Provide each Director with a Board brief (report) prior to deliberations which will, at a minimum, include:
 - i. Statement of Board accountability for the item.
 - ii. All relevant facts and data.
 - iii. The perspectives of key Stakeholders.
 - iv. List of available choices or courses of action.
 - v. Rationale for a particular recommendation.
 - vi. Identification of major risks or consequences associated with a particular recommendation.
 - vii. Any other information considered necessary for making an informed decision.
- b) Ensure that adequate provision is made for a robust and transparent discussion and debate between Directors on any matter before the Board during its deliberations.

If additional information or consultation is needed and the decision is not urgent, the Board may defer through a majority vote. Procedural issues at LSTAR meetings must be determined in accordance with the latest edition of **Robert's Rules of Order** (By-law Article 14.1)

The Board passes any motion before it by Ordinary Resolution. The Chair acts as an independent Director and may express a position and vote on all matters before the Board. In case of an equality of votes, the Chair does not have a second or casting vote and the matter shall be lost. The Board will maintain a record of all final decisions in the official meeting minutes.

Where a Director expresses a dissenting view and wishes it recorded, the Board will make note of such dissent in the minutes. Notwithstanding a Director's dissent (recorded or otherwise), the Director remains bound by the terms of the Code of Conduct.

3.1.2. STRATEGIC PLAN AND RENEWAL

The Board will approve and have in place a strategic plan for the Organization that sets out a clear, relevant and meaningful strategic direction. The strategic plan will articulate a longer-term view of the Organization; outline strategic intentions, priorities and desired outcomes; and provide clear direction that will guide the CEO's operational decisions.



The Board will set time aside every three (3) to four (4) years to undertake a fulsome strategic planning exercise in accordance with best practices. The Board, in consultation with the CEO, will develop a multi-year strategic plan that clearly articulates the preferred future of LSTAR. The strategic planning process will include, at a minimum, the following key components:

- a) Identification of Stakeholders
- b) Engagement of critical industry/community partners
- c) Environmental scan (P.E.S.T.L.E.)
- d) Review of strengths, weaknesses, opportunities and threats (S.W.O.T.)
- e) Program and service evaluation
- f) Review of statements of mission, vision and values
- g) Development of strategic direction, priorities and objectives

The Board will formulate a limited number of strategic objectives defined by measurable results within approximate timeframes.

The Board will approve the strategic plan prior to the CEO establishing the annual operating plan and budget.

The Board will set time aside annually to review the strategic plan to ensure its relevancy in the face of changing organizational/environmental circumstances. The outcomes will be measured, reviewed and communicated annually as part of the Board's Annual Report.

3.1.3. OPERATING PLAN AND BUDGET

The Board will delegate to the CEO the responsibility to develop an annual operational plan, budget and performance metrics that support the Board-approved strategic plan. The Board will review and approve the performance metrics and the overall financial resource allocation for LSTAR.

The operational plan, budget and performance metrics are presented by the CEO to the Board as part of the annual governance cycle. The Board will approve the budget resources required to advance the CEO's operational plan in support of the Board-approved strategic plan. The Board will receive summary progress reports on the strategic plan quarterly.

The Board will receive summary financial reports at each regular Board meeting. These reports provide the Board with comparisons to approved measures and budget submissions, projected funding to actual spending forecasts to year-end and explanations of all spending variances larger than 10%. Any significant revisions to the financial plan are reviewed first by the Finance Committee and approved by the Board.

The Finance and Audit & Risk Committees have the authority to review financial matters related to the business of the Organization and to report to the Board. The Finance and Audit & Risk Committees are responsible for the review and presentation for approval of the Organization's audited financial statements at the Annual Meeting and the annual review of the Organization's Investment Policy ([Appendix L: Investment Policy](#)).



Banking

The Organization must engage a Financial Account Executive to administer its investments in order to minimize risks and maximize interest income.

At the discretion of the Finance Chair and the CEO, cash on hand shall be sent to an investment counselor for investments, with the object of earning the maximum amount of interest.

All interest earned on the funds deposited in the General Reserve will be credited to and remain in that account.

The Organization will have a corporate credit card to facilitate Organization purchases and to allow for the payment of conference costs.

Budget

The Finance Committee shall recommend a budget for approval to the Board.

The CEO shall be authorized to approve expenditures up to \$25,000 that are required on an immediate and urgent basis and subject to reporting to the Board at its next scheduled meeting.

3.1.4. DISASTER RECOVERY PLAN

The Board will approve and have in place a disaster recovery plan for LSTAR that sets out how the Organization will mitigate unforeseen catastrophic events that jeopardize mission-critical operations.

The Board will work with the CEO to develop the disaster plan which will be reviewed as part of the risk management plan in Section 3.2.2 of this manual.

3.1.5. CEO SUCCESSION PLAN

The Board will work with the CEO to develop a longer-term succession strategy, plan and policy to guide the Board's activities when the time comes to replace the CEO.

To ensure the continuity of services in the case of an emergency, the CEO shall ensure that at least two Members of the management team are sufficiently familiar with Board and CEO matters and procedures and at least one can assume the duties of the CEO in the event of the sudden loss of CEO services. The long-term and emergency succession plan will be reviewed and updated annually by the Board.

Succession planning is a three-part process by which an organization identifies:

- a) Its future needs.
- b) The skills required by the CEO to accomplish those future needs.
- c) A plan with a specific timetable to develop the abilities of the CEO so that, when called upon, they can accomplish LSTAR's needs.

The LSTAR Board assigns the Chair to oversee the succession process with the support of the CEO, if available, or the CEO's designate. The Board will identify an interim CEO or immediate replacement candidate from within the existing staff. LSTAR will then create a Search Committee to oversee the hiring process, review the strategic direction of the Organization and define and/or



update the job description for the position. LSTAR will engage an executive recruitment firm to conduct a widespread talent search.

Principle #3.2. Board Monitoring

3.2.1. ORGANIZATIONAL COMPLIANCE

The Board will ensure that LSTAR operates legally at all times. The Board will ensure that the Organization meets its regulatory and compliance standards at all times, and that all legal, regulatory and compliance documents and records are properly prepared, approved and maintained.

The Board, in collaboration with the CEO, will develop a reporting process to ensure that the Board receives accurate and timely information to enable it to fulfill its governance obligations.

The CEO must prepare a comprehensive list of all compliance requirements and provide regular reports to the Board as part of their regular monitoring accountability.

3.2.2. PRINCIPAL RISKS

The Board—with the CEO—will identify and monitor the principal risks of the Organization and ensure that they are being mitigated. The Board will ensure that developments which have a significant and material impact on the Organization are reported in a timely manner.

The Board—through the CEO—will ensure that there are both internal and external risk control processes in place regarding the effectiveness of:

- a) Operations
- b) Governance
- c) Reliability of financial reporting
- d) Employment relationships
- e) Recruitment and monitoring of staff and volunteers
- f) Property management
- g) Compliance with all relevant laws and regulations
- h) Health and safety guidelines
- i) External influences upon the Organization

The CEO—supported by staff—is responsible for overseeing the implementation of the risk management strategy across all parts of the Organization and establishing, maintaining and reviewing an effective risk management process.

The Board will monitor risk management reports quarterly and provide feedback and direction to the CEO as required.



3.2.2.1. Data Security

- a) LSTAR commits to having a policy in place so that it may always be Payment Card Industry (PCI) Data Security compliant.
- b) It shall be LSTAR's general policy not to retain on file any credit card numbers.
- c) Access to financial documents shall be given only to those staff requiring access to credit card holder information for the purpose of processing payments owed to LSTAR.
- d) An agreement is to be struck with LSTAR's member management system provider whereby the system is not to retain in any manner credit card information.

3.2.2.2. Incident Reporting

In the event a significant risk incident occurs (including but not limited to loss of life, legal action, judicial order, crimes involving Board Members or staff, financial malfeasance and/or significant adverse media coverage) the CEO must contact the Chair, who may implement one or more of the following processes:

- a) All Board Members are contacted at the direction of the Chair.
- b) The Officers meet as soon as is reasonably possible to determine and direct a suitable response and timely course of action.
- c) Where it would be improper for the Chair, Chair-Elect or CEO to participate on an ad hoc Risk or Crisis Response Committee, then the Board may appoint other Members to the ad hoc Committee as is reasonably required to manage the critical incident.
- d) An emergency meeting of the Board is convened at the earliest opportunity.

3.2.3. ORGANIZATIONAL PERFORMANCE

The Board will establish the Organization's performance goals and monitor performance progress via the strategic plan and budget. The Board will ensure that the performance goals and monitoring thereof include metrics that cover the following:

- a) Members
- b) Stakeholders
- c) People/HR
- d) Internal Systems
- e) Financial

Performance against target will be monitored and reported regularly. The Board will ensure that the financial results are reported fairly and in accordance with **Generally Accepted Accounting Principles (GAAP)**. The Board will ensure there is clear and transparent disclosure of the Organization's financial results to its key Stakeholders.



Evaluation of performance against established targets is tracked by the CEO and monitored and reviewed at every meeting. The Board ensures that all financial data and performance results are reported fairly and accurately by constructively questioning the CEO's reports, assumptions and assessments. The Board ensures that there is a clear, comprehensive and transparent disclosure of all relevant financial data and performance results to Stakeholders.

3.2.4. AUDIT FUNCTION

The Board will ensure that there is separation and objectivity between the regular financial duties of the Board and that of the audit function. The Board will ensure that the process for reviewing and selecting the Organization's auditor meets required standards and good practice.

The Board delegates audit-related oversight and activity to the Finance Committee and Audit & Risk Committee. Annually, the Board reviews the performance of the previous fiscal years' auditor and formally ratifies their position for the current fiscal year. For the sake of due diligence, the Board will ensure the lead auditor is rotated at least every five years and call for tenders to auditing firms at least once every seven years.

3.2.5. CEO PERFORMANCE

The Board will have in place an employment contract with the CEO that meets current good practice. The Board will monitor, evaluate and fairly compensate the CEO based on agreed performance objectives and expectations using a performance management system that meets current good practice. The CEO's contract and performance shall be reviewed annually.

The Board ensures that a valid contract of employment is executed annually. The Board, by delegation to the Officers, meets with the CEO annually to:

- a) Review, update and amend the CEO's job description and performance objectives as required.
- b) Review and assess the performance of the CEO against the job description and the goals and objectives set at the beginning of the current period.
- c) Provide the CEO with constructive feedback about their strengths and opportunities to build professional capacity.
- d) Discuss and agree upon goals and objectives for the subsequent period.
- e) Discuss and plan for training and development, if/as required.

The Board will adopt a good practice [CEO Performance Evaluation Framework \(Appendix H\)](#). All Directors will be afforded the opportunity to provide performance feedback to the CEO and to determine subsequent years' CEO performance goals. All Directors will participate in the approval of the CEO's annual evaluation. Once the evaluation is completed, the Officers review the Board-approved assessment results with the CEO. The outcome of the evaluation and compensation per the CEO's contract will be reported to and approved by the Board.

3.2.6. BOARD PERFORMANCE



The Board will ensure there is an assessment practice in place to evaluate the Board's performance against accepted governance standards. The Board will develop and adopt annual goals for itself distinct from the goals of the Organization. The goals of the Board will support the strategic priorities of the Organization and support good governance practices. The Board will regularly measure and monitor the progress towards its own goals.

The Board endorses the principal of continuous improvement and undertakes several governance related performance evaluations every year, including:

- a) The Board as a Whole: [Appendix G: Board Standards & Assessment](#)
- b) Board and Committee Meetings: [Appendix D: Board & Committee Meeting Evaluation](#)

Feedback gathered through these governance performance evaluations is used to enhance Director contribution and to determine the Board's annual work plan.

The Board's annual work plan describes the activities that the Board and Committees will undertake in the coming year to support the strategic priorities of the Organization and to improve governance functioning.

The Governance Committee is delegated the responsibility to oversee the governance-related performance evaluations and to develop the Board's annual work plan. The Governance Committee will use the [Board Work Plan \(Appendix F\)](#) as a guide for developing the plan.



4. GOOD GOVERNANCE DIMENSION 4: HEALTHY AND SUSTAINABLE CULTURE

Principle #4.1. Organizational Sustainability

4.1.1. MEMBER-FOCUSED

The Board will ensure that all its decisions and monitoring structures, processes, systems and activities are Member-focused. The Board will engage and consult with the Members it serves during the strategic planning process. Members' needs and expectations will drive organizational decisions. The outcomes achieved in relation to the strategic decisions and plan will be communicated annually by the Board to Members at the Annual Meeting.

LSTAR's member focused policies include;

- [Appendix M: Membership, Dues and Fees](#)
- [Appendix K: Awards, Certificates, Presentations & Events](#)
- [Appendix N: Professional Standards, Discipline & Appeal Policy](#)
- [Appendix P: Arbitration and Appeal Policy](#)
- [Appendix O: Principles of Competition](#)
- [Appendix R: Education, Training and Fees Policy](#)
- [Appendix S: Harassment Policy](#)

4.1.2. STAKEHOLDERS

The Board will ensure it has clearly identified the key Stakeholders who influence the success of LSTAR. Stakeholder needs and expectations will influence organizational decisions. The outcomes achieved in relation to the strategic decisions and plan will be communicated annually by the Board to Stakeholders at the Annual Meeting and LSTAR's website.

4.1.3. RELATIONSHIP AND ENGAGEMENT

The Board will foster relationships with its Members, Stakeholders and volunteers that are inclusive, engaging, transparent and collaborative. The CEO is responsible for establishing effective relations with the external environment. Accordingly, the CEO will:

- a) Ensure the Organization is adequately represented by an informed, articulate and professional spokesperson.
- b) Pursue every suitable opportunity for the Organization to take an active leadership role in sector/community/partner engagement related to its mandate.

The Board will ensure there are Policies and Practices that enables individuals to come forward with information on illegal practice or violations of organizational Policies.

4.1.4. QUALITY

The Board will ensure that its structures, systems, Policies and Practices meet the highest performance standards and support a culture of continuous performance improvement.

The Board will annually review the overall effectiveness, efficiency and performance of the Organization to ensure they are consistent with LSTAR's mission and that they respond effectively to the identified needs of Members and Stakeholders.



The CEO will monitor performance and report progress at least semi-annually to the Board.

4.1.5. WORKPLACE HEALTH

The Board will ensure that all its structures and systems, as well as its Policies and Practices, support a healthy and sustainable workplace. The CEO will monitor to ensure the health and sustainability of the workplace.

The CEO will ensure LSTAR has written, legally-reviewed human resource policies that meet or exceed all applicable legislation and standards.



APPENDICES



APPENDIX A: DIRECTOR ATTRIBUTE MATRIX

Overview

Recruiting, electing and leveraging capable Directors is critical to the ongoing success of the organization. Ensuring there is alignment between the competency requirements of the Board and the competencies of its Directors is key to effective Board functioning. To do this, LSTAR must define the attributes it feels are necessary for Board Directors to possess. It must also introduce a robust process for ensuring that these attributes more strongly influence the recruitment, nomination, election and development of future Board Directors.

Guiding Principle for Candidacy

LSTAR will actively seek out and qualify interested candidates from among the members and member organizations that best fit the competency and experience requirements needed to augment the Board's current competency profile in service to LSTAR's Mission, Vision and Strategic Priorities. Candidates should be "ready, willing and able" to fulfill all of the Director duties and performance expectations of the Board on behalf of its stakeholders.

- Candidates must understand and be willing to support LSTAR's chosen style of governance;
- Candidates will be identified and qualified based on their ability to govern in the context of a not-for-profit corporation;
- LSTAR, through the Nominating Committee, will maintain a regular pool of interested and qualified candidates ready for consideration as needed; and
- Directors will need to understand their powers and obligations to support candidate recruitment and to elect the best candidate(s) that will fit LSTAR's expressed competency needs (which may change over time).

Director Attribute Framework (Matrix)

In determining the Director Attribute Framework, attention has been placed on ensuring that the criteria are:

1. **Objective:** not unduly influenced by personal feelings, interpretations or prejudice; based on facts; unbiased.
2. **Relevant:** have a bearing on or connection with the subject at issue, specifically Board Director accountability, responsibility and contribution to LSTAR's unique context.
3. **Rigorous:** requires close attention to standards and procedures.
4. **Robust:** strong enough to withstand or overcome intellectual challenges.

Proposed Attribute "Matrix"

The matrix is comprised of three interrelated components:

- A. Professional/work experience & expertise
- B. Board experience & expertise
- C. Other contextually relevant considerations

It is important to note that no one dimension should be used exclusively to determine the capability and fit of an individual. The combination of elements must be considered in relation to the unique context of the



organization. In this way the application of the “matrix” must be both disciplined and somewhat organic in its implementation.

Each element in the matrix (which cover sections A and B) should be self-rated using the following scale:

- 0 - Little or no competence
- 1 - Basic functional competence
- 2 - Modest functional competence
- 3 - Expert level competence

All sitting Directors and any Director candidate will be required to complete the attribute matrix. An online tool will be developed to assist with the annual inventory and regular competency profile. Consideration may be given to requiring a senior colleague to “attest” to a candidate’s self-rating.

A composite of the Board’s overall profile will be developed from these forms to create a “map” of the current capacity and competence of the Board. From this map, gaps will be identified and recruitment and development efforts can be focused. The form will be used to qualify and understand the competencies of candidates that can best round out the Board’s composition. The form (or version of it) will also be used to communicate each candidate’s profile to the voting membership in an effort to portray candidate qualifications in a fulsome and consistent fashion.

A. Professional/Work Experience

It is useful to understand the varied professional/work experience gained through an individual’s lifetime of employment, volunteer association and applied effort. This experience can enhance Board capacity by ensuring more diverse perspectives during Board dialogue and decision-making. The following Areas of Experience seek to identify some of the unique and higher value-add dimensions that may benefit the Board’s capacity to govern.

<i>Areas of Experience</i>	<i>As determined by competence with the some or all of each of the following:</i>	<i>Rate</i>
1. Law / Legislation / Regulation	Contracts, insurance, risk management, corporations Act, regulatory regimes, IP, litigation	
2. Risk management	ERM, crisis management, disaster planning	
3. Collaboration and Partnerships	Identifying, negotiating and engaging in multi-organization collaboration, partnerships or hubs	
4. Financial services sector	Experience with investments, investment policies, business lending, credit reviews, business development, strategic business advisory services	
5. Marketing / Sales	Strategic marketing, competitive analysis and strategy, operational marketing, customer planning, marketing mix, 4P’s, sales, sales management	
6. Public relations	Media relations, community relations, stakeholder / shareholder relations	
7. Government relations	Lobbying, advocacy, public policy	
8. Technology / Research & Development	Technological trends, adoption of technology, and commercialization of research	

B. Board Experience



It is possible that Directors may not have much prior not-for-profit board experience. Additionally, Directors may have little formal training or education in governance. While simply having prior Board experience can be helpful, it is equally important to understand the context of that experience, and the specific role(s) the individual has held. The following areas of Board Experience seek to identify some of the unique and governance related dimensions that may benefit the Board's capacity to govern.

<i>Board Experience</i>	<i>As determined by year of experience in role:</i>
1. Director Training/Certification	List: (e.g. Institute of Corporate Directors)
2. Director on for-profit corporation Board	Organization name(s) Basic description of organization Years of service
3. Director on NFP corporation Board	Organization name(s) Basic description of organization Years of service
4. Chair	Organization name(s) Basic description of organization Years of service
5. Board Committee Member	Organization name(s) and Committee name/mandate Basic description of organization Years of service
6. Board Committee Chair	Organization name(s) and Committee name/mandate Basic description of organization Years of service
7. LSTAR/Committee Participation	Committee name(s) Years of service
8. Other related committee participation	Committee name(s) Years of service

C. Other Contextually Relevant Considerations

Beyond experience and skills, Directors bring other attributes that can augment Board competence. Attention to these additional attributes can ensure that there are diverse and balanced perspectives in Board discussions and decision-making. Some of these include:

<i>Candidate / Director Profile</i>	<i>Diversity as characterized by:</i>
1. Gender	Male / Female / Other (or indicate 'prefer not to answer')
2. Age	Define (or indicate 'prefer not to answer')
3. Language Fluency	List
4. Cultural Diversity	Self-identify
5. Value-Add Professional Designations	(e.g. MD, PEng, MBA, CPA, etc.) List
6. Academic Attainment	List



APPENDIX B: DIRECTOR CODE OF CONDUCT & CONFLICT OF INTEREST PRACTICE

LSTAR is committed to ensuring that in all aspects of its affairs it maintains the highest standards of Director trust and integrity. By signing this Code of Conduct and Conflict of Interest Declaration all Directors accept to abide by the following duties and requirements:

Code of Conduct

- 1) Directors shall at all times use their best efforts to provide progressive, collective leadership and direction to LSTAR in support of its vision, mission, and mandate.
- 2) Directors shall adhere to LSTAR's governance policies.
- 3) Directors shall adhere to LSTAR's conflict-of-interest policy and practice; avoid, in fact and perception, conflicts of interest; and immediately disclose possible conflicts to the board.
- 4) Directors shall endeavor to direct the activities of the organization as a whole rather than in their own interest or that of any specific group.
- 5) Directors shall maintain the confidentiality of the details and dynamics of board discussions, as well as those items designated as confidential.
- 6) Regardless of their personal viewpoint, Directors shall not speak against, or in any way undermine board solidarity once a board decision has been made.
- 7) Directors are expected to attend all board meetings and be prepared for the meetings, having read pre-circulated material in advance.
- 8) Directors' contributions to discussions and decision making shall be positive and constructive, and Directors' interactions in meetings shall be courteous, respectful, and free of animosity.
- 9) Directors shall be prepared to commit sufficient time and energy to attend to Organization business.
- 10) Directors shall participate in LSTAR in ways other than attending board meetings.
- 11) Directors shall adhere to the principle that the CEO is responsible to the entire Board of Directors and consequently that no single Director or committee has authority over the CEO.
- 12) Directors shall adhere to the principle that the chair of the Board is the communication link between the Board and the CEO.
- 13) Directors shall ensure that there is a current position description and annual work plan for the CEO and that there is a process for their annual evaluation.
- 14) Directors shall not attempt to exercise individual authority or undue influence over LSTAR.
- 15) The official spokespersons for LSTAR are the Chair of the Board and the CEO and consequently all public requests for comment on Organization policies shall be referred to them.
- 16) The Chair may make public statements on policy matters that are within the scope of a policy approved by the Board or a reasonable extension of a policy.

Conflict of Interest Practice

A Director or non-Director committee member who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with LSTAR shall make the disclosure required by the Act. Except as provided by the Act, no such Director shall attend any part of a meeting of Directors or vote on any resolution to approve any such contract or transaction. No Director shall, directly or indirectly receive a financial benefit, through a contract or otherwise, from the Association unless the provisions of the Act and law applicable to corporations are complied with.

1 Background

In some situations, the personal, family and/or business activities and interests of Board Directors may be perceived to be in conflict with those of LSTAR. It is the Director's responsibility to identify and report any possible, or actual, conflict of interest to the Board for evaluation regardless of whether or not the Director derives benefit.



2 Definition

A conflict of interest is a conflict between an individual's personal, family and/or business interests, as well as any other third party with which the Director or non-Director committee member is affiliated, including organizations on whose Board of Directors the LSTAR Director sits, and their responsibility to LSTAR. A Board Director or non-Director committee member has an obligation to disclose to the Board any conflict of interest, or beneficial interest, of themselves, their spouse/partner, child, or other person related by blood or marriage/common law, or of a conflict on any firm, partnership, corporation or other organization of any kind which may be affected by any dealings with LSTAR. The Board will determine if the conflict of interest disclosed brings the Director or non-Director committee member into a position of conflict of interest and will notify the Director or non-Director committee member accordingly. This includes actual and perceived conflict. A conflict of interest may exist whether or not any advantage has been, or may have been, given to that person. A person is considered in conflict of interest until the Board determines otherwise.

Any Board Director or non-Director committee member who is present at a meeting, including a committee or other meeting, at which an issue, contract or proposed contract, in which they may have an interest is the subject of consideration, will as soon as practicable, after the commencement of the meeting, disclose their conflict of interest and will not take part in the consideration or discussion, or vote on any questions with respect to the issue, contract or proposed contract, or attempt in any way to influence the voting on any such issue. Where the conflict of interest of any Director has not been disclosed by reason of their absence from the meeting, or by reason of such conflict of interest having been acquired after the meeting, they will disclose the conflict of interest at the next meeting they attend.

Acceptance of Favours: A Board Director or non-Director committee member will not demand, accept or agree to accept, directly or indirectly, gifts, discounts, loans, services or benefits from a person, business, or corporation having dealings with LSTAR.

Personal Influence: Whenever a Board Director or non-Director committee member knows or considers that they could derive a personal benefit through personal influence, the individual will disclose the situation to the Board as soon as they become aware of such.

Financial Interest: If a Board Director or non-Director committee member directly or indirectly owns, is entitled to, or has an interest in any land, building, lease, mortgage, goods, service or contract, which is offered for option, sale, lease or assignment to LSTAR, the person will disclose the situation to the Board as soon as they become aware of such.

Recording a Conflict: All disclosures will be recorded in the Minutes of the Board meeting.

Withdrawing: A Board Director or non-Director committee member who has a conflict of interest must withdraw from the discussions and the decision-making process related to the conflict.

I, _____, have read LSTAR's Code of Conduct and Conflict of Interest Practice and agree to abide by them and act accordingly. I understand that a Board Director or non-Director committee member who is alleged to have violated the Code of Conduct or Conflict of Interest Practice may be subject to censure by the Board.

Signed: _____ Dated: _____



APPENDIX C: COMMITTEE TERMS OF REFERENCE

SECTION 1. APPEAL ROSTER

Primary Strategic Purpose

- Enhance member services and programs to deliver fairness, professionalism and accountability by providing a structured process for reviewing appeals from decisions made within the organization.

Accountability

- The Appeal Roster is accountable to the CEO.

Purpose

- To review a formal appeal request regarding an Arbitration Award or Professional Standards Hearing Panel decision as defined in Article 5 – Appeals of the PropTx Arbitration and Professional Standards Policies. The Roster shall ensure a process is followed and provide impartial resolutions to uphold confidence in the organization's governance.

Responsibilities

- The Appeal Panel shall proceed to hear and determine the matters in the record of the Arbitration or Professional Standards hearing.
- Provide fair and impartial forum for reviewing appeals.
- To evaluate whether the original decision was made in accordance with established policies, procedures and evidence.
- The decision of the Appeal Panel shall be in writing and shall contain the reasons for the decision; be signed by the Appeal Panel.
- Support LSTAR's strategic initiatives.

Criteria

A Member of the Appeal Roster must:

- Have been, for the three years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in the MLS® Rules, MLS® Policies, CREA Code and the TRESA Code of Ethics, and/or attend and successfully complete the appropriate training as determined by the CEO.
- Have the availability for the expected time commitment.

Composition

- Up to 12 Members, one of whom shall become the Chair.
- Not more than one Member of the Appeal Roster, shall be employed by the same Firm.
- The panel shall be comprised of four members of the Appeal Roster.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.



Voting

- The Appeal decision shall be decided by a majority of the votes cast by the panel members entitled to vote.

Quorum

- Quorum for the conduct of an Appeal Hearing shall be three (3) members of the Appeal Panel present, including the Appeal Panel Chair.

Resources

- Resources will be provided through the office of the CEO, as approved by the Board of Directors.

Meeting Frequency

- At the call of the Chair; as required.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Chair.



SECTION 2. ARBITRATION ROSTER

Primary Strategic Purpose

- To enhance the value and efficiency of member services and programs by ensuring the delivery of high-quality professionalism and adherence to best practices.

Accountability:

- The Arbitration Roster is accountable to the CEO.

Purpose:

- To arbitrate monetary disputes between Firms as defined in Article 2 – Arbitration Process of the PropTx Arbitration and Professional Standards Policies.

Responsibilities:

- To review all pertinent material provided to make an informed, unbiased decision as defined in Article 2 – Arbitration Process of the PropTx Arbitration and Professional Standards Policies.

Criteria:

A member of the Arbitration Roster should:

- Have been a member of LSTAR for a minimum of three consecutive years and a member in good standing.
- Have knowledge, skills and competency in arbitration.
- Have availability for expected time commitment.

Composition:

- One Member that will act as Chair.
- Up to 12 additional Members of the Association provided that not more than one Member be employed by the same Firm.
- The panel shall be comprised of four members of the Arbitration Roster.

Voting:

- The Award of the Arbitrators shall be decided by a majority of the votes cast by the Panel Members entitled to vote.

Quorum:

- Quorum for the conduct of an Arbitration hearing shall be three (3) Members of the Arbitration Hearing Panel present, one of which shall be the Arbitration Hearing Panel Chair.

Resources:

- Resources and support services will be provided through the office of the CEO, as approved by the Board of Directors.

Meeting Frequency:

- At the call of the Chair; as required.



SECTION 3. AUDIT AND RISK MANAGEMENT COMMITTEE

Accountability

- The Audit and Risk Management Committee is accountable to the Board of Directors.

Purpose

- To develop and implement an annual work plan, and oversee the audit process and evaluate risk, based on the Board's goals for a governing year.
- Where required, recommend an external auditor to the Board of Directors.

Responsibilities

- To create a strategy addressing current, future and perceived risks and to review actual or potential risk throughout the year.
- Risk management will be a standing item on the agenda of the planning meeting of the Audit Committee.
- Risk management will be a standing item on the agenda for all Board meetings.
- Management and the Audit Committee will discuss the risks and mitigating factors in light of changing internal and external environments.
- A risk management report from the Audit Committee will be an input into the Board Strategic Planning Session, and any future discussions/reviews regarding the plan.
- The Board may consider a full risk management planning session every three (3) to five (5) years if the internal or external environments have changed or the strategic objectives change significantly.
- Support LSTARs strategic initiatives.
- Continuously update the Board monitoring dashboard.

Pre-Audit

- To review all of the Association's critical accounting policies and all major issues regarding accounting principles and financial statement presentations.
- Prior to commencement of the annual audit work, review with the external auditor the plan and required documentation.
- Oversee the Association's asset and risk management.

Post-Audit

- To review with management and the external auditor any significant issues, concerns or difficulties encountered during the course of the audit.
- Discuss guidelines and policies to govern the process by which risk assessment and risk management have been and are being handled.

Criteria

A member of the Audit Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have an interest in asset and risk management.
- Have knowledge, skills and/or competency in financial controls.
- Bring a strategic perspective to financial monitoring.



- Have knowledge, skills and/or competency in audit procedures.
- Have the availability for the expected time commitment.

Composition

- Directors (one of whom shall be from the Finance Committee, one of whom shall become the Chair).
- additional Members.
- CEO (Non-voting).
- Director of Finance (Non-voting).
- 1 external expert (Non-voting).

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of three times each year.
- Any training sessions that may be required.
- Meetings may be convened entirely in person, or in combination through electronic means, which shall be at the discretion of the Committee Chair.



SECTION 4. COMMERCIAL COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Commercial Committee is accountable to the CEO.

Purpose

- To be a resource to the Board of Directors and to monitor all issues affecting commercial real estate.

Responsibilities

- Establish and foster professional expertise through educational activities and programs.
- Formulate recommendations to the CEO on matters of public policy involving commercial real estate issues.
- Support LSTAR's strategic initiatives.
- Foster cooperation in the exchange of information among Members of LSTAR.

Criteria

- A Member of the Commercial Committee must hold at least one of the following designations:
 - AACI – Accredited Appraiser Canadian Institute.
 - ALC – Accredited Land Consultant.
 - CCIM – Certified Commercial Investment Member.
 - CLO – Certified Leasing Officer.
 - CLS – Certified Leasing Specialist.
 - CPM – Certified Property Manager.
 - CRE – Councillor of Real Estate.
 - CRF – Certified in Real Estate Finance
 - CSM – Certified Shopping Centre Manager.
 - SIOR – Society of Industrial and Office REALTORS®.
- Have been, for the two years preceding, and during their term a member in good standing.
- And, have the availability for the expected time commitment.

Composition

- 5 up to 8 Members dedicated to commercial real estate, one of whom shall become the Chair.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.



Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of twice yearly.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 5. COMMUNITY ENGAGEMENT COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Community Engagement Committee is accountable to the CEO.

Purpose

- Collaboration with all entities that align with the Quality-of-Life Principles (QOLP).

Responsibilities

- Building collaborative relationships with key influencers.
- Raising the awareness of LSTAR.
- Building the LSTAR brand.
- Advancing key initiatives within Social Responsibilities including but not limited to the charitable giving (Application and beneficiaries as defined by the Ontario REALTORS Care® Foundation).

Criteria

A Member of the Community Engagement Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Be engaged within the community.
- Understand the non-profit business model.
- Serve as an Ambassador of LSTAR.
- Have the availability for the expected time commitment.

Composition

- 11 Members; one of whom shall become the Chair.
- Up to three Non-Members (voting) who are champions of LSTAR and of its QOLP.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass. No Committee Member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.



Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of three yearly.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.

Quality-of-Life is based on five principles:

1. **Protecting economic vitality**
One key to Quality of Life is a strong economy. A vibrant economy creates jobs, expands the tax base and revitalizes communities.
2. **Providing housing opportunities**
We all want a safe, decent and affordable range of housing near where we work, shop and play. We must grow the supply of housing – including choices about design, cost and location.
3. **Preserving our environment**
REALTORS® recognize one of the most important elements of Quality of Life is the environment: clean air and water, parks and open space.
4. **Protecting property owners**
A strong economy depends on preserving the investment people have made in their homes by protecting the ability to freely own, use, buy and sell real property.
5. **Building better communities**
Better communities come when governments work together to fund infrastructures such as roads, water, schools and transit that are the framework for a community's Quality of Life.



SECTION 6. DISCIPLINE COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Discipline Committee is accountable to the CEO.

Purpose

- Upon referral of a matter by the Professional Standards Committee, hold a Hearing to determine if the Respondent has engaged in the conduct as set out in the Referral Document and to discipline any Member.

Responsibilities

- The Discipline Hearing Panel shall proceed to hear and determine the matters contained in the Referral Document.
- The decision of the Discipline Hearing Panel shall be in writing and shall contain the reasons for the decision; be signed by the Discipline Hearing Panel; and specify the penalty imposed.
- Support LSTAR's strategic initiatives.

Criteria

A Member of the Discipline Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in the MLS® Rules and Regulations, MLS® Policies and the TRESA Code of Ethics, and/or attend and successfully complete the appropriate training as determined by the CEO.
- Must have been a Member of LSTAR's Professional Standards Committee within the last five years.
- Have the availability for the expected time commitment.

Composition

- Up to 13 Members, one of whom shall become the Chair.
- Not more than one Member of the committee, shall be employed by the same Firm.
- An external advisor (non-voting), if required.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.



Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; as required.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 7. EDUCATION COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Education Committee is accountable to the CEO.

Purpose

- To engage and inform our Members and our partners by facilitating and collaborating their access to education and information in order to enhance their ability to serve the general community.

Responsibilities

- The Work with staff in establishing a curriculum that meets the needs of the Members.
- Support LSTAR's strategic initiatives with collaborative educational institutions (e.g. Fanshawe College and Western University).
- Act as an ambassador to champion Member and public engagement.

Criteria

A Member of the Education Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in adult learning.
- Have knowledge and understanding of corporate training solutions.
- Have knowledge and understanding of classroom and web-based learning.
- Have availability for expected time commitment.

Composition

- 8 Members, one of whom shall become the Chair.
- Up to two other Non-Members (voting) who bring experience and/or expertise to the committee.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.



Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of twice yearly.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 8. EXECUTIVE COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Committee is accountable to the Board and will report through the Chair of this committee.

Purpose

- The primary role is to assist the Board through the exercise of the powers delegated to the committee, by the Board.

Responsibilities

- Provide support and direction in the establishment of the agendas for Board meetings.
- Only, where the Board has delegated specific authority(ies), to act on behalf of, and with full authority of the Board, with the exception of the delegated authorities prevented under the Act.
- Facilitate an annual performance review of the Chief Executive Officer (CEO).
- Recommend, for Board approval, all Board Committee Chairs and Board Committee Appointees.

Composition

- The Executive Committee is made up of the Officers of the Corporation.
- Executive Committee members shall be appointed by the Board at it's first meeting following the Annual General Meeting.
- The Chair-Elect shall act as Chair of the Executive Committee.

Term

- As appointed by the Board.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- LSTAR's CEO is a non-voting member of the committee.
- No committee member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.
- The minutes will be provided to the Board at its next regularly scheduled meeting.



Meeting Frequency

- The Committee shall meet as required, and as determined by the Chair of the committee, or at the Call of the Board, to discharge the responsibilities assigned by the Board of Directors.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 9. FINANCE COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Finance Committee is accountable to the Board of Directors.

Purpose

- Based on the Association goals for a governing year, develop and implement an annual work plan to review, monitor and provide guidance and/or recommendations to the Board of Directors, related to the financial stewardship of LSTAR.

Responsibilities

- Ensure the integrity of the corporation's financial affairs.
- Develop and seek approval by the Board of Directors for financial policies.
- Review and recommend the corporation's operating and capital Budgets.
- Review and recommend any capital plan for facilities and equipment.
- Oversee the performance of the investment manager and investments.
- Review and submit financial statements and reports to the Board of Directors on a minimum quarterly basis.
- Review the investment policy and all investments by LSTAR.

Criteria

A Member of the Finance Committee must:

- Have been, for the three years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in financial controls and risk management and/or attend any training required, as determined by the Board of Directors.
- Bring a strategic perspective to financial monitoring.
- Be committed to financial stewardship.
- Have the availability for the expected time commitment.

Composition

- Chair of the Board.
- 2 additional Directors, one of whom shall become the Chair.
- CEO (non-voting)
- Director of Finance (non-voting)
- 5 Members (voting).
- An external advisor (non-voting), if required.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.



Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall also be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.

Meeting Frequency

- Minimum of six meetings; any additional meetings at the call of the Chair.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 10. GOVERNANCE COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Committee is accountable to the Board and will report through the Committee Chair.

Purpose

- Based on the Board goals, develop and implement an annual work plan for the potential improvement of the governance policies and practices, including recruitment, nominations and the election process.

Responsibilities

- Inform, educate and assist the Directors with the By-laws and Governance Manual.
- Present to the Directors any potential changes deemed necessary related to governance matters.
- Keep the Members informed of any By-law, Policy or Practice changes and keep the By-laws current.
- Oversee the process for Board and Board committee assessments.
- Monitor and recommend any policies for the Director recruitment, nomination and election process.
- Oversee the process for Board, Officers, Board Committee Chairs and Board Chair orientation and the onboarding of all new members of the association.
- Review and recommend changes or updates to Board Committee Terms of Reference.
- Oversee the review of policies related to Director expenses.
- Implement a governance review every 5 years.
- Research and recommend Board development topics related to good governance.
- Monitor and recommend processes for the CEO performance management and annual performance review.
 - Annual reviews will be conducted by the Executive Committee using the CEO Performance Evaluation Framework.

Criteria

A Member of the Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have an understanding of the not-for-profit sector and member-based associations and/or attend and successfully complete any training required.
- Be committed to the governance process.
- Have knowledge, skills and competency of good governance practices.
- Have the availability for the expected time commitment.

Composition

- The Chair-Elect will be the Chair of this committee.
- 2 additional Directors.
- 4 Members (voting).
- The CEO/Delegate (non-voting).
- An external advisor (voting), if required.

Term

- As appointed by the Board, up to 2 years, with a maximum limit of 6 consecutive years.



Voting

- Business arising at any meeting of this committee shall be decided by a majority of votes.
- The Committee Chair shall be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.

Meeting Frequency

- The committee will meet at a minimum of four times each year (once per quarter), and other meetings will be at the discretion of the Chair, or at the request of the Board
- Any training sessions that may be required
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 11. MLS® ADVISORY GROUP

Primary Strategic Purpose

- To optimize member services to deliver high quality value to Members.

Accountability

- The MLS® Advisory Group is accountable to the CEO.

Purpose

- To review MLS® System functions, features, data integrity, MLS® rules, policies and to make recommendations to ensure more accurate data, better cooperation among REALTORS®, and a better MLS® experience for Members, Brokerages and their Clients.

Responsibilities

- Support LSTAR's strategic initiatives.
- Evaluate trends and technologies that could enhance MLS® System functionality and professionalism.
- Address member feedback and propose solutions that could improve the overall user experience
- Product evaluation and testing of new technology tools.
- Assess and recommend updates to MLS® Rule and Policies.

Criteria

A Member of the MLS® Advisory Group must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in the MLS® Rules, MLS® Policies, MLS® System tools and/or attend and successfully complete the appropriate training as determined by the CEO.
- Have the availability for the expected time commitment.

Composition

- Up to 12 Members, one of whom shall become the Chair, and one of whom shall be delegated as an alternate Chair in the absence of the Chair.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- While the Chair is entitled to vote, they must declare to the Advisory Group prior to a vote being called if they plan to abstain from that specific vote.

Quorum



- A quorum shall consist of more than 50% of the voting membership of the MLS® Advisory Group.

Resources

- Resources will be provided through the office of the CEO, as approved by the Board of Directors.

Minutes

- Minutes shall be approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; as required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Chair.



SECTION 12. NOMINATING COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Nominating Committee is accountable to the Board of Directors.

Purpose

- To develop the slate of candidate(s) for Director vacancies.

Responsibilities

- Follow Board Election Policy.
- Identify members with special skills, attributes and qualifications that truly represent the membership and respects the principles of diversity and inclusivity.
- Oversee the election process for Directors in accordance with applicable regulations and By-laws.
- Evaluate and compile a list of suitable candidates for election as Directors.
- Provide and circulate the names of candidates for consideration by voting members in advance of the Annual General Meeting.
- Promote quality, transparency, fairness and member engagement in the recruitment of the Board of Directors.
- Recommend any changes to Director qualifications.
- Recommend changes to the Director recruitment, nomination and election process or the Board Election Policy.
- Maintain a list of potential candidates to fill unexpected vacancies.

Composition

- The Past Chair, who will be Chair of the Committee.
- Minimum 4 Members (voting).
- The CEO/delegate (non-voting).

Criteria

A Member of the Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency of good governance practices.
- Have the availability for the expected time commitment.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of this committee shall be decided by a majority of votes.
- The Committee Chair shall be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.



Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.

Meeting Frequency

- The Committee will meet as required, and at the call of the Chair.
- Any training sessions that may be required
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 13. POLITICAL AFFAIRS COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Political Affairs Committee is accountable to the CEO.

Purpose

- To provide strategic direction on federal, provincial and municipal policy, programs and initiatives that promote ownership and investment in real estate and protect the interests of home buyers, property owners and REALTORS®.

Responsibilities

- Act as a liaison between REALTORS®, LSTAR and the government by bringing forward emerging policy issues.
- Provide strategic direction on assessments and government submissions prepared by staff on policies and programs that impact home buyers, property owners and organized real estate.
- Position REALTORS® as a go-to asset and resource for all levels of government.
- Serve as an Ambassador of LSTAR.

Criteria

A Member of the Political Affairs Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in political affairs and government relations and/or attend and successfully complete any required training.
- Be a Member of the CREA REALTOR® Action Network (exception being any non-member of the committee).
- Be engaged within the community or be willing and able to do so.
- Have the availability for the expected time commitment.

Composition

- CEO and or delegate (both of whom shall be non-voting).
- Minimum of 7 Members (director or non-director members).
- The Chair of this committee shall be one of the non-director members of this committee.
- Up to 2 Non-Members (voting) who bring experience and/or expertise to the committee.
- External advisor (non-voting), if required.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee Member shall be entitled to vote by proxy.



Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.

Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of twice yearly.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



SECTION 14. PROFESSIONAL STANDARDS HEARING ROSTER

Primary Strategic Purpose

- Utilize member services and programs to uphold the integrity and reputation of the organization by ensuring fair, consistent, and impartial judgement of disciplinary matters in accordance with the Associations established policies, procedure, and ethical standards.

Accountability

- The Professional Standards Hearing Roster is accountable to the CEO.

Purpose

- Upon referral of a matter by the Professional Standards Review Roster, hold a Hearing to determine if the Respondent has engaged in the conduct as set out in the Allegation Statement-and to discipline any Member.

Responsibilities

- The Professional Standards Hearing Panel shall proceed to hear and determine the matters contained in the Referral Document.
- The decision of the Professional Standards Hearing Panel shall be in writing and shall contain the reasons for the decision; be signed by the Hearing Panel; and specify the penalty imposed.
- Support LSTAR's strategic initiatives.

Criteria

A Member of the Professional Standards Hearing Roster must:

- Have been, for the three years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Have knowledge, skills and competency in the MLS® Rules, MLS® Policies, CREA Code and the TRESA Code of Ethics, and/or attend and successfully complete the appropriate training as determined by the CEO.
- Have the availability for the expected time commitment.

Composition

- Up to 13 Members, one of whom shall become the Chair.
- Not more than one Member of the roster, shall be employed by the same Firm.
- The panel shall be comprised of four members of the Professional Standards Hearing Roster.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- The decision of the Professional Standards Hearing Panel shall be determined by a majority of the votes cast by the panel members entitled to vote.



Quorum

- Quorum for a Professional Standards Review Panel shall be three (3) members of the Professional Standards Review Panel present, including the Professional Standards Review Panel Chair.

Resources

- Resources will be provided through the office of the CEO.

Meeting Frequency

- At the call of the Chair; as required.
- Any training sessions that may be required.
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Chair.



SECTION 15. PROFESSIONAL STANDARDS REVIEW ROSTER

Primary Strategic Purpose

- Enhance member services and programs, to uphold and promote the highest standards of professionalism, compliance, integrity, and ethical behavior within the organization.

Accountability

- The Professional Standards Review Roster is accountable to the CEO.

Purpose

- To receive and review formal complaints of alleged breach of any LSTAR By-laws, General Policies, MLS® Rules and MLS® Policies, CREA Code and the RECO Code. Provide recommendations for policy improvements to support professionalism.

Responsibilities

- Either on its own initiative or upon receipt of a written complaint from any source whatsoever, proceed to research the conduct of any Member and proceed to take any action in furtherance of its mandate and obligations.
- At any time after having received a complaint or having proceeded on its own initiative, the Roster 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.

Criteria

A Member of the Professional Standards Review Roster must:

- Have been, for the three years preceding, and during their term a member in good standing.
- Have knowledge, skills and competency in the LSTAR By-laws, Policies and Practices, MLS® Rules and Policies, and/or attend and successfully complete the appropriate training as determined by the CEO.
- Have knowledge, skills and competency in TRESA 2002, CREA REALTOR® Code and any other Regulations as required, and/or attend and successfully complete the appropriate training as determined by the CEO.
- Have the availability for the expected time commitment.

Composition

- 16 Members, one of whom shall become the Chair.
- The panel shall be comprised of four members of the Professional Standards Review Roster.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- The decision of the PSRP shall be determined by a majority of the votes cast by the panel members entitled to vote.



Quorum

- Quorum for a Professional Standards Review Panel shall be three (3) members of the Professional Standards Review Panel present, including the Professional Standards Review Panel Chair.

Resources

- Resources will be provided through the office of the CEO.

Meeting Frequency

- At the call of the Chair; as required.
- Any training sessions that may be required
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Chair.



SECTION 16. DIVERSITY EQUITY, INCLUSION & ACCESSIBILITY (DEIA) COMMITTEE

Primary Strategic Purpose

- State here which specific strategic initiative(s) this committee is meant to support.

Accountability

- The Diversity, Equity, Inclusion and Accessibility Committee is accountable to the CEO.

Purpose

- Establish a culture that champions an inclusive vision of home ownership and advocates for fair and equal access to housing for all.

Responsibilities

- Provide recommendations on learning opportunities for members to understand the role of diversity, equity, inclusion and accessibility in the business of real estate.
- Promote DEIA best practices to LSTAR membership.
- Raise awareness of the value proposition of adoption and implementation of DEIA best practices.
- Provide recommendations on creating local chapters of organizations who share LSTAR's vision and values.
- Build collaborative relationships with stakeholders.

Criteria

A Member of the DEIA Committee must:

- Have been, for the two years preceding, and during their term a member in good standing (exception being any non-member of the committee).
- Be engaged within the community or be willing and able to do so.
- Attend and successfully complete any required training.
- Be open to discussing diversity, equity, inclusion and accessibility principles.
- Serve as an Ambassador of LSTAR.
- Have the availability for the expected time commitment.

Composition

- 7 to 10 Members; one of whom shall become the Chair.
- Up to 3 Non-Members (voting) who bring experience and or/ expertise to the committee.

Term

- Each appointment term is up to 2 years, with a maximum limit of 6 consecutive years.

Voting

- Business arising at any meeting of the committee shall be decided by a majority of votes.
- The Committee Chair shall be entitled to vote.
- In the case of a tie vote the motion does not pass.
- No Committee member shall be entitled to vote by proxy.

Quorum

- A quorum shall consist of more than 50% of the voting membership of the committee.



Resources

- Resources will be provided through the office of the CEO.

Minutes

- Minutes shall be reviewed and approved at the subsequent meeting of the committee.

Meeting Frequency

- At the call of the Chair; minimum of twice yearly.
- Any training sessions that may be required
- Meetings can be held entirely in person or through a combination of in-person and electronic means, at the discretion of the Committee Chair.



APPENDIX D: BOARD & COMMITTEE MEETING EVALUATION

These standards will be evaluated after each Board and committee meeting. Each Board/committee member and the CEO will provide their individual assessment. Results of the assessments will be recorded in the minutes and reviewed at the subsequent meeting by the past Chair (Board) or current Chair (Committee). The assessment reports will be shared with the Board and used for Board/committee development.

- 1 Agenda**
The meeting agenda was clear and appropriately focused on committee level items.
- 2 Agenda package**
The agenda package was thorough and provided relevant background to members.
- 3 Member preparation**
Members came fully prepared to actively participate in the agenda.
- 4 Chair effectiveness**
The Chair set and maintained conditions for an engaging and effective meeting.
- 5 Dialogue and respectful conduct**
Members respected the practices of good dialogue and respectful conduct.
- 6 Diverse perspectives**
Diverse perspectives were encouraged and valued as part of the discussions.
- 7 Right level engagement**
Members engaged at the right level and stayed within the committee's Terms of Reference.
- 8 Opportunity to participate**
All members were given opportunity to participate in discussions and decision-making.
- 9 Meaningful contribution**
All members contributed in a meaningful way to discussions and decision-making.
- 10 Actionable recommendations**
Recommendations were formed that will advance the Board's goals and the strategic plan.
- 11 Time well spent**
Overall, I feel this meeting was time well spent in service to the organization's mission.
- 12 Individual contribution**
Overall, I feel my contribution to this meeting was valuable and valued.
- 13 Successful outcome**
The most successful part and/or outcome of this meeting was:
- 14 Stop**
One thing I would recommend we STOP doing at Board/committee meetings is:
- 15 Start**



One thing I would recommend we START doing at Board/Committee meetings is:



APPENDIX E: BOARD MEETING PROTOCOLS AND REPORT FRAMEWORK

The Board will do its best to follow these suggested practices and guidelines for conducting effective meetings:

Establishing the Agenda

- The Board owns the agenda.
- Directors are responsible to provide input to the Chair regarding agenda items.
- The agenda is formed as a joint process between the Chair and CEO.
- All/any items should originate from or relate to the Board's accountabilities (Dashboard).
- Topics and dialogue should be forward looking.
- Make effective use of a consent agenda for regular monitoring accountabilities.
- Ensure time is set aside for education and generative discussion.

Preparing the Board Package

- Just enough: Everything need not go into the Board package AND everything in the Board package need not be discussed.
- Just in time: Directors should receive the package no less than one week before the meeting.
- Accessible: Directors' portals and electronic distribution should be optimized.
- Useful: Items should include right-level content and a clear description of why the Board is receiving it and what the Board is expected to do with the item.
- Consistent: Agenda and reports should have a consistent format and feel.

Facilitating the meeting

- Chair accountability: The Chair facilitates the agenda and discussion and maintains order in the group process.
- Purposeful: Meetings should enable every Director to contribute; Directors should leave feeling confident that their duties (diligence, loyalty, obedience) have been properly discharged; Clear direction should be given to the CEO and Committees.
- Appropriate and skillful: Discussion should be at the governance and strategic level (staying out of operational weeds); Respectful conduct is required at all times.
- Rules of order: A matter of style and culture: Ensures proper conduct and decision-making (e.g. motions, voting).

Reports to the Board

- Should relate directly to Board accountabilities: Compliance, Risk, Performance, Resourcing, CEO, Governance.
- Should originate from a delegated body: CEO, Board Committee.
- Should indicate what Board action is required: Reports for information; Reports requiring input; Reports requiring a decision.
- Should use a standardized template for consistency.
- Should be thorough and require little or no presentation: Directors are expected to have read reports before the meeting AND to have asked questions of report authors before the meeting; Time should be spent in dialogue; providing input or arriving at a decision.

Delegation to CEO and Committees

- Meeting agenda arises largely from work that has been delegated to the CEO and/or Board Committees: CEO: Compliance, Risk, Performance; Board Committees: Governance Policy, Board enhancement, CEO performance.
- Reports reflect progress on delegated work and will culminate in a Board decision: Approval to proceed, change in direction or priority, new policy.
- Many Board decisions result in new delegated work.



- Board must be clear and aligned in what it delegates: This process can take significant time to ensure all Directors agree on what is expected and that expectations are clearly articulated and documented; A standard template can help improve Board delegation.

Minutes of Meetings

- Official record of the organization: Part of the “proof” that Directors, individually and collectively, have conducted themselves to the standard expected by their members and as expressed by decisions of the courts.
- Context: Brief description of the background and context for each matter addressed; Sufficient record of any research process, options considered, assessment of best option(s) as recommendation going forward.
- Origins of work: Reference to source of delegation and what was expected; Sufficient context and record of discussions and/or information used to arrive at the recommendation.
- Level of detail: Sufficient to establish a traceable record of the work and decision.
- Room for generative/strategic dialogue
- Enable Directors to proactively contribute to the shaping and advancement of the organization’s vision: Forward Looking; Educational; Explorative; Often begins with a big question - What if? How might we?; Doesn’t have to lead to decision or action; May set context or appetite for future decisions.

In-Camera

Note: An In-Camera meeting is not the same as a meeting of a Committee of the Whole. This Practice, as a general rule, is to be used instead of the Committee of the Whole process.

Format

Scheduling

An in-camera meeting will be scheduled as an agenda item at every Board meeting, but will only be held if it has been determined by the Chair prior to the Board meeting that an In-Camera meeting is needed, or if a Director asks at the Board meeting that an in-camera meeting be held.

When a Director requests an In-Camera meeting, the Chair will determine the appropriateness of the request, based on the terms of this Practice. If the Chair declines the request, the matter will be determined by the Board of Directors if the Director who requested the matter be added so requests.

Entering In-Camera

For a meeting to enter in-camera, a motion to that effect must be made at a regular meeting of the Board. The regular Board meeting minutes shall record that the Directors went in-camera. When a motion to go in-camera is presented, all other business shall be put on hold until regular order is restored.

Exiting In-Camera

A motion is required to exit an in-camera session.

Participants

The only attendees at a Board In-Camera meeting shall be the Directors except where the Directors invite other attendees, such as LSTAR’s CEO, to attend as well.

In-Camera Meeting

Regular Board meeting work will not be discussed during an in-camera meeting. The meeting is not intended to replace or duplicate Board Meeting agenda and work. Any item identified during an In-Camera meeting that belongs on the Board Meeting agenda will be added to the Board Meeting agenda in accordance with existing practice.

Matters that may be dealt with in-camera meeting include:



- Human resources or personnel issues;
- Discussions and dealings with other entities or persons where the information may be of a confidential nature;
- Financial and contractual matters for which a decision must be made in which premature disclosure would be prejudicial;
- Matters involving sensitive internal Board governance issues, such as Board policies/practices, director duties/behaviours, Board performance/evaluation, Board leadership and general Board “team culture”
- Matters related to litigation or potential litigation.

Conduct of In-Camera Meeting

The Chair or the Chair’s delegate will chair the In-Camera meeting, which will proceed as per existing Board meeting practice, with the following exceptions:

- Once a meeting has been designated as having in-camera status, all non- Directors shall leave the meeting room except where the Directors’ specify otherwise.
- Motions (except for the motion to exit the In-Camera session) shall not be made or voted on during in-camera meetings and no decisions will be made. Any required motions must be made during the regular Directors meeting, once the directors have risen from the In-Camera meeting.
- No minutes shall be taken of the in-camera meeting.
- No Director may make notes during the In-Camera meeting.

Confidentiality

Attendees must keep the contents of In-Camera meetings confidential.



APPENDIX F: BOARD WORK PLAN

	Frequency of Board Action			
	Every Meeting	Semi-annually	Annually	As Needed
Principle 1.1 Board Composition				
1.1.1 Board Size and Composition			X	
1.1.2 Director Attribute Inventory			X	
1.1.3 Director Recruitment, Election & Succession			X	
1.1.4 ITSO Director			X	
1.1.5 Officers of the Corporation			x	
1.1.6 Directors' Terms of Office			X	
Principle 1.2 Director Contribution				
1.2.1 Board 'as a Whole' Duties			X	
1.2.2 Director's Duties			X	
1.2.3 Board Leadership Duties			X	
1.2.4 Director (Re)Orientation & On-Boarding			X	
1.2.5 Director Development			X	
1.2.6 Directors and Officers Liability Insurance			X	
1.2.7 Director Remuneration and Expenses			X	
1.2.8 Conferences & Assemblies			X	
1.2.9 Social Media Use			X	
Principle 2.1 Board Accountability				
2.1.1 Letters Patent & By-laws			X	
2.1.2 Board Governance Manual			X	



2.1.3 Governance Disclosure			X	
2.1.4 Delegation of Authority			X	
2.1.5 Committees			X	
2.1.6 Board Meetings			X	
2.1.7 Dissemination of Information/Material			X	
Principle 3.1 Board Decision Making				
3.1.1 Board Decision Making	X			
3.1.2 Strategic Plan and Renewal			X	
3.1.3 Operating Plan and Budget			X	
3.1.4 Disaster Recovery Plan			X	
3.1.5 CEO Succession Plan			X	
Principle 3.2 Board Monitoring				
3.2.1 Organizational Compliance	X			
3.2.2 Principal Risks		X		
3.2.3 Organizational Performance	X			
3.2.4 Audit Function			X	
3.2.5 CEO Performance			X	
3.2.6 Board Performance			X	
Principle 4.1 Organizational Sustainability				
4.1.1 Member Focused			X	
4.1.2 Stakeholders			X	
4.1.3 Relationship and Engagement			X	
4.1.4 Quality		X		
4.1.5 Workplace Health			X	



APPENDIX G: BOARD STANDARDS & ASSESSMENT

These standards are to be evaluated annually. Each Board Director and the CEO will provide their individual assessment. Results of the assessment are to be reported anonymously. The assessment report will be shared with the Board and used for Board development (via the Governance Committee).

Right People

1. Our Board composition is predominantly based on required competencies (skills and attributes-based) as opposed to being exclusively based on representing specific constituencies (representative-based).
2. Our Board has a clearly articulated Code of Conduct and Conflict of Interest that Directors sign.
3. Our Board has a clearly articulated role description for Directors.
4. Our Board recruitment and selection process is open and transparent.
5. Our Board conducts regular orientation sessions to prepare new and existing Directors for their duties.
6. Our Board conducts regular individual Director evaluations.
7. Our Board conducts regular Director development sessions to provide the knowledge and skills needed to carry out their Director duties.
8. Our Board Director turnover strikes an appropriate balance of tenured Directors and new Directors.
9. Our Board Directors are clearly informed about their Director liabilities and any liability protection.
10. Our Board Directors act honestly and in good faith with a view to the best interest of the organization.

Clear and Supportive Structures

1. Our Board's guiding governance documents (By-laws, Policies and Practices) are current and relevant.
2. Our Board has a Governance Committee charged with ensuring the organization's governance system is performing optimally.
3. The size of our Board is optimal for monitoring and decision-making.
4. The form and frequency of our Board meetings is optimal for monitoring and decision-making.
5. Our Board has appropriate standing committees.
6. Our Board committees have clearly articulated Terms of Reference that describe the composition, role and responsibility of the committee.
7. Our Board committees function effectively and add value to Board decision-making.
8. Our Board conducts regular evaluations of its committees.
9. Our Board has an Executive Committee that functions exclusively in times of emergency when it is not possible for the full Board to meet.
10. Our Board has clear and documented delegation of authorities in place.

Reliable and Enabling Processes

1. Our Board has an up-to-date strategic plan that provides a clear long-term direction for the organization.
2. Our Board regularly reviews the strategic plan and adjusts it to meet the changes and challenges in the environment.
3. Our Board has a reliable process for ensuring the CEO's operating plan is aligned with the Strategic Plan.
4. Our Board approves an annual budget that aligns with the annual operating plan.
5. Our Board has a reliable mechanism for monitoring organization compliance with



- legislative and regulatory obligations.
6. Our Board has a reliable mechanism for monitoring organization risk.
 7. Our Board has a reliable mechanism for monitoring organization performance indicators and outcomes.
 8. Our Board has a reliable practice for managing the performance of our CEO.
 9. Our Board undertakes regular Board performance assessments.
 10. Our Board reviews, at minimum, quarterly financial reports, ensuring that the organization is achieving its strategic goals and objectives.

Healthy and Sustainable Culture

1. Our Board culture is focused and built around the members we serve.
2. Our Board culture emphasizes service quality.
3. Our Board culture emphasizes continuous improvement.
4. Our Board culture emphasizes the pursuit of best-practices.
5. Our Board culture is one of inclusivity, engagement and transparency both with internal and external stakeholders.
6. Our Board makes time for and engages deeply in generative and strategic conversations.
7. Our Board sets specific goals to improve its governance performance (Board Work Plan) and works diligently to accomplish those agreed goals.
8. The Board leverages the diversity of its Directors' knowledge and experience in discussions and decision-making.
9. Overall, the Board of our organization adds significant value to the members it serves.
10. Overall, I feel that my contribution to our Board is meaningful, valued and makes a positive difference in the mission of our organization.



APPENDIX H: CEO PERFORMANCE EVALUATION FRAMEWORK

Setting and measuring CEO performance involves two components: "**What**" the CEO does and "**How**" the CEO does it. The Board as a whole is responsible for setting and measuring their CEO's performance on both dimensions. Following is a basic evaluation framework for use and enhancement by LSTAR. At the highest level the CEO is expected to deliver on the following expectations:

"What" (Scorecard) Objectives

1. Ensure the organization complies with all of its regulatory, legal, By-law and contractual obligations.
2. Identify and mitigate known and significant risks to the organization.
3. Advance the strategic priorities and operational goals of the organization in a "balanced manner":
 - a. Member priorities;
 - b. Stakeholder priorities;
 - c. Human Resource priorities;
 - d. Internal process/systems priorities; and
 - e. Financial priorities.
4. Support the Board of Directors and board systems to enable effective governance.
5. Represent the organization in a professional and respectful manner with all internal and external audiences.
6. Demonstrate strong management and leadership capabilities in carrying out the above objectives.
7. Demonstrate continuous learning and self-development to enhance these management and leadership capabilities.

"How" Management & Leadership Capabilities

8. Demonstrate strong and consistent leadership skills that move the organization forward.
9. Demonstrates strong and consistent management skills that make the operations efficient and effective.
10. Possess and apply the knowledge (business acumen and industry acumen) necessary to be an effective CEO.
11. Possess and apply the practical experience necessary to be an effective CEO.
12. Share and demonstrate the values that the organization has set and upholds.

A simple CEO evaluation will have each Board Director and direct staff reports to the CEO assess how they perceived the CEO's success against the above seven (7) "what" items and the five (5) "how" items above. A feedback survey will be completed by each Director, senior staff and the CEO. The results will be rolled up to provide insight regarding the Board's overall evaluation of the CEO performance in these core scorecard areas. Suggested (Likert-type) ratings for the feedback survey include: 1 - consistently exceeds expectations; 2 - occasionally exceeds expectations; 3 - meets expectations; 4 - occasionally fails expectations; 5 - consistently fails expectations.

Future Considerations:

Scaling up "What" Performance:

The basic "what" framework can be enhanced as the organization becomes more sophisticated and rigorous in setting specific metrics/outcomes for each of the (7) "what" areas. Most importantly, the Board is accountable for setting specific metrics/outcomes for the Balanced Scorecard. These metrics/outcomes are typically found in the organization's Strategic Plan, are monitored and "refreshed" annually, and should



become the dominant performance measures to determine CEO success.

Scaling up "How" Performance:

The basic framework (item's 8-12) alludes to the behavioural or "how" aspects of CEO performance. However, measuring behaviour performance and providing objective, reliable and credible behavioural feedback warrants a more robust and proven process. Often referred to as 360 Feedback or "multi-level" feedback, this type of survey is focused on providing a broader and more objective assessment of behavioural performance. Here there are important processes and safeguards that need to be considered to ensure that the raters and the subject can fulfill their accountabilities in the process. Also, the outcome of the 360 survey is not the report itself, which is typically confidential to the subject. Rather, the outcome of the 360 survey is the formation of a development plan that outlines how the CEO will bolster identified blind-spots or weaknesses and build upon confirmed strengths. Here, the achievement of the development plan objectives, over time, is what's measured by the Board, not the survey data/report itself.



APPENDIX I: MEMO TO THE BOARD OF DIRECTORS

Date:	
Meeting Agenda Item #:	
Topic:	
Report from:	<input type="checkbox"/> CEO <input type="checkbox"/> Board Committee <input type="checkbox"/> Other _____ (name)
Intention of Report:	<input type="checkbox"/> Information – no discussion required, information is FYI <input type="checkbox"/> Input Required – all Directors input is required, no decision taken <input type="checkbox"/> Decision – formal motion, discussion and vote required
Origins of Report – Statement of Delegation	
Recommendation(s):	
Background Information:	
Impact (Identify any contractual, strategic plan, policy, timeline or financial consequences)	
Next Steps	
Make inquiries to:	<input type="checkbox"/> Committee Chair _____ <input type="checkbox"/> Staff _____



APPENDIX J: BOARD NOMINATION AND ELECTION POLICY

1.0 Nomination Process

- 1.01 80 days prior to the date set for the Election Meeting, nominations for those positions which will be coming vacant shall be sought from all those Members allowed to stand for office as per Article 6, Section 1 and these nominations must be:
- a. in writing and accompanied by the written consent of the nominee;
 - b. endorsed by two Members who are not registered with the Firm of the nominee;
 - c. filed with the Chief Executive Officer within 35 days from commencement of nomination. In the event that sufficient names are not put forward to fill the slate 36 days from the commencement of nominations, the Nomination Committee shall be activated. The Terms of Reference for the Nomination Committee is outlined in General Policies.
- 1.02 In the event that the Past-Chair or Chair wish to run for office and are disqualified from serving on the Nomination Committee, their replacements will be appointed by the Board of Directors.
- 1.03 The Nomination Committee shall:
- a. present a slate of nominees which addresses any vacancies not later than 36 days from commencement of nominations;
 - b. ensure one candidate is nominated for each vacant position;
 - c. ensure all nominees qualify in accordance with the By-law;
 - d. obtain the written consent of all nominees agreeing to stand for election;
 - e. send an alphabetical list of nominees to all Members allowed to attend Member Meetings following the close of nominations.
- 1.04 No member of the Nomination Committee may stand for election.

2.0 Voting and Proxy Voting

- 2.01 Prior to the Election Meeting, electronic voting will be made available for 5 business days, from 8:30 a.m. to 4:30 p.m. (to be determined by the CEO).
- 2.02 Voting will also be available at the Election meeting by attending the meeting in person or by proxy.
- 2.03 Any proxy vote submitted with other than “at proxy’s discretion” will be tallied by the recording secretary versus the proxy holder at the applicable Member Meeting or advance poll as applicable.
- 2.04 Except as provided for in the By-laws the election of the Directors at meetings of Members held for such purpose; elsewhere in this By-law; and if required pursuant to the Corporations Act, all matters proposed for consideration and approval of the Members shall be decided by a majority of the votes cast by the Members present either in person or by proxy.
- 2.05 The Chair of the meeting shall carry one vote as a Member at the meeting.



- 2.06 If at any meeting a ballot vote is demanded on the issue of electing a Chair of the meeting or on the issue of adjourning the meeting, that vote must be taken immediately.
- 2.07 If at any meeting a ballot vote is demanded on any other issue, including the election of Directors, the ballot vote shall be held in the manner and at a time during the meeting as the Chair shall direct, and the results of the ballot vote shall be deemed to be the decision of the meeting.
- 2.08 A demand for a ballot vote may be withdrawn by the person who made the demand.
- 2.09 Where after a show of hands or a holding up of differently coloured cards, a ballot vote is demanded, the Chair may refuse to conduct same if, in their opinion, it appears that such a procedure would not serve any useful purpose in reaching a clear decision on the resolution being voted on.

3.0 Proxies and Voting

- 3.01 A proxy shall be in writing, and it must be signed by the Member or someone authorized by the Member, under power of attorney, to sign the proxy on behalf of the Member and deposited with the Chief Executive Officer not less than 48 hours prior to the date and time of the function at which the proxy may be exercised
- 3.02 Subject to By-laws, a Member may, exclusively with respect to an election meeting (and not for any other meeting), vote by Electronic Ballot, provided that the Electronic Ballot is completed in the manner set out as follows:
- a. they shall be required to be submitted with or by means of one or more personal identifier codes or numbers that are unique to that Member, which shall be deemed by LSTAR to be the signature of the Member;
 - b. they shall designate as the holder of the ballot proxy no person other than the Chair of the Committee of Tellers for that election meeting;
 - c. they shall expire upon the termination of the election meeting for which it is completed;
 - d. they must be completed in a manner that no matter on which the Member is entitled to vote can be left uncompleted or such Electronic Ballot will be deemed spoiled and will not be accepted, voted or counted; and
 - e. they are final and cannot be revoked in any manner.
- 3.03 An instrument appointing a proxy shall be in the following form:
- 3.04 Unless revoked earlier, a proxy shall expire one year from the date it was granted. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed in the same manner as a proxy and deposited either with the Chief Executive Officer at the Association offices 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 chair of such meeting on the day of the meeting, or any adjournment thereof, before such meeting (or adjourned meeting) is called to order.
- 3.05 The Directors may specify in the notice calling a meeting of Members, a time, not exceeding 48 hours (excluding Saturdays, Sundays and holidays) preceding the



meeting, or any adjournment thereof, before which time proxies to be used at that meeting must be deposited with the Chief Executive Officer at the offices of the Association, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Chief Executive Officer at the offices of the Association or, where no such time is specified in such notice, it has been received by the Chief Executive Officer at the offices of the Association, or by the chair of such meeting, or any adjournment thereof, before the meeting (or adjourned meeting) is called to order.

- 3.06 All notices of meetings of Members shall include reference to the proxy provisions and shall include a blank proxy form, noting that a member may only carry one proxy.

4.0 – Election Meeting Procedures

- 4.01 Notwithstanding anything contained in this By-law to the contrary, the Chair of the Election Meeting shall be the most immediate and available Past-Chair who is a Member of the Association.

- 4.02 a) The Chair of the Election Meeting shall appoint a Committee of Tellers consisting of not less than three Members in good standing, one of whom shall be designated as the Chair of the Committee of Tellers. No Member of the Committee of Tellers may be running for Office or be employed by the same office as any Candidate.

- b) The security of the unopened ballot boxes shall be the responsibility of the Chief Executive Officer. The unopened ballot boxes shall be placed in the custody of the sequestered Committee of Tellers on the day of the Election Meeting, at such time as is deemed necessary in order to start conducting the count, and these results shall be included with the ballots cast at the Election Meeting.

- c) 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 Association from a Member.

- 4.03 Election shall be determined by a plurality system vote. Note ♦ “Plurality system” means the Candidate receiving the highest number of votes is declared elected even though they may have received fewer than fifty percent of the votes cast.

- 4.04 a) Voting may be available to all licensed Members in good standing the following ways but shall not be limited to:

- i) A Member shall be entitled to vote electronically;
- ii) In person at the Election meeting; or
- iii) by proxy at the Election meeting.

- b) The eligibility of each member will be verified upon arrival at the Association Office or Election meeting.

- c) Whether voting in person, or by proxy, each Member shall mark the ballot according to the instructions given thereon and the failure of the Member not to follow the instructions on the ballot will result in the ballot being spoiled.



d) Voting shall be done by secret ballot.

- 4.05 Where a majority of votes cast would result in more than three people registered with the same Firm being elected, the person receiving the largest majority shall stand elected, and all others registered with that Firm shall be declared ineligible.

In the event of a tied vote for any office, and after one additional round of balloting has been conducted in an attempt to break the tie, the Chair shall be empowered to break the tie.

- 4.06 The Chair of the meeting shall announce the election results but shall not announce the individual tally of votes.

- 4.07 Upon election, the Directors shall immediately be formally installed and assume office for the periods outlined in the By-laws commencing on January 1st of the following year or until their successors are elected or appointed.



APPENDIX K: AWARDS, CERTIFICATES, PRESENTATIONS & EVENTS

1.0 Awards

1.01. Lyn Coupland Outstanding Service Award

The Executive Committee will annually submit to the Board of Directors for approval nominees for the Lyn Coupland Outstanding Service Award based on the following:

- a) No more than three individuals and/or organizations as recipients in any given year; and,
- b) Recognition based on outstanding service to the industry during the last few years.

Chair is excluded from eligibility.

1.02. Ron Richardson Memorial Award

The Ronald Richardson Memorial Award recognizes an LSTAR REALTOR® Member who personifies the spirit and values of LSTAR's three-time Past President, who championed philanthropy and giving back to the community. The award recipient will be recognized for their contributions in leadership, mentorship and professionalism throughout the community and organized real estate.

The recipient will receive \$1,000 to be donated to a charity of the recipient's choice within the LSTAR catchment area to benefit local communities. The award is presented annually at a scheduled LSTAR Membership Meeting.

The Community Engagement Committee will annually submit to the Board of Directors for approval nominees for the Ron Richardson Memorial Award based on the following:

Eligible nominees must in good standing with LSTAR, including a clear record in the past five years of not receiving a severe fine and/or penalty for unethical conduct from the LSTAR Discipline Committee and/or the Real Estate Council of Ontario (RECO).

2.0 Scholarships

- 2.01 The purpose of this scholarship is to recognize four university or college-bound students, in their last year of high school or not to exceed two years following high school graduation, who have demonstrated academic excellence, a high level of involvement in school and/or the community, maturity and responsibility, initiative and/or strength of character and to promote their higher education through a bursary of \$2,500.00 each.
- 2.02 The scholarship will be awarded annually.
- 2.03 Eligible applicants must be either the children, grandchildren, step-children / grandchildren or under legal guardianship of Members of the Association or of Members' Staff.
- 2.04 A task force shall be struck on an annual basis to choose the recipients of the scholarship based on merit.



- 2.05 The task force shall take into account an applicant's:
 - a) involvement in school and/or community;
 - b) future plans (career education);
 - c) work experience, if applicable; and,
 - d) difficulties overcome.
- 2.06 Candidate must be scheduled to attend a degree granting or accredited institution.
- 2.07 If an application comes in without all of the required documentation, the candidate will get one call/email to advise them of what is missing and that it is required by 4:30pm of the due date.
- 2.08 A runner-up candidate shall be chosen with the name known only to the Chair and Staff Liaison. This candidate shall be selected by the committee and awarded the scholarship should the original candidate be unable to or fail to register at a post secondary institution.

3.0 Retiring Directors

- 3.01 Each outgoing Director will be recognized at the Annual General Meeting.

4.0 Chair's Gift and Foundation Fellowship

- 4.01 Each outgoing Chair shall be presented with an appropriate memento, commemorating their year in office to be presented at the Annual General Meeting.
- 4.02 Each outgoing Chair shall be presented with a gift, the cost of which shall not exceed \$800.00, to be presented at the Annual General Meeting.
- 4.03 The Association will purchase a REALTOR® Care Foundation Fellowship for each outgoing Chair at the end of their term at a cost of \$1,000.00.

5.0 Presentations

- 5.01 The spouse/guest of any Member who is receiving special recognition at the Awards & Recognition Event (i.e. Long-Term Service Pins/Plaques, Outstanding Service Award, Community Service Award, etc.) will be invited to attend at the Association's expense.



APPENDIX L: INVESTMENT POLICY

Overview

The Investment Plan (the “Plan”) applies to all investments held by the Association. The Plan contains investment objectives, investment guidelines and monitoring procedures. The intention of the Plan is to ensure that investment functions will be exercised in the best interests of the Association.

The responsibility of the Association investments lies with the Board and its Finance Committee as set out in the Plan.

The Finance Committee may delegate some of its responsibilities with respect to the investment of assets to one or more investment managers (the “Manager”). The Finance Committee maintains an active role with respect to the following:

- (i) formulating a written Investment Policy Statement and Manager mandates;
- (ii) selecting, appointing and monitoring Managers;
- (iii) providing direction to Managers and revoking the appointment of a Manager, if appropriate.

Any Manager to whom the Finance Committee delegates responsibilities with respect to the investment of assets must:

- (i) act with the standard of care expected of a person carrying on the business of investing the money of others;
- (ii) act in accordance with the written agreement between the Association and the Manager;
- (iii) act in accordance with the Plan of Management; and
- (iv) not delegate that authority to another person.

Plan of Management

The Association will establish investment objectives and the investment portfolio will be developed directly from these objectives. The starting point of the Investment Policy is a thorough understanding of these objectives. From time to time, it may be appropriate to establish separate investment portfolios, each with its' own unique set of investment objectives.

The Investment Policy sets out the investment objectives, asset allocation guidelines and the reporting and review processes of the Association. It is to be used to provide a framework for investment decisions as well as monitoring investment performance.

Based on the investment objectives, the manager will design and revise the portfolio as appropriate. The Manager will report on current holdings, buy/sell activity and investment performance.

The performance of the portfolio and that of the Manager will be actively reviewed to ensure that it is in compliance with the investment objectives and expectations as set out in the Investment Policy.

The Investment Policy will be reviewed on at least an annual basis by the Finance Committee to ensure it continues to meet the objectives of the Association and may be amended upon recommendation to the Board. A revision should take into consideration long-term risks in capital markets and anticipated spending by the Association.

Investment Objectives

The Association's investment assets are comprised of long-term assets which are to sustain the Association over the long term. The objectives set out below are listed in order of priority:

1. Preservation of Capital



While short-term fluctuations in market value are expected, the long-term preservation of capital shall be essential.

2. **Growth of Capital**
On a three-year basis the Association expects the total return from income and appreciation of capital to at least equal the market index chosen for each asset class.
3. **Tolerance for Market Value Fluctuations**
While long-term declines in market values are not acceptable, the Association recognizes that the risk of periodic declines quarter over quarter are unavoidable. However, it must be understood that there is a moderate tolerance for these short-term fluctuations. The Association further recognizes that the main tools to manage such fluctuations are through the investment in a moderate risk asset management.
4. **Liquidity**
While liquidity of investments is not of paramount importance, the Association may need from time to time and the portfolio will be primarily comprised of “large cap” institutions with an active market for their securities.
5. **Cash Flow Requirements**
The long-term funds must provide sufficient annual income to help meet the operating budget of the Association and any future approved programs. The Manager will be advised of the estimated income needs of the Association prior to January 1st of each year. Any material change to these estimates or cash requirements will be immediately communicated to the Manager.
6. **Taxation**
The Association is not subject to income tax and, as such, income tax considerations will not be a factor in investment decisions.

Investment Guidelines

General reserves will be maintained at no less than three (3) months, and ideally at 6 months, Operating Expenses based on the prior years audited financial statements.

Interest earned on all Reserve accounts will be retained in their respective accounts. The investment portfolio may only be invested in:

- (i) Cash including conservatively managed Canadian money market mutual funds and/or money market securities with a term to maturity of less than 365 days such as treasury bills and other short-term government securities and commercial paper;
- (ii) Fixed income instruments issued or guaranteed by governments and corporations having a term to maturity in excess of one year, including federal, provincial, municipal, corporate bonds, mortgage-backed securities and fixed income mutual funds;
- (iii) Equities including common and preferred shares, convertible preferred shares, convertible fixed income securities, warrants, income trusts and mutual funds, pooled or segregated funds, fixed income component and exchange traded funds; invested in any or all of the above asset categories.

The investment portfolio may not hold derivative financial or currency related instruments such as forward contracts or swaps except in accordance with a program established in writing by the Finance Committee.

Borrowing on behalf of the investment portfolio, short sales or the purchase of securities on margin, will not be permitted.

Asset Allocation Guidelines



The General and Building Fund Reserves are considered long-term Reserve account funds.

- (i) Investment terms for long-term Reserve account funds to have an average term of 2 to 8 years.
- (ii) Investment portfolios will be permitted to have 10-45% of the total market value, with a target of 30% in cash or money Market funds as noted in the Investment Guidelines.
- (iii) Investment portfolios will be allowed to have 10-45% of the total market value, with a target of 40% in Fixed income instruments, including high grade corporate issue bonds. Minimum credit quality for the corporate issue bonds will be “A” as rated by a recognized bond-rating firm.
- (iv) Investment portfolios will be allowed to have 10-40% of the total market value, with a target of 30% in Equity investments as outlined above. The maximum permitted to be invested in U.S. and/or International investments will be 30% of this total.

The Computer Reserve is considered short-term account funds.

- (i) Investment terms for short-term reserve funds to have an average Term of 2 to 4 years.
- (ii) Investment portfolio will be allowed to be invested in short-term Canadian Government Bonds, money markets and guaranteed investment certificates.

Investment portfolios will be allowed to have a maximum of 40% of the total market value in Fixed income instruments including high grade corporate issue bonds. Minimum credit quality for the corporate issue bonds will be “A” as rated by a recognized bond-rating firm.

Performance Measurement

The Association expects the short-term investment portfolio to earn returns consistent with Government of Canada 91-day treasury bills.

The Association expects the long-term investment portfolio to grow in excess of major market indices over a 3-year period. These performance benchmarks have been determined in order to relate the Managers’ performance to the returns that would have been generated had the assets been invested in passive index funds.

The performance benchmarks (RBC GIC rate net of expenses) are the said rate to be reviewed on at least an annual basis.

Reporting and Review

Managers will provide monthly valuations as well as reports on monthly, quarterly and annual performance by asset class measured against performance benchmarks based on a December 31st year-end, the Association’s fiscal year end.

The Finance Committee will review the monthly financial statements of the Association and monitor the current market value of investment assets and the income earned on a monthly basis.

Quarterly Rebalancing

Individual asset classes will be allowed to fluctuate within the ranges as set out by the Finance Committee. The Finance Committee and the Manager shall review the asset mix relative to the investment policy statement and consider the need for rebalancing the fund on at least a calendar quarterly basis and one mandatory rebalancing to take place at the end of Q2.

As a rule of thumb, if the deviation under each mandate remains within the minimum and maximum ranges, as set out by the committee, this shall not trigger a requirement to rebalance. Should any class fall outside the aggregate market investment limits during the quarter, the need for a rebalancing review will be triggered at which point in time, the Finance Committee will make the decision if rebalancing the classes is warranted. If a decision is made to rebalance, the Manager shall do so as soon as practicable, but not later than one month after any quarter-end.



The Manager shall manage the external cash flows into and out of the fund in such manner as to contribute to under-weighted asset classes and withdraw from over-weighted asset classes to the extent possible. The portfolio manager will attempt to allocate monthly contributions and withdrawals across managers and mandates to achieve such purposes.

Semi-annual Compliance Assurance

Managers will provide a letter indicating compliance with the provisions of the Investment Policy indicating any instances where provisions were violated. The Manager is required to report immediately any breach of compliance in writing along with pertinent details and remedial action taken.

Managers will provide comprehensive written reports on the semi-annual activity including commentary on investment market results and asset allocation by a date determined by the CEO.

Annual Reporting

Managers will report in person to the Finance Committee annually prior to the Finance Budget meeting:

- (i) Providing information concerning any new developments affecting the firm and its' services;
- (ii) Review the investment results for the year;
- (iii) Review performance relative to Industry benchmarks;
- (iv) Providing an economic outlook as well as their investment strategy based on this outlook;
- (v) Recommend adjustments to the asset allocation.

Three Year Review

No less than every three years, the Finance Committee will undertake a comprehensive review of the Manager's investment performance and make recommendations for any changes to the Board.



APPENDIX M: MEMBERSHIP, DUES AND FEES POLICY

Membership

SECTION 1. APPLICATIONS

1.01 Requirements for New Applications for Firms

All new applicants must have the following to register with the Association;

- a) Copy of approved Membership Form fully completed and duly executed
- b) Copy of Firm's and Broker of Record's Licenses from RECO; and
- c) Funds to cover Initiation Fees, CREA/OREA Dues and LSTAR Dues.

1.02 New Membership Application for Salesperson and Associate Broker

All new applicants must have the following to register with the Association;

- a) Application fully completed and signed by all parties;
- b) Copy of Real Estate License or Registration number; and
- c) Funds to cover Initiation Fees, CREA/OREA Dues and LSTAR Dues.

1.03 If License is not available upon registration, a copy must be forwarded to the Association upon receipt from RECO.

SECTION 2. REQUIREMENTS WHEN CHANGING OFFICES WITHIN 60 DAYS.

2.01 Using the forms on the Association's website, ensure the "Termination Section" is completed and executed by previous Broker/Manager or "Change to Another Firm Section" completed and executed by new Broker/Manager.

2.02 Any past dues, fees and assessments must be paid before transfer is processed.

SECTION 3. REQUIREMENTS FOR TERMINATION OF MEMBERSHIP

3.01 Using the forms on the Association's website, ensure the "Termination of Membership Section" completed and executed by last Broker/Manager.

SECTION 4. LATE MEMBERSHIP REGISTRATION

4.01 Where any Applicant fails to join the Association within 30 days from the date the Applicant was registered with a Firm under the Act, is in violation of the By-law, Article 3, Section 3.3, this Policy will apply:

- a) An automatic \$50.00 late application fee; and
- b) All back Dues to the time the application was considered late.

SECTION 5. PROTECTION OF FIRM/BRANCH OFFICE'S INITIATION FEE

5.01 A Member that is a Firm may be protected and no further initiation fee will be payable in the event the Member wishes to reopen his/her own company again sometime in the future (provided that the individual maintains continuous membership in this Association).

Those Firms that paid the original Branch Office Initiation Fee will also be



protected and no further Initiation Fee will be payable in the event that the Member that is a Firm wishes to reopen their Branch Office in the future (provided that the Member that is a Firm remains continuous in the Association).

SECTION 6. REQUESTS FOR RETURN OF INITIATION FEES

- 6.01 If the Member terminates their membership within 60 days of joining the Association they will be entitled to a refund of 50% of their Initiation Fee.

SECTION 7. EXEMPTION FROM ASSESSMENT

- 7.01 Sick Leave
- a) Exemption is granted for a minimum of three (3) months in three (3) month intervals, from the time of application only (not retroactive), up to one year;
 - b) Exemption requests after one year are to be approved by the Board of Directors;
 - c) Members on exemption will NOT be entitled to receive any Association services;
 - d) Must remain in good standing with OREA and CREA;
 - e) Anyone returning to work prior to three months will be required to pay back assessment to (this is for the first 3 month exemption only as long as the sick leave has been consecutive) beginning of three month exemption; and
 - f) Any appeals to the rules of exemption are to be referred to the Board of Directors.
- 7.02 Requirements
- a) Request for Exemption form fully completed;
 - b) All requirements must be met by the 15th of the month to obtain current month's exemption
- 7.03 Parental Leave
- a) Granted up to seventy-eight (78) weeks; and
 - b) Has the same requirements as sick leave Doctor's certificate.

SECTION 8. NEW MEMBER'S KIT

- 8.01 Upon receipt of the application for new Membership the applicant shall receive a copy of the Association's By-law, Board Governance Manual and MLS® Rules and Policies.

SECTION 9. CERTIFICATES & STICKERS

- 9.01 Each firm upon being admitted shall be given a certificate of Membership.
- 9.02 Upon changing of a company's name, a new certificate of Membership will be supplied.

SECTION 10. LATE MEMBERSHIP APPLICATION

- 10.01 It shall be the sole responsibility of each Firm to ensure all membership applications of Brokers and Salespeople registered with it are received at the Association not later than 30 days from the date shown as the date the applicant



was registered with that Firm under the Act.

- 10.02 Where an application is not received as specified in Section 1 the Firm shall be subject to assessment arrears plus an automatic late application fine, the amount of which shall be as the Directors may from time to time determine and set as policy.
- 10.03 A Firm may appeal a late application fine to the Executive Committee provided the appeal is:
- a) in writing and sets out in full the grounds for appeal; and is,
 - b) received by the CEO not more than ten (10) days from the date of receipt of the notice of fine sent to the Firm,
 - c) accompanied by the full amount of the fine.

SECTION 11. PAYMENTS

New Member

- 11.01 Based on date of registration, all new Members will be invoiced a pro-rated amount for the month they join the Association.

Terminating Membership

- 11.02
- a) When a Member is terminated by the Firm after the first working day of the month and the Member has not paid the Association the current month's assessment, the Member is responsible only for the days that the Member was active (until the date that the termination is received at the Association Office). A credit for the remainder of the month will be applied to the Member's account.
 - b) If the Member transfers to another Firm within the same month that their Membership was terminated, the Member is responsible for the full month's assessment.
 - c) If the Member transfers to another Firm the following month(s) (within 60 days of termination), the Member is responsible for all assessment back to the date of termination and the transfer will not be effected until the outstanding assessment has been paid in full.

SECTION 12. FIRM MEMBER RESPONSIBILITIES

- 12.01 In addition to the requirements in Section 11.02 above, every Member that is a Firm shall report in writing to the CEO any of the following, within thirty (30) days from the date of its registration or the registration of such changes under the Act:
- a) if the Member is a corporation, the names and addresses of its officers and directors, the number of shares held by any shareholder of the Member and any change of any of the addresses;
 - b) if the Member is a partnership, the names and addresses of the partners, and any change of any of the addresses, and if any partner is a corporation, the information required by Sub-section (a) above;



- c) upon a Member who is a Broker or Salesperson being registered or ceasing to be registered with the Member that is a Firm;
- d) upon a Member who is a Salesperson employed by a Member that is a Firm becoming a Broker registered with the Member that is a Firm, and vice-versa; or
- e) the names and addresses of all Brokers of Record and all branch managers designated pursuant to the Act and any changes thereto.

SECTION 13. DUES

Establishing Dues, Fees, and Assessments

- 13.01 All membership dues, fees and assessments shall be established by the Board from time to time and shall be payable in such amounts, at such times, and subject to such conditions as the Board shall decide, in accordance with LSTAR Policy.
- 13.02 A previous Member re-applying for membership shall not be required to again pay the Initiation Fee (refer to section 17), provided the re-application for membership is received not more than 60 days from the date the previous membership ceased.
- 13.03 All new Brokerages, including new sub-brokerages, be charged an Initiation Fee as set in Section 17.
- 13.04 Members shall be notified a minimum of 30 days in advance of any increase to membership fees and given an opportunity to provide their input and suggestions.
- 13.05 A Member who holds membership for any part of a year, shall pay the LSTAR Dues for any month there are a Member.

SECTION 14. PAYMENT AND COLLECTION OF FEES AND ASSOCIATION ACCOUNTS

- 14.01 Each Member shall be billed directly and shall be responsible to pay to the Association all dues, fees or other monies payable by that Member. Except as otherwise stated, all amounts payable by Members are due on the date set out in the invoice.
- 14.02 All Members of the Association who are Firms or, become Officers or Directors of a Firm, agree that they shall be individually and personally liable for any amounts incurred by the Firm while the Member was an Officer or Director of the Firm.

SECTION 15. NON-PAYMENT OF FEES AND ASSOCIATION ACCOUNTS

- 15.01 If a Member owes money to the Association for any reason whatsoever, and does not pay the amount when due (for the purposes of this Article, such Member hereinafter called the "Defaulting Member"), the Association may send that Defaulting Member an electronic communication (i.e. e-mail, text message, etc.), 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 their membership in the Association shall be



suspended/terminated.

- 15.02 (a) If the required action is not taken or payment made by the date provided for in the sub-section above, the Association shall suspend all membership services (including MLS® Access) and shall send, by electronic communication (i.e. e-mail, text message, etc.), a second communication to the Defaulting Member setting out therein that the Defaulting Member's membership shall be terminated unless, within ten (10) days of receipt of such second communication, the Defaulting Member delivers to the Discipline Committee a notice disputing the amount claimed to be owing by the Defaulting Member to the Association together with a cheque or cash 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 upon expiry of such 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.
- (b) If the Defaulting Member is a Firm, and if the amount owed is not paid within two (2) days of receipt by the Defaulting Member of the communication described in the sub-section above, the Association may, if so directed by the Chair, send a copy of such communication to all Members shown in the records of the Association (the "Effected Members") to be employed by the Defaulting Member, alerting them that if the Firm is terminated for non-payment of fees, Effected Members will also be terminated until payment is made.
- (c) When a Member's services have been suspended/ terminated in accordance with the sub-sections above, re-instatement of the member's services may be granted upon the payment of all accounts and a penalty levied in the amount of \$50.00.
- 15.03 Where a Member delivers a notice of dispute and the amount owing, as provided for in Sub-section 15.02(a), the dispute shall be heard by a Discipline Hearing Panel made up of Members of the Discipline Committee, following the procedures set out in Appendix N, save and except that the right to Appeal (as defined in Appendix P) shall not apply to such a dispute.
- 15.04 The Discipline Hearing Panel shall not have authority to deal with a dispute by a Defaulting Member, unless the Defaulting Member has first complied with the payment requirements as set out in the second letter described in Section 15.02(b), provided that if the Defaulting Member is successful in their dispute any amount paid to
- 15.05 In such a dispute, the onus shall be on the Defaulting Member to prove that such amount was not owing to the Association the Association, which was found not to be owing, shall be returned to them.
- 15.06 The Discipline Hearing Panel shall have the right to dismiss the dispute or find in favour of the Defaulting Member and apply such penalties as are prescribed in Article 13 of LSTAR's By-laws and Appendix N.
- a) 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 to the Association until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication to this Association to become a Member or upon applying to this Association, as a member of another real estate Association, 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/inter Association agreement that this Association has with any other real estate Association, the applicant shall repay such debt as a condition precedent to such application for membership being approved by the Directors, or as a condition precedent to accessing or obtaining any of the Association's services (including MLS® data and MLS® services) pursuant to any service sharing/data sharing/interboard Association agreement that this Association has with any other real estate Association.

- b) If a Member which is a Firm is terminated or suspended, whether for failure to pay to the Association any amount owing or for any other reason, or if such Member resigns from the Association, any amount owing to the Association shall remain a debt owing to the Association until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication by the Firm whose membership was terminated, or by any sole proprietor, partner, Broker of Record, Officer or Director of such Firm to become a Member, or upon the Firm whose membership was terminated or any sole proprietor, partner, Broker of Record, Officer or Director of such Firm 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 by the Directors or as a condition precedent to accessing or obtaining any of 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.

SECTION 16. PAYMENT AND COLLECTION OF FEES

- 17.01 All members who are or who become Brokers(s) of Record, Officers or Directors of a Firm, agree that they shall be personally responsible to the Association for any amounts owing by the Firm, which amounts were incurred from the time they occupied such position.
- 17.02 All members who are or who become a partner of a Firm which is a partnership agree that they shall be personally responsible to the Association for any amounts owing by the Firm, which amounts were incurred from the time they occupied such position.
- 17.03 Where a Member fails to pay such amounts as determined in Sections 15.01 and 15.02, such failure may be dealt with in accordance with Sections 15.04, 15.05 and 15.06.

SECTION 17. GENERAL

Initiation Fees (all Fees are + HST)



<u>Classification</u>	
Firm	\$1000.00
Principal Broker	\$1000.00
Broker/Salesperson	\$1000.00
Branch Office	\$250.00

Monthly Membership Dues (all Dues are +HST)

Classifications	CREA	OREA	LSTAR
Principal Broker	\$25.83	\$64.65	\$148.46
Broker/Salesperson	\$25.83	\$64.65	\$148.46



APPENDIX N: PROPTX ARBITRATION AND PROFESSIONAL STANDARDS POLICIES

Purpose

Section 1 – General

The purpose of these Arbitration and Professional Standards Administration Policies (“**APS Policies**”) is to outline the administration of compliance and commission disputes for the PropTx MLS® Service Users. The APS Policies shall be read and interpreted alongside related PropTx Rules, Policies, Codes and Agreements.

Section 2 – Arbitration

The purpose of the Arbitration process is to provide Brokerage Members an inexpensive alternative to the courts to have disputes heard on a timely basis by fellow real estate professionals.

Section 3 – Professional Standards

The purpose of the Professional Standards process is to set out the orderly, competitive, and efficient operation of the PropTx MLS® System. In addition, the process intends to embody the core values of honesty, integrity, fairness, accountability and professionally competent service.



ARTICLE 1 – DEFINITIONS

Section 1

1.01 In these APS Policies, unless the context requires otherwise words or terms having a commonly understood meaning in the real estate brokerage industry and not otherwise defined herein shall be given that meaning provided that the terms set out below shall have the following meanings:

- i. **"Act"** means the *Trust in Real Estate Services Act 2002* and all regulations thereto, including the Code of Ethics, as such legislation may be amended from time to time and any successor legislation;
- ii. **"Agreement to Settle"** means when an Offer to Settle has been accepted by the Respondent;
- iii. **"Allegation Statement"** means a written statement containing the specific allegations of misconduct of the Respondent;
- iv. **"Appeal"** means the request for review of an Arbitration Award or Professional Standards Hearing Panel decision to the Appeal Panel, as filed in the prescribed form;
- v. **"Appeal Hearing"** means a hearing conducted by the Appeal Panel;
- vi. **"Appeal Panel"** means a panel chosen to hear an Appeal as further described in Article 6;
- vii. **"Appeal Panel Chair"** is further described in Article 6;
- viii. **"Appeal Roster"** is further described in Article 6;
- ix. **"Appeal Respondent"** means the other party to an Award which is the subject of an Appeal to the Appeal Panel;
- x. **"Appellant"** means the party who files an Appeal;
- xi. **"Arbitration Hearing"** means a hearing conducted by an Arbitration Hearing Panel
- xii. **"Arbitration Process"** means the proceedings prescribed in Article 4;
- xiii. **"Arbitration Chair"** means the chair of the Arbitration Roster and Co-Chair of the Appeal Roster;
- xiv. **"Arbitration Roster"** is further described in Article 4;
- xv. **"Manager"** means the person designated by the Association to oversee the operation of the Arbitration and Professional Standards policies and procedures;
- xvi. **"Association"** means the applicable Member Association or Board;
- xvii. **"Award"** means the decision of the Arbitration Hearing Panel;
- xviii. **"Board of Directors"** means the Board of Directors of the Association;
- xix. **"Broker"** means an individual who has the prescribed qualifications to be registered as a Broker under the Act and who is employed by a Brokerage to trade in real estate and is authorized to use the MLS® System;
- xx. **"Brokerage"** (Listing/Co-operating) 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 that is also a member of a real estate association that is a signatory to an agreement with the Association to accept and publish Listings on the PropTx MLS® System;
- xxi. **"Broker of Record"** has the meaning ascribed to that term in the Association By-Law;



- xxii. **"Business Day"** means all days other than Saturday, Sunday and statutory holidays in the Province of Ontario. Where a submission deadline falls on a statutory holiday, the deadline will be extended to the next calendar day that is not a statutory holiday;
- xxiii. **"By-Law(s)"** means the By-Law of the Association as may be amended from time to time;
- xxiv. **"Case Presenter"** means a person appointed by the Association to present the evidence determined by the Association in support of the alleged specific misconduct of the Respondent
- xxv. **"Claim(s)"** means a dispute between Members which are both Brokerages regarding real estate business relating to the division, distribution or disposition of commission paid or to be paid in respect of a transaction, or in connection with any listing on the MLS® System, and shall also mean the written notice of such Claim as submitted by the Claimant and further described in Article 2.
- xxvi. **"Claimant"** means the Member who is a Brokerage who files a Claim against another Member which is a Brokerage who shall be represented by the Broker of Record or such other person as the Broker of Record may authorize in writing;
- xxvii. **"Commercial Member"** means a PropTx User with commercial real estate experience;
- xxviii. **"Complainant"** means any person having a Complaint against any Member;
- xxix. **"Complaint"** means a written complaint concerning the alleged breach of these Policies, the sections of the CREA Code within the jurisdiction of the Association, the PropTx MLS® Rules, other rules and regulations passed by the applicable Board of Directors and proclaimed in force, or some other alleged misconduct by a Member;
- xxx. **"CREA"** means The Canadian Real Estate Association or any successor organization;
- xxxi. **"CREA Rules"** means all applicable CREA By-Laws, Rules and Policies, including the REALTOR® Code of Ethics;
- xxxii. **"day"** means calendar days, and includes weekends and holidays. Where a submission deadline falls on a statutory holiday, the deadline will be extended to the next calendar day that is not a holiday. Any deadlines or notices sent by electronic means shall be deemed to have been received by the addressee on such day. If receipt of notice occurs after 5:00 p.m. EST, then receipt shall be deemed to be the next Business Day in the Province of Ontario.
- xxxiii. **"Form "A" "**means the Association standard form for an Appeal of an Award under Article 4;
- xxxiv. **"Form "B" "**means the Association standard form for an Appeal of a decision from the Professional Standards Hearing Panel.
- xxxv. **"Hearing Panel"** means a panel chosen to hear a Claim, Complaint or Appeal as the case may be, which is further described in Articles 2, 4, and 5;
- xxxvi. **"Hearing Panel Chair"** means the chair of a particular Hearing Panel;
- xxxvii. **"HST"** means the Harmonized Sales Tax imposed by the *Excise Tax Act* (Canada) as may be amended or replaced from time to time;
- xxxviii. **"may"** is construed as permissive;
- xxxix. **"Mediator"** means a person who acts as a neutral third party;
- xl. **"Member"** includes all types of users authorized by of PropTx to access the PropTx MLS® System and Member of the Association;
- xli. **"MLS®"** is a registered trademark of The Canadian Real Estate Association;



- xlii. **"MLS® Database"** means the aggregation of all MLS® data as well as its selection, assembly and arrangement, and any successor database owned and operated by or on behalf of PropTx;
- xlili. **"MLS® Data Information Form"** means a printed or electronic document containing information required by PropTx from time to time about an MLS® Listing or the property listed on an MLS® Listing;
- xliv. **"MLS® Forms"** means all forms (regardless of media employed) prescribed by PropTx for use by Members in connection with the MLS® System;
- xlvi. **"MLS® Listing"** is property offered for sale, lease, sub-lease, exchange or option through the MLS® System and, where the context permits, includes the information concerning the property submitted to or published on the MLS® System including the MLS® Data Information Form;
- xlvi. **"MLS® Listing Agreement"** means the agreement between the Listing Brokerage and a Seller as prescribed by PropTx from time to time and Document Attachment is supplementary to the specific MLS® Listing it is attached to and forms part of the MLS® Listing Agreement;
- xlvi. **"MLS® Rules"** means all MLS® Rules and Policies that pertain to all PropTx Users;
- xlvi. **"MLS Sign"** means a real estate sign with an associated MLS® Listing Agreement;
- xlix. **"MLS® System"** means the MLS® Database and the distribution of such information through the PropTx suite of Commercial Internet Services;
 - l. **"Notice"** means a formal notification by or on behalf of the Association delivered through electronic means such as email;
 - li. **"Notice of Mediation"** means written Notice provided by the Arbitration Chair to the Parties setting out the scheduled date of the Mediation;
 - lii. **"Offer to Settle"** means an offer submitted by the Chair or delegate who is a Vice-Chair on a Professional Standards Roster or Appeal Panel, the matter of which may be any outcome outlined in Section 13 of Article 4.
 - liii. **"Panel Secretary"** means the person appointed by the Association to administer the work of the Arbitration Roster, Professional Standards Review Roster, Professional Standards Hearing Roster and Appeal Roster;
 - liv. **"Parties"** (and each a **"Party"**) means the Claimant and the Respondent in the Arbitration Process under Article 4, the Association and the Respondent in the Professional Standards Process under Article 5 and the Appellant and the Appeal Respondent in the case of an Appeal under Article 6;
 - lv. **"Pending Sold"** means a sale that has not yet closed and is "firm" in that the sale does not have or no longer has any conditions to closing;
 - lvi. **"Personal Information"** shall have the meaning attributed to such term in the *Personal Information Protection and Electronic Documents Act* (Canada), S.C. 2000, c. 5, as such legislation may be amended from time to time;
 - lvii. **"PIPEDA"** means the *Personal Information Protection and Electronic Documents Act* (Canada), S.C. 2000, c. 5, as such legislation may be amended from time to time;
 - lviii. **"Preliminary Motion"** means a written submission to the Arbitration Chair regarding objections to jurisdiction of the Arbitration Roster or such other matter which may be raised and is accepted by the Arbitration Chair;



- lix. **“Professional Standards Chair”** means the chair of the Professional Standards Roster and Co-Chair of the Appeal Roster;
- lx. **“Professional Standards Hearing”** means a hearing conducted by a Professional Standards Hearing Panel;
- lxi. **“Professional Standards Roster”** means the Roster of Members as described in Section 1 of Article 5;
- lxii. **“property”** means real estate;
- lxiii. **“PropTx”** means PropTx Innovations Inc.;
- lxiv. **“real estate”** includes leasehold interests and business, whether with or without premises, and fixtures, stock-in trade, goods connected with the operation of Business. For greater clarity, “real estate” may include less than a 100% interest in the foregoing, and shall include mobile homes and travel trailers that have become real property as a fixture;
- lxv. **“RECO”** means the Real Estate Council of Ontario;
- lxvi. **“RECO Rules”** means the rules promulgated under the Act and all regulations thereto, including all applicable RECO rules and policies;
- lxvii. **“Registrant”** means a Brokerage that is registered under the Act or a Broker or Salesperson who is registered under the Act;
- lxviii. **“Remuneration”** means compensation of whatever type and source related to a real estate transaction;
- lxix. **“Representation Agreement”** means an oral or written agreement (i.e., Buyer Representation Agreement or Listing Agreement) between a Brokerage Member and a consumer that sets the terms of said agreement;
- lxx. **“Researcher”** means a member of the Association staff or other person appointed to carry out research concerning the Complaint of misconduct by a Member;
- lxxi. **“Residential Member”** means a PropTx User with commercial real estate experience
- lxxii. **“Response”** means the Respondent's written reply to the Claim in the Arbitration Process under Article 4, and the written statement of a Member responding to a Complaint in the Professional Standards Process under Article 5;
- lxxiii. **“Respondent”** means the Member who is a Brokerage which a Claimant has filed a case against and who shall be represented by the Broker of Record or such other person as the Broker of Record may authorize in writing in the Arbitration Process or any Member against whom a Complaint has been made in the Professional Standards Process;
- lxxiv. **“Salesperson”** means an individual who has the prescribed qualifications to be registered as a Salesperson under the Act and who is employed by a Brokerage to trade in real estate; and
- lxxv. **“User”** means a person authorized by of PropTx to access the PropTx MLS® System.

ARTICLE 2 – ARBITRATION PROCESS

Section 1 – Arbitration Roster Composition and Powers

- 1.01** The Association shall appoint the following Members as part of the Arbitration Roster for the purpose of the Arbitration Process:
- a. The Arbitration Chair; and
 - b. The Arbitration Hearing Roster.
- 1.02** The Arbitration Roster shall have the jurisdiction and power to hear or settle all Claims that fall under Article 2.
- 1.03** The Arbitration Chair may be appointed as a member of any Panel described in this Article and Article 5.
- 1.04** No person shall serve as Arbitration Hearing Panel or Mediator in any Claim where that person:
- a. Has either directly or indirectly, any personal or financial interest in the outcome of the Complaint;
 - b. Is related by either blood, marriage or common law partnership, or adoption to either the Respondent or Complainant or any officer, director, shareholder, partner or employee of either the Respondent or Complainant; or
 - c. There is any other reasonable basis for an apprehension of bias.
- 1.05** The Arbitration Roster shall be made up of Members who are Brokerages, Brokers and Salespersons, and none of whom shall be members of the Professional Standards Review Roster or the Professional Standards Hearing Roster. In order to qualify to be a member of the Arbitration Roster, a Member must also have a minimum of three (3) years of Membership in the Association. The Arbitration Chair may appoint such other persons as Arbitration Hearing Panel members as deemed appropriate. Members of the Arbitration Roster shall serve for staggered rotating terms of two (2) years or until their successors have been appointed or until their term shall have otherwise been terminated in accordance with these Policies.
- 1.06** Where an Arbitration Hearing is required, the Arbitration Chair shall appoint an Arbitration Hearing Panel, comprised of four (4) members of the Arbitration Roster to hear and determine the Claim, one of whom shall be appointed as Arbitration Hearing Panel Chair. Quorum for the conduct of an Arbitration hearing shall be three (3) Members of the Arbitration Hearing Panel present, one of which shall be the Arbitration Hearing Panel Chair.
- 1.07** Where there are not at least three (3) members of the Arbitration Roster who would qualify as Arbitration Hearing Panel Members, then the Arbitration Chair may appoint any other Member who is a Brokerage or a Broker who qualifies to act as on the Arbitration Hearing Panel.

- 1.08** If the Claim is heard by an Arbitration Hearing Panel consisting of three (3) members of the Arbitration Roster, the Arbitration Hearing Panel Chair shall be entitled to vote on the Award. However, if the Claim is heard by a Hearing Panel of four (4) members of the Arbitration Roster, the Arbitration Hearing Panel Chair shall not be entitled to vote on the Award. The Award of the Arbitrators shall be decided by a majority of the votes cast by the Panel Members entitled to vote.
- 1.09** Claims involving Residential transactions will be heard by a panel of Residential Members. Claims involving Commercial transactions will be heard by a panel of Commercial Members experienced in the related field under discussion. The Chair of a Commercial Hearing Panel shall be a Commercial Member. In Commercial Claims, consideration may also be given to common practices within the different areas of specialization surrounding a Commercial transaction such as the use of mandate letters, and/or such other business practices.
- 1.10** The Arbitration Roster shall have custody of all documents, information and all other materials in all Claims arbitrated. All such files and information are confidential and are to be disclosed only to a member of the Arbitration Roster, the Board of Directors as required, the Hearing Panel under Section 1.11 below, the Parties involved in matters that proceed before a panel, a Mediator appointed under Section 5 hereof, the Appeal Panel and to another real estate board or association or to RECO in pursuance of a Membership application before that board or in the case of RECO, further disciplinary or licensing matter. Subject to a use permitted under Section 1.11 below, all such confidential information and files so disclosed are solely for use by the recipient thereof in considering the matter before the Committee and the applicable panel, for resolution of the dispute, or considering the Membership application in respect of which the disclosure has been made and not for any other purpose whatsoever.
- 1.11** In circumstances where any matter is to be referred by the Arbitration Hearing Panel to the Professional Standards Review Roster, the Arbitration Chair may make the files and records available to the Professional Standards Review Roster on a confidential basis for the purposes of carrying out the process set out in Article 4.
- 1.12** The Arbitration Chair shall have the power to delegate to the Panel Secretary the powers described in Subsections 1.05, 1.06, 1.08, 2.03, Section 5, Subsection 6.01 and Subsection 7.01.

Section 2 – Submission to Arbitration

- 2.01** Subject to Subsection 2.09 below, all Members agree with the Association and every other Member to submit all Claims with any other Member to Arbitration as provided in this Article.
- 2.02** Subject to Subsection 2.09 below, no legal action or other proceeding shall be taken by any Member with respect to the subject matter of a Claim and no court shall intervene in matters governed hereunder.

- 2.03** The Association shall have jurisdiction over:
- a. Arbitration Claims received from Brokerages only;
 - b. Claims from Brokerages who are Members of the Association. In instances where a Claim concerns Brokerages from different PropTx Associations, the Association to which the Respondent belongs to shall have jurisdiction to hear the case. As required, any findings requiring enforcement by an PropTx association shall be enforced by that Association Board of Directors in accordance with Subsection 11.02; and
 - c. Claims that fall under the Arbitration Guidelines in Article 3.
- 2.04** The Association shall not have jurisdiction over:
- a. Claims against Non-Members (ex. Claims against builders or Brokerages who are not Association Members);
 - b. Claims for transactions during the holdover period;
 - c. Claims concerning exclusive listings; and
 - d. HST discrepancies.
- 2.05** Upon the filing of a Claim with the Association, the Arbitration Chair may decline to proceed:
- a. If there is no jurisdiction for a Claim with the Association;
 - b. If the time period provided by Section 3 hereof, as may have been extended pursuant thereto, expired before the Claim was filed; or
 - c. If there is no merit to the Claim.
- 2.06** In the event that the Arbitration Chair has refused to proceed, the Panel Secretary shall forthwith notify the Claimant that the file is closed.
- 2.07** Any Claimant to whom Notice is given under Subsection 2.04 hereof shall be notified of the right to disagree with the determination of the Arbitration Chair and require the issue of jurisdiction raised thereby to be heard by the Arbitration Chair or such other person as the Arbitration Chair deems appropriate to hear the matter as a Preliminary Motion under Subsection 2.06 hereof. Notice must be given to the Association in writing by a disagreeing Claimant within fourteen (14) days of the date of the Panel Secretary's Notice given under Subsection 2.04 hereof, failing which the Arbitration Chair's decision shall be final and binding, and not subject to appeal.
- 2.08** At any time prior to a hearing, a Party to a Claim may bring a Preliminary Motion to be heard by written submission regarding objections to jurisdiction of the Arbitration Roster, or such other matters which may be raised and are accepted by the Arbitration Chair or such other person designated by the Hearing Panel Chair to hear the matter(s), whose decision is conclusive and binding on the parties, and not subject to appeal.

- 2.09** At any time prior to a hearing, the Claimant and Respondent may, in writing, agree to have the matters addressed in the Claim determined by a court of competent jurisdiction. Once such an agreement has been entered into, the matters set out in such Claim shall not be subject to Arbitration and such agreement and the determination of such court shall be final and binding on the Claimant and the Respondent and not subject to appeal.

Section 3 – Filing a Claim

- 3.01** The Arbitration Roster 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 and delivered to the Panel Secretary and shall be in the form as may be prescribed by the Association from time to time;
 - b. It is delivered together with the filing fee required under Subsection 3.01.c of this Article to the Panel Secretary not later than sixty (60) days from the closing date or within a further period as the Arbitration Chair may allow; and
 - c. The Claim is accompanied by a filing fee of an amount equivalent to five percent (5%) of the amount of commission in dispute, or the sum of one thousand dollars (\$1,000.00), whichever is the greater, provided that in no event shall the filing fee exceed two thousand five hundred dollars (\$2,500.00).
- 3.02** The Claim shall contain a brief and concise statement of the reasons in support of the Claim and the amount being claimed as well as a statement that the Claimant will abide by the Award.
- 3.03** The Claimant shall attach to the Claim such documents, records and other writings as are in the Claimant's possession upon which the Claimant intends to rely, and such documents, records and other writings shall be deemed to become part of the Claim.
- 3.04** The filing fee referred to in Subsection 3.01.c hereof shall be refunded to the Claimant or retained by the Association based on the following:
- a. if an Arbitration hearing is scheduled for the Claim, the Association shall retain the filing fee. However, if the Claimant substantiates the Claim, the Respondent shall reimburse the Claimant for the filing fee.
 - b. if the Arbitration Claim is withdrawn before a date has been scheduled for an Arbitration hearing, the Association shall return the filing fee. If the Claim is withdrawn any time after the hearing date is scheduled, then the filing fee shall be forfeited.

Section 4 – Filing a Response

- 4.01** When a Claim is received, the Panel Secretary shall forthwith forward a copy of the Claim to the Respondent.
- 4.02** In a Notice, the Panel Secretary shall advise in writing that the Respondent has fourteen (14) days from the sending of the Notice in which to file a Response.

- 4.03** The Response shall:
- a. Be in writing, addressed to the Arbitration Chair and delivered to the Panel Secretary;
 - b. Contain a brief and concise statement of the position of the Respondent with respect to the Claim and the reasons therefor;
 - c. Have attached to it such records, documents and other writings as are in the Respondent's possession and upon which the Respondent intends to rely, and such documents, records and other writings shall be deemed to become part of the Response; and state that the Respondent shall abide by the Award of the Arbitration Hearing Panel.
- 4.04** The Panel Secretary shall forthwith, upon receipt, forward a copy of the Response to the Claimant.
- 4.05** If the Respondent fails to deliver a Response within the required fourteen (14) days, or fails or refuses to appear at a hearing, the Arbitration Hearing Panel:
- a. May still proceed with the Arbitration and issue an Award based on the Claim and the evidence presented at the Arbitration; and
 - b. May order the Respondent to pay an amount to the Claimant as compensation for such failure to file or refusal to appear in accordance with Section 9.02 hereof.

Section 5 – Mediation

- 5.01** After the Response deadline has lapsed and before setting a date for the Arbitration hearing, the Claimant and Respondent shall meet virtually with a Mediator to facilitate the Parties in reaching a mutually acceptable resolution in advance of the hearing.
- 5.02** The Arbitration Chair shall establish a date for the Mediation, appoint a Mediator and the Notice of Mediation shall be sent to the Parties at least fourteen (14) days in advance of the Mediation date.
- 5.03** Postponements to the Mediation process will not routinely be granted. Subject to approval by the Arbitration Chair, a Party may submit a request concisely detailing the reason(s) for a proposed postponement within seven (7) days following receipt of the Notice of Mediation whereby the Arbitration Chair may consider:
- a. The reason for the request and any relevant documentation in support thereof;
 - b. The consent of the other Party;
 - c. Any previous delays incurred, including the number and length of any previous adjournments or postponements; and
 - d. The Parties' consent to certain conditions which may be imposed on any of them in accordance with Subsection 5.04, if the proposed postponement or adjournment is granted.
- 5.04** In granting a postponement, the Arbitration Chair may impose such conditions as it considers appropriate, including an imposition of costs against the Party requesting the postponement in accordance with Subsection 9.02.

- 5.05** If the Claimant and/or the Respondent fail(s) to attend the Mediation within fifteen (15) minutes of the scheduled commencement time, the Mediator will cancel the Mediation session and issue a Certificate of Non-Compliance against said Party.
- 5.06** Upon issuance of a Certificate of Non-Compliance by the Mediator, the Arbitration Chair may order the non-compliant Party pay an Administrative Penalty of up to \$1,000.00 plus HST which must be paid within fourteen (14) days of receipt of the Certificate of Non-Compliance.
- 5.07** Where the Claimant and Respondent agree to a resolution of the Claim, the Mediator shall prepare a settlement agreement setting out the terms agreed upon and the Claimant and Respondent shall sign the settlement agreement showing that they agree to be bound by the settlement agreement.
- 5.08** Such a settlement agreement, once signed by the Claimant and Respondent, shall be deemed to be an Award for the purposes of Subsection 8.05 hereof, except that there is no right to appeal such an Award.
- 5.09** A copy of such a settlement agreement shall be given to the Panel Secretary as well as to the Claimant and Respondent.
- 5.10** Where a meeting with the Mediator does not lead to a resolution of the Claim, the Mediator shall advise the Panel Secretary in writing that the Claim could not be resolved. The Mediator shall not discuss with anyone any of the matters discussed, statements made, or positions taken by either the Claimant or Respondent at any meeting with the Mediator.
- 5.11** Where a meeting with the Mediator does not lead to a resolution of the Claim, the Claim shall proceed in accordance with this Article.
- 5.12** If the Mediation is unsuccessful in resolving the Claim, and the matter proceeds to an Arbitration hearing, the Mediator shall not be permitted to participate in any manner at such Arbitration hearing and the Claimant and Respondent may not enter into evidence any matters discussed or statements made or positions taken by either the Claimant or Respondent at any meeting with the Mediator, as such discussions shall be deemed to have taken place on a "without prejudice" basis.

Section 6 – Arbitration Hearing

- 6.01** After the Mediation, the Arbitration Chair shall establish a fixed date, time and place for the hearing and Notice of the hearing shall be sent to the Parties by the Panel Secretary at least twenty-one (21) days in advance of the Arbitration hearing date.

- 6.02** The Claimant and Respondent shall be entitled to submit documentary evidence to the Arbitration Hearing Panel. Copies of all documents may be submitted with the Claim or Response, but both the Claimant and Respondent shall bring originals of all documents to the hearing and be prepared to produce same for inspection along with digital certificates (where applicable) if requested by the Hearing Panel.
- 6.03** A document or written statement or an audio or visual record must have been submitted to the Arbitration Hearing Panel and the other Party to the proceedings at least fourteen (14) days before the date of the Arbitration hearing to be received in evidence, unless the Arbitration Hearing Panel Chair, in their discretion, determines otherwise at the Arbitration hearing. The Arbitration Hearing Panel Chair may also order such Party to pay an amount in compensation to the other Party for such delay or failure to file pursuant to Subsection 9.02 hereof.
- 6.04** The Claimant and Respondent each 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.
- 6.05** Where a Claimant or Respondent intends to call one or more witnesses at an Arbitration hearing, it shall so notify, in writing, the Panel Secretary, who shall in turn notify the other Party to the proceeding. Such notice is to be received by the Panel Secretary at least fourteen (14) days prior to the date of the Arbitration hearing or Mediation and shall contain the full legal name, address and telephone number of the witness, unless the Hearing Panel Chair, in its discretion, determines otherwise at the Arbitration hearing. Pursuant to Subsection 9.02 hereof, the Hearing Panel Chair may also order such Party to pay an amount in compensation to the other Party for any delay in providing such notice.
- 6.06** At an Arbitration hearing or Mediation, the Claimant and Respondent may each be represented by legal counsel. If either Party is to be represented by legal counsel they shall so notify, in writing, the Panel Secretary. Such notice is to be received by the Panel Secretary at least fourteen (14) days before the date set for the Mediation or Hearing. Pursuant to Subsection 9.02 hereof, the Arbitration Hearing Panel Chair may also order such Party to pay an amount in compensation to the other Party for any delay in providing such notice. A Claimant or Respondent may also be represented by a Member in lieu of their own attendance which is a Brokerage, Broker or Salesperson, as long as such Member is not a member of the Arbitration Roster, Appeal Roster or a member of the Association Board of Directors, unless that Member is a member of the same Brokerage as the Respondent or the Claimant, or the Mediator appointed to try to settle that particular Claim.
- 6.07** The Arbitration Hearing Panel may retain legal counsel to sit at the hearing and advise the Arbitration Hearing Panel on any matters of law or procedure, but such legal counsel shall not take part in the deliberation or decision of the Hearing Panel.

Section 7 – Postponements and Adjournments

- 7.01** Postponements and adjournments will not be routinely granted. In determining whether to adjourn the hearing the Arbitration Chair or Hearing Panel Chair, as applicable, may consider any relevant factors, including:
- a. The reason for the request and any relevant documentation in support thereof provided within fourteen (14) days following receipt of the Notice setting out the date of the Arbitration hearing;
 - b. The consent of other Party;
 - c. Previous delays incurred, including the number and length of previous adjournments or postponements; and
 - d. The parties' consent to conditions which might be imposed if the adjournment or postponement is granted.
- 7.02** In granting the adjournment or postponement, the Hearing Panel Chair or Arbitration Chair, as applicable, may impose such conditions as it considers appropriate, including an imposition of costs against the Party requesting the adjournment or postponement to be paid to the other Party pursuant to Section 9 of this Article.

Section 8 – Award of the Arbitration Hearing Panel

- 8.01** The Award shall:
- a. Be in writing;
 - b. Contain the reasons for the Award;
 - c. Be signed by the Arbitration Hearing Panel Chair; and
 - d. Be forwarded to the Panel Secretary.
- 8.02** The Arbitration Hearing Panel, by their Award, may:
- a. Dismiss the Claim; or
 - b. Direct the disposition of the commission in dispute as they consider proper;
 - c. Refer the matter for Professional Standards review; and
 - d. Require payment by the Respondent to the Claimant of any fee paid by the Claimant under Section 3 herein.
- 8.03** At the time of the granting of the Award, the Arbitration Hearing Panel may make such order as to costs and/or compensation permitted under this Article as it deems appropriate.
- 8.04** Recognizing that the facts presented in connection with each Claim are almost always unique, under no circumstances shall the Award in any given case set a precedent and no Award shall be cited in connection with any future Claim. Each Claim shall be decided upon its merits and upon the circumstances attendant thereto.
- 8.05** Subject to the Appeal rights provided for in these Policies, the Award of the Arbitration Hearing Panel is conclusive, final and binding upon any and all Parties to the Claim and all Parties shall act in compliance with the Award.

- 8.06** Notice of the Award shall be given by the Panel Secretary to the Parties to the Claim within seven (7) days following delivery of the Award to the Panel Secretary, and shall attach a copy of the Award signed by the Arbitration Hearing Panel Chair hearing the Claim.

Section 9 – Costs and Penalties

- 9.01** The Arbitration Hearing Panel may award a successful Party costs for the preparation and filing of pleadings.
- 9.02** If the Arbitration Hearing Panel is satisfied that a Party has unduly complicated or prolonged a Claim or Arbitration hearing or has otherwise acted unreasonably (including any failure to file documents or Notices in accordance with Subsections 4.05, 5.04, 6.03, 6.05, 6.08 above), the Arbitration Hearing Panel may order the Party to pay compensation to another Party. The maximum amount of compensation that may be awarded is \$1,000.00.

Section 10 – Interest on Award

- 10.01** Money owing under an Award bears pre-award interest from the date of closing of the subject transaction to the date of the Arbitration Award at the Bank of Canada rate in effect at the date of the closing of the subject transaction.
- 10.02** Money owing under an Award bears post-award interest at the Bank of Canada rate in effect at the date of the Award. Post-award interest will only start to accrue if the Award is not paid within fourteen (14) days of the date of the Award. However, if the Award is not paid within fourteen (14) days of the date of the Award, interest will be calculated from the Award date.
- 10.03** Notwithstanding the foregoing, the Arbitration Hearing Panel may, in its discretion, in respect of the whole or any part of the amount of Award which is payable:
- a. Disallow interest on the Award;
 - b. Allow interest at a rate higher or lower than is provided in either Section 10.01 or 10.02; or
 - c. Allow interest for a period other than that provided for in the applicable Section.
- 10.04** For the purpose of exercising its discretion in Section 10.03, the Arbitration Hearing Panel may take into account:
- a. The circumstances of the case;
 - b. The amount claimed and the amount recovered in the proceeding;
 - c. The conduct of any party that tended to shorten or lengthen unnecessarily the duration of the proceeding; and
 - d. Any other relevant consideration.
- 10.05** For the purposes of this Section, the “**Bank of Canada rate**” means the Bank rate established by the Bank of Canada as the minimum rate at which the Bank of Canada makes short term advances to the banks listed in Schedule 1 of the *Bank Act* (Canada).

Section 11 – Failure to Comply

11.01 Subject to Subsection 2.01 of this Article, if any Member fails to submit a Claim to Arbitration under this Article or Article 5 and instead proceeds to any action or proceeding at law or equity, such failure may be dealt with under the provisions of Article 5 as a breach of this Policy.

11.02 If any Member fails to comply with any Award, or the Certificate of Non-Compliance within fourteen (14) days after Notice has been given under Sections 5 and 8 hereof, 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 from Membership in the Association for such period as the Board of Directors may in its sole discretion determine.

Section 12 – Successor Brokerage Liable

12.01 In the event that a Member which is a Brokerage, in this section the "**Successor Brokerage**," acquires sufficient assets of another Member which is a Brokerage, in this section the "**Seller Brokerage**," by purchase, merger or other form of transaction of reorganization such that the Seller Brokerage ceases to be a Member of the Association and if a Claim is or has been submitted to Arbitration under Section 2 hereof involving the Seller Brokerage, the Successor Brokerage shall replace the Seller Brokerage as a party to such Arbitration and be bound by all the provisions of these Policies.

Section 13 – Exclusion of the Arbitration Act, 1991, S.O. 1991, c.17

13.01 The Association, its Members, and all parties to a Claim hereby agree to exclude application of the provisions of the *Arbitration Act, 1991* (Ontario) – as amended from time to time – from Arbitrations and Appeals conducted by the Association pursuant to this Article, save those provisions thereof (Subsection 5(4) and Sections 19, 39, 46, 48, 50) from which, pursuant to Section 3 of the *Arbitration Act, 1991* (Ontario) (as may be amended from time to time), contracting out is expressly prohibited.

ARTICLE 3 – ARBITRATION GUIDELINES

Section 1 – Procurement

- 1.01** The Procurement Rule focuses on who obtained the accepted offer, and whether there was any imprudent or unethical conduct in procuring such offer. Procurement also concerns scenarios where there is a reduction in a Commission offered by a Listing Brokerage due to unethical or imprudent conduct by the Listing Brokerage. Any of the Guiding Principles under the Procurement Rule may be the subject of an Arbitration Claim.
- 1.02** It shall be imprudent or unethical for a Member to ignore the existence of an existing Representation Agreement or induce a breach of such Representation Agreement with another Brokerage Member for the purpose of having a Buyer or Seller deal with the Member regarding the same property or types of property for which the Buyer or Seller is already committed under the existing Representation Agreement.
- 1.03** If it is found that a Member had procured an offer unethically pursuant to Subsection 1.02, that Member shall be referred to Professional Standards.
- 1.04** Where confidentiality is a factor in a transaction, the Claimant, in filing the Claim, must provide written documentation from the client/prospect in support of the request/demand for confidentiality.

Section 2 – Unpaid Commission/Commission Shortfall

- 2.01** Listing Brokerages that dispute the Co-operating Brokerage's right to claim the co-operating portion of the commission are not entitled to withhold payment. In these instances, the Co-operating Brokerage must be paid in accordance with the MLS® Rules and Policies. The Listing Brokerage must pay the commission in question, and then make a Claim pursuant to the requirements of Article 2. If the Listing Brokerage substantiates its Claim, the Co-operating Brokerage will be obligated to return the commission to the Listing Brokerage.
- 2.02** In the event the Listing Brokerage withholds commission, the withholding may lead to a Professional Standards review.
- 2.03** The Co-operating Brokerage is entitled to receive the amount of commission advertised on the MLS® System at the time of the registration of an Offer unless the Listing and Co-operating Brokerage agree in writing to the contrary prior to the acceptance of an offer. The failure of the Listing Brokerage to comply with this requirement (as embodied in the PropTx MLS® Rules) is the basis of an Arbitration Claim.
- 2.04** The Hearing Panel takes the position that the Listing Brokerage cannot arbitrarily reduce the total commission payable by the Seller and proportionately reduce the commission payable to the Co-operating Brokerage unless that change and reduction are communicated to the Membership. A Co-operating Brokerage remains entitled to

the full co-operating portion of the commission in accordance with the terms as published on the Multiple Listing Service®. The foregoing can, of course, be modified by the Listing and Co-operating Brokerages if they agree to a different commission. Any change to a commission payable must be in writing.

Section 3 – Actions Designed to Circumvent Claims and Professional Standards Consequences

- 3.01** All Members are expected to act in accordance with the PropTx Code of Conduct, MLS® Rules and Policies. Accordingly, any unethical action designed to defeat the Claim of another Member is improper will result in the referral to Professional Standards.

ARTICLE 4 – PROFESSIONAL STANDARDS PROCESS

Section 1 – Application of Article and Power

- 1.01** The Provisions of this Article applies to all Members. If any party to a Professional Standards ceases to be a Member and joins another PropTx Association, the matter shall be forwarded to the new association for disposition in accordance with this Article.
- 1.02** The Manager or their delegate may upon receipt of a written Complaint from any source whatsoever, and after a jurisdictional review has been conducted in accordance with the provisions of Section 3 herein, proceed to review the conduct of any Member.
- 1.03** At any time after having received a Complaint, the Manager in its sole and absolute discretion decide that no further action should be taken in respect of the matter under review and such decision shall not be subject to review or appeal.
- 1.04** Any Member may be subject to an audit of their PropTx MLS® Listing from time to time. Failure to comply in full, with the audit will be deemed a complaint under Subsection 1.02.
- 1.05** All Members, shall be deemed to have received and to have read the APS Policies, the PropTx MLS® Rules, the PropTx Code of Conduct, CREA Code, and the RECO Code, and have agreed to abide by them. Any breach of the APS Policies, PropTx MLS® Rules, the PropTx Code of Conduct, CREA Code or the RECO Code by any Member, may be dealt with by the Professional Standards Roster as provided for in these APS Policies, including forwarding the matter to RECO, as provided for in these APS Policies.
- 1.06** All Brokerages are responsible for Members registered with that Brokerage. Accordingly, any act or omission by any Member of section 1.05 may likewise be a breach of that provision by the Brokerage with whom the Member is registered and in addition, depending on the facts and circumstances of the particular case, a Brokerage 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 themselves, notwithstanding that each Brokerage is additionally responsible for Members registered with that Brokerage.

Section 2 – The Professional Standards Chair and Rosters Composition

- 2.01** The Board of Directors shall appoint the following as part of the Professional Standards Roster for the purpose of the Professional Standards Process:
- a. The Professional Standards Chair;
 - b. The Professional Standards Review Roster; and
 - c. The Professional Standards Hearing Roster
- 2.02** The Professional Standards Chair may be appointed as a member of any Panel described in this Article and Article 5.

- 2.03** No person shall serve on any Panel described in this Article where that person:
- Has either directly or indirectly, any personal or financial interest in the outcome of the Complaint;
 - Is related by either blood, marriage or common law partnership, or adoption to either the Respondent or Complainant or any officer, director, shareholder, partner or employee of either the Respondent or Complainant; or
 - There is any other reasonable basis for an apprehension of bias.
- 2.04** The Professional Standards Review Roster and Professional Standards Hearing Roster shall consist of Brokerages, Brokers and Salespersons, none of whom shall be members of either the Arbitration Roster, Appeal Roster or Professional Standards Hearing Roster and all of whom shall have been Members for at least three (3) years. Members of the Professional Standards Review Roster and the Professional Standards Hearing Roster shall hold office for staggered rotating terms of two (2) years or until their successors have been appointed or until their tenure of office shall have otherwise been terminated in accordance with these Policies.
- 2.05** The Chair shall appoint a Professional Standards Review Panel (“**PSRP**”) consisting of four (4) members of the Professional Standards Review Roster, one of whom shall serve as Professional Standards Review Panel Chair, to review and consider any complaint so assigned to it by the Chair. Quorum for a PSRP Shall Be three (3) members of the PSRP present, including the Professional Standards Review Panel Chair. wherever possible, the Chair shall select Members of the PSRP from the same Membership category and professional of practice as that of the Member against whom a Complaint has been made.
- 2.06** Where a Professional Standards Hearing is required, the Chair shall appoint a Professional Standards Hearing Panel consisting of four (4) members of the Professional Standards Hearing Roster, one of whom shall be appointed as the Professional Standards Hearing Panel Chair. Quorum for a Professional Standards Hearing Panel shall be three (3) members of the Professional Standards Hearing Panel present including the Professional Standards Hearing Panel Chair. Wherever possible, the Chair shall select members of the Professional Standards Hearing Panel from the same Membership category and professional area of practice as that of the Respondent. Where the Complaint is against a Member that is a Brokerage, Chair shall, wherever possible, select only Members who are Brokerages as Members of the Professional Standards Hearing Committee.
- 2.07** Where there are not at least three (3) Members of the relevant Roster who would qualify as PSRP Members or Professional Standards Hearing Panel Members, then the Professional Standards Chair may appoint any other Member which is a Brokerage or a Broker who qualifies to act as on the PSRP Members or Professional Standards Hearing Panel.
- 2.08** The Professional Standards Chair shall have the power to delegate to the Panel Secretary the powers described in Subsections 2.05, 2.06, and 5.05.

Section 3 – Jurisdictional Review

- 3.01** Where the Panel Secretary receives a written Complaint, or if PropTx and/or the Association has a self-initiated Complaint alleging a breach or misconduct by a Member, such Complaint shall first be reviewed for timeliness and jurisdiction.
- 3.02** Complaints shall be made in writing in the form as may be prescribed by the Board of Directors from time to time and are to be delivered to the Association within sixty (60) days of the alleged occurrence or conduct giving rise to the Complaint. The Manager or their delegate may decide that no further action should be taken in respect of any Complaint where the occurrence or conduct giving rise to the Complaint occurred more than sixty (60) days before the written Complaint was received or where the conduct complained of has been rectified to the satisfaction of the Manager.
- 3.03** The issue of jurisdiction with respect to the matter complained of shall be reviewed and be determined whether:
- a. The Complaint will be dealt with in its entirety in accordance with this Article;
 - b. The Complaint will be returned to the Complainant for referral to RECO;
 - c. The Complaint will be dealt with in part in accordance with this Article and in part returned to the Complainant for referral to RECO; or
 - d. No further action will be taken with respect to the Complaint.
- 3.04** The Manager or their delegate, as the case may be, under the supervision of the Chair, shall, in their sole and absolute discretion, make the decision required by Subsection 3.03 based upon a review of the Complaint, a comparison of the RECO Code, the CREA Code, the PropTx MLS® Rules, PropTx Code of Conduct, agreements entered into with the Association, any other rule, regulation or policy of the Association and a review of these APS Policies. Such decision shall be final and not subject to review or appeal.
- 3.05** Once the decision required by Subsection 3.03 has been made, the Complainant, except where the Complainant is the Association, shall be advised if it is determined that all or a portion of the Complaint should be dealt with in accordance with this Article. The Complainant shall not be further notified of the status or outcome of the review of the Complaint, except in accordance with Subsection 14.03 of this Article.
- 3.06** Where RECO has assumed jurisdiction over a Complaint or any portion of a Complaint, the Professional Standards Roster will continue to have jurisdiction over the subject matter of the Complaint unless RECO requests in writing that the Association defer or suspend its Professional Standards Process. In such case the Complainant and Respondent shall be so advised within fourteen (14) days of receipt of such an order and any materials gathered in connection with the Professional Standards review of the Complaint shall be forwarded to RECO upon an order in writing from RECO. In such cases, the Association reserves the right to resume the matter upon the resolution of the RECO investigation.

Section 4 – Complaint Review

- 4.01** Where a decision has been made pursuant to Subsection 3.03 that all or a portion of a Complaint should be dealt with in accordance with this Article, the Manager or their delegate, under the supervision of the Chair, shall determine in its sole and absolute discretion whether to:
- a. Take no further action in respect of the Complaint;
 - b. Appoint a Researcher to research the Complaint in accordance with Section 5 of this Article and, where the Researcher prepares a written report under Section 5.05 of this Article, either because (i) the Respondent has failed to rectify the Complaint in accordance with Subsection 5.03 of this Article; or (ii) the Researcher has determined the Complaint is not capable of rectification, prepare an Allegation Statement, attaching the Researcher's report, and proceed in accordance with Section 6 of this Article; or
 - c. Prepare an Allegation Statement and proceed in accordance with Section 9 of this Article. The decision under this Section shall not be subject to review or appeal under this Article or to a court of competent jurisdiction.
- 4.02** Where the process set out under Section 5 below is completed and a report of a researcher is provided to the Manager or their delegate, under the supervision of the Chair, shall determine in its sole discretion whether to carry out the actions set out in Subsection 4.01 herein.

Section 5 – Powers and Responsibilities of Researcher

- 5.01** Any Researcher appointed to research a Complaint shall have the power to require any Member to produce, and the Member shall produce, all records, documents and writings or other items within the possession or control of the Member that may be required as part of the research and to answer any question related thereto, subject to proper objection.
- 5.02** Where a Member improperly fails or refuses to produce the documents and records requested by the Researcher, such failure or refusal shall be considered a breach of these Policies and shall be dealt with by the PSRP in accordance with the provisions of this Article.
- 5.03** Upon completion of the research of the Complaint, and if the Researcher under the supervision of the Chair has determined the Complaint is capable of rectification, the Researcher shall contact the Respondent and provide the Member with two (2) Days, or such longer period as the Researcher may determine reasonable or necessary in the circumstances, to rectify the Complaint.
- 5.04** Where the Complaint is rectified by the Respondent within the time required in Section 5.03, then no further action will be taken by the Committee, the Professional Standards Review Roster, the PSRP, the Professional Standards Hearing Roster or the Appeal Roster in respect of the Complaint. No such decision shall be subject to review or appeal under these Policies.

- 5.05** Where the Respondent fails to rectify the Complaint in accordance with Section 5.03 or where the Researcher under the supervision of the Chair has determined the matter is not capable of rectification, the Researcher shall prepare and file a written report of their findings under Section 5.06.
- 5.06** The Researcher's written report of the Complaint shall be filed with the Panel Secretary and attached thereto shall be copies of all records, documents or writings obtained in the course of the research. Unless otherwise authorized by these Policies, the report is confidential and shall only be available to Members participating in the review of such Complaint.

Section 6 – Allegation Statement and Response

- 6.01** Pursuant to Section 4.01, where a Researcher has been appointed and has prepared a report or where the Manager has determined decided to prepare an Allegation Statement, the following applies.
- 6.02** The Allegation Statement shall set out in writing the specific misconduct or omission which the Respondent is alleged to have done or failed to do, specifying the particular section of these APS Policies, PropTx MLS® Rules, the PropTx Code of Conduct, and any other rule, regulation or policy of the Association or the particular paragraph of the CREA Code which the Respondent is alleged to have violated or with which the Respondent has not complied. The Allegation Statement may be accompanied by a proposed Special Administrative Penalty or Offer to Settle as described in Sections 8 or 9 below. Any refusal of the accompanied proposed Special Administrative Penalty or Offer to Settle will forgo the proceedings in Section 7 and Section 9 and be referred to the Professional Standards Hearing Panel in accordance with Section 10.
- 6.03** In a written Notice, the Panel Secretary shall forward to the Respondent a copy of the Allegation Statement and the Researcher's Report, if any. The Respondent shall have seven (7) days from the date of the Notice in which to file a Response with the Panel Secretary.
- 6.04** The Response shall:
- a. Be in writing, addressed and delivered to the Panel Secretary;
 - b. Contain a brief and concise statement of the position of the Respondent with respect to the Complaint and the reasons therefore; and have attached to it such records, documents and other writings as are in the Respondent's possession and upon which the Respondent intends to rely, and such documents, records and other writings shall be deemed to become part of the Response.
- 6.05** The Allegation Statement, attaching the Researcher's report, if any, and Response, if any, shall be forwarded to the PSRP appointed by the Professional Standards Chair to review the Complaint described in the Allegation Statement.

Section 7 – Professional Standards Review Panel

- 7.01** Where an Allegation Statement has been sent to the Respondent in accordance with Sections 4 and 6, a PSRP shall be appointed consisting of a chair and three (3) other persons chosen in accordance with Section 2.05. This PSRP shall conduct a review of the Allegation Statement, the Researcher’s report, if any, and the Response, if any, and shall determine in its sole and absolute discretion whether to:
- a. Find that the Respondent has not engaged in the conduct set out in the Allegation Statement and no further action should be taken;
 - b. Determine whether a Special Administrative Penalty should be levied in accordance with Section 8;
 - c. Require the Respondent (or in the case of a Member that is a Brokerage, its Broker of Record) to attend and successfully complete a specified educational course from an accredited institution as stipulated by the Association, provided that confirmation of such successful completion is delivered to the Panel Secretary within thirty (30) days of the decision being issued or within a longer period of time as the PSRP may prescribe;
 - d. Require the Respondent to take such corrective action as may be determined by the PSRP to rectify the conduct that gave rise to the Allegation Statement and was the subject matter of the Complaint. Confirmation that the corrective action has been completed and/or the conduct has been rectified in accordance with the decision made by the PSRP shall be delivered by the Respondent to the Panel Secretary within seven (7) days of the decision being issued or within a longer period of time as the PSRP may prescribe;
 - e. impose (b), (c) and/or (d);
 - f. issue a warning letter (a “**Reprimand**”) to the Respondent warning the Respondent against a repeat occurrence of the conduct that gave rise to the Allegation Statement; or
 - g. Proceed to a Professional Standards hearing.
- 7.02** A request to be referred directly to the Professional Standards Hearing Panel and forgo the sanctions levied by the PSRP must be filed by the Respondent within seven (7) days from the date the PSRP decision is sent to the Respondent. The request is to be in writing, addressed and delivered to the Panel Secretary. Failure to submit such a request will result in a requirement to comply with the PSRP in full by the stipulated deadlines.
- 7.03** In the event that the Allegation Statement is reviewed by a PSRP consisting of three (3) panel members, the Professional Standards Review Panel Chair shall be entitled to vote in determining the appropriate decision under Section 7.01. However, in the event that the Allegation Statement is reviewed by a PSRP of four (4) panel members, the Professional Standards Review Panel Chair shall not be entitled to vote. The decision of the PSRP shall be determined by a majority of the votes cast by the panel members entitled to vote. No such decision shall be subject to review or appeal under these Policies or to a court.

- 7.04** In determining which of the options under Section 7.01 is appropriate, the Professional Standards Review Panel may take into account any prior findings occurring within a period of two (2) years of violation for any breaches of this Article, any rules, policies, or guidelines of the Association, or the CREA Code or Rules. The Respondent shall be advised by the Panel Secretary of such decision in writing.

Section 8 – Special Administrative Penalties

- 8.01** Where the Respondent has been notified that a Special Administrative Penalty is applicable pursuant to Sections 6 or 7, the Respondent may choose to pay the Special Administrative Penalty. Payment of the Special Administrative Penalty must be received by the Association in full within fourteen (14) days of sending the Notice of the decision of the PSRP under Section 7 or within such further time as the PSRP may allow.
- 8.02** Where the Respondent has been notified of the application of a Special Administrative Penalty, and pays the applicable fine, a violation shall be recorded in respect of the Complaint and the matter shall not be referred to the Professional Standards Hearing Roster nor shall it form the basis of the subject of a Professional Standards Hearing or an Appeal as set out in these Policies.

Section 9 – Agreement to Settle

- 9.01** Where the Respondent has been notified of a Complaint or that the PSRP determined that the Respondent should proceed to a Professional Standards Hearing, each individual Respondent will also be notified they may elect to have an Offer to Settle and forgo the Professional Standards Hearing. If a request for an Offer to Settle is not received, in writing, within fourteen (14) days from the Notice of decision of the PSRP, the matter will be referred to the Professional Standards Hearing Roster.
- 9.02** The Offer to Settle shall be communicated to the Respondent by the Panel Secretary.
- 9.03** If no response is received within fourteen (14) days of receipt of the decision in 9.02 or if such terms have been refused, the matter will be referred to the Professional Standards Hearing Panel. Any discussions surrounding settlement shall be deemed to have taken place on a “without prejudice” basis.
- 9.04** If an Agreement to Settle is confirmed by the Respondent, the Respondent will be required to comply with the terms in full.

Section 10 – Jurisdiction of the Professional Standards Hearing Roster

- 10.01** The Professional Standards Hearing Roster upon referral of a matter by the PSRP or if requested by the Respondent in accordance with Section 7.02 shall:
- Hold a hearing in accordance with this Article to determine if the Respondent has engaged in the conduct as set out in the Allegation Statement; and
 - Upon determining that the Respondent has engaged in conduct set out in the Allegation Statement, impose such penalties against the Respondent as are hereinafter provided.

Section 11 – Professional Standards Hearing

- 11.01** The Panel Secretary shall determine a date, time and place for the Professional Standards Hearing. Such hearing shall be conducted on an anonymous basis upon the initiative of the Association and without involvement of the Complainant except as the Case Presenter may require as a witness. Such Notice shall be forwarded to the Parties at least twenty-one (21) days prior to the date of the Professional Standards Hearing.
- 11.02** At the Professional Standards hearing, a Case Presenter shall present the facts which support the Complaint on behalf of the Association as described in the Allegation Statement.
- 11.03** At a Professional Standards hearing, the Respondent may be represented by legal counsel, and the Panel Secretary shall be notified in writing at least fourteen (14) days before the date set for the Professional Standards hearing. The Respondent may also be represented by a Member in lieu of their own attendance, provided that the Respondent may not be represented by a Member who is a Member of the Professional Standards Review Roster, PSRP, the Professional Standards Hearing Roster, the Professional Standards Hearing Panel, the Appeal Roster or the Professional Standards Hearing Appeal Panel, or a Member of the Board of Directors unless that Member is a member of the same Brokerage as the Respondent. The Professional Standards Hearing Panel may retain legal counsel to sit at the Professional Standards hearing and advise the Professional Standards Hearing Panel on all matters of law or procedure, but such legal counsel shall not take part in any deliberation or decision of the Professional Standards Hearing Panel.
- 11.04** On the date set for the Professional Standards Hearing, the Professional Standards Hearing Panel shall proceed to hear and determine the matters contained in the Allegation Statement, and the failure of the Respondent to attend the Professional Standards Hearing shall not prevent the Professional Standards Hearing Panel from proceeding to make a determination.
- 11.05** The Professional Standards Hearing Panel may:
- a. Adjourn any Professional Standards Hearing from time to time as set out in Section 12 below;
 - b. Proceed in such manner as it deems appropriate and without being bound by the rules of evidence or legal rules, provided that it shall consider the best evidence available;
 - c. Receive evidence under oath or by affirmation, or otherwise; and/or
 - d. Use any acceptable method of recording the Professional Standards Hearing, including, but not limited to, audio or video tape, recording secretary or stenographer.
- 11.06** The Respondent shall be entitled to submit documentary evidence to the Professional Standards Hearing Panel. Copies of all documents may be submitted with the Response, but the Respondent shall bring originals of all documents to the Professional Standards Hearing and be prepared to produce same for inspection along with digital certificates (where applicable) if so requested by the Professional Standards Hearing Panel.

- 11.07** A document or written statement or an audio or visual record must have been submitted to the Professional Standards Hearing Panel at least fourteen (14) days before the date of the Professional Standards Hearing to be received in evidence, unless the Professional Standards Hearing Panel Chair, in its sole and absolute discretion, determines otherwise.
- 11.08** The Case Presenter and the Respondent 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.
- 11.09** Where the Case Presenter or Respondent intends to call one or more witnesses at the Professional Standards Hearing, it shall so notify, in writing, the Panel Secretary, who shall in turn notify the other party to the proceeding. Such notice is to be received by the Panel Secretary at least fourteen (14) days prior to the date of the Professional Standards Hearing, unless the Professional Standards Hearing Panel Chair determines otherwise at the Professional Standards Hearing, and the notice shall contain the full legal name, address, and telephone number of the witness.

Section 12 – Postponements and Adjournments

- 12.01** Postponements and adjournments of the Professional Standards Hearing will not be routinely granted. In determining whether to adjourn the Professional Standards Hearing, the Professional Standards Hearing Panel Chair, as applicable, may consider relevant factors, including:
- a. The reason for the request and any relevant documentation in support thereof provided within fourteen (14) days following the receipt of the Notice setting out the date of the hearing;
 - b. The consent of the other Party;
 - c. Previous delays incurred, including the number and length of previous adjournments or postponements; and
 - d. The Parties' consent to conditions which might be imposed if the adjournment or postponement is granted.
- 12.02** In granting the adjournment or postponement, the Professional Standards Hearing Panel Chair or the Appeal Panel Chair, as applicable, may impose such conditions as it considers appropriate, including an imposition of costs against the Party requesting the adjournment or postponement. The maximum amount available for costs awarded is \$1,000.00.

Section 13 – Decision and Penalties of the Professional Standards Hearing Panel

- 13.01** If the Complaint is heard by a Professional Standards Hearing Panel consisting of three (3) Panel Members, the Professional Standards Hearing Panel Chair shall be entitled to vote in determining the decision of the Professional Standards Hearing Panel. However, if the Complaint is heard by a Professional Standards Hearing Panel of four (4) panel members, the Professional Standards Hearing Panel Chair shall not be entitled to vote. The decision of the Professional Standards Hearing Panel shall be determined by a majority of the votes cast by the panel members entitled to vote. The decision of the Professional Standards Hearing Panel shall:

- a. Be in writing and shall contain the reasons for the decision;
- b. Be signed by the Professional Standards Hearing Panel Chair; and
- c. Specify, if any, the penalty imposed.

13.02 The Professional Standards Hearing Panel in its decision may:

- a. Find that the Respondent has not engaged in the conduct set out in the Allegation Statement;
- b. Upon finding that the Respondent has engaged in the conduct set out in the Allegation Statement, impose on the Respondent one or more of the following penalties:
 - i. A reprimand;
 - ii. A fine of not less than one hundred dollars (\$100.00) and not more than fifty thousand dollars (\$50,000.00), as such amounts may be amended from time to time by PropTx;
 - iii. Require the Respondent to pay the costs of the Professional Standards Process as incurred by the Association;
 - iv. Direct the Respondent (or in the case of a Member who is a Brokerage, its Broker of Record only) to attend and successfully complete a specified educational course from an accredited institution as stipulated by the Association, provided that confirmation of such successful completion is delivered to the Panel Secretary within thirty (30) days of the decision being issued;
 - v. Recommend to the Board of Directors such further action as the Professional Standards Hearing Panel may consider appropriate in the circumstances including without limitation removal as a member from any Committee, Task Force or as a director (if applicable) and/or suspension for such period of time as determined by such Panel to be appropriate and/or expulsion from membership in the Association; and/or
 - vi. Require the Respondent to take such corrective action as may be determined by the Professional Standards Hearing Panel to rectify the conduct that gave rise to the Allegation Statement and was the subject matter of the hearing before the Professional Standards Hearing Panel. Confirmation that the corrective action has been completed and/or the conduct has been rectified in accordance with the decision made by the Professional Standards Hearing Panel shall be delivered by the Respondent to the Panel Secretary within seven (7) days of the decision being issued.

13.03 If the Respondent is found in violation, the Professional Standards Hearing Panel shall determine an appropriate penalty pursuant to the provisions of Section 13.02. In doing so, the Professional Standards Hearing Panel may consider any prior findings occurring within a period of two (2) years of violation for any breaches of these Policies, any rules, Code of Conduct, or guidelines of the Association, or the CREA Code. The Respondent shall be advised by the Panel Secretary of such decision in writing.

- 13.04** Recognizing that the facts presented in connection with each Complaint are almost always unique, under no circumstances shall the Professional Standards Hearing Panel's decision in any given case set a precedent and no decision shall be cited in connection with any future Complaint. Each Complaint shall be decided upon its merits and upon the circumstances attendant thereto.

Section 14 – Notice of the Professional Standards Hearing Panel Decision

- 14.01** A copy of the Professional Standards Hearing Panel decision shall immediately be given to the Panel Secretary who shall forward a copy to the Parties to the Professional Standards Hearing within twenty-one (21) days of receipt of same.
- 14.02** Where an Appeal is not filed in accordance with Article 7, the decision of the Professional Standards Hearing Panel may be communicated to all Members, without revealing the name or any other information which may reveal the identity of the Respondent except in the case of expulsion from (or suspension of) membership, in which case the 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.
- 14.03** Provided the Complainant has requested in writing that the Association advise such Complainant of the outcome of the review of the Complaint, the Association shall do so only after 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.
- 14.04** Subject to the Appeal provisions set out in Article 5, the decision of the Professional Standards 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 provided in the decision.
- 14.05** For the purpose of this Article, the "Professional Standards Hearing Panel decision Compliance Date" for each Professional Standards Hearing shall be paid or performed according to the decision of the Professional Standards Hearing Panel or, if the Professional Standards Hearing Panel does not set a specific date for the payment or performance of the penalty in its decision, fourteen (14) days from the date upon which the Professional Standards Hearing Panel decision is delivered to the Respondent.

Section 15 – Failure to Comply

- 15.01** If the Respondent fails to comply with a PSRP decision, a Professional Standards Hearing Panel decision, or an Agreement to Settle by the Compliance Date, the Board of Directors may, at any subsequent meeting of the Board of Directors and without further proceedings, restrict or suspend access to MLS® services, expel the Respondent 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.

ARTICLE 5 – APPEALS

Section 1 – The Appeal Roster Composition

- 1.02** The Association shall appoint an Appeal Roster composed of Members which are Brokerages, Brokers and Salespersons, none of whom shall be Members of the Arbitration Roster, the Professional Standards Review Roster or Professional Standards Hearing Roster and all of whom have been Members for at least three (3) years. Members of the Appeal Roster shall hold office for staggered rotating terms of two (2) years or until their successors have been appointed or until their tenure of office shall have otherwise been terminated in accordance with these Policies. The Members of the Appeal Roster will hear all Appeals of all Arbitration and Professional Standards Hearing decisions.
- 1.03** Where an Appeal has been filed, the Appeal Chairs shall appoint an Appeal Panel. The Appeal Panel shall consist of four (4) members of the Appeal Roster, one of whom shall be appointed as the Appeal Panel Chair. Quorum for the conduct of an Appeal Hearing shall be three (3) members of the Appeal Panel present, including the Appeal Panel Chair. Wherever possible, the Appeal Chairs shall endeavour to select Members of the Appeal Panel from the same membership category and professional area of practice as that of the Appellant, if available.
- 1.04** Where there are not at least three (3) members of the Appeal Roster who would qualify as Appeal Panel Members, then Appeal Co-Chairs may appoint any other Member which is a Brokerage or a Broker who qualifies to act as on the Appeal Panel.
- 1.05** The Appeal Chairs shall have the power to delegate to the Panel Secretary the powers described in Subsections 1.03, 3.01, and 3.03 herein.

Section 2 – Arbitration Appeals

- 2.01** Subject to Section 2.05 hereof, a Claimant or Respondent may appeal an Arbitration Award, in accordance with the following provisions.
- 2.02** An Arbitration Appeal shall only be with respect to the question of whether the Arbitration Hearing Panel had the jurisdiction to make the Award or whether there was a denial of natural justice.
- 2.03** Where an Arbitration Appeal is filed, the Award shall, subject to the provisions of Subsection 2.05, be suspended pending discontinuance or disposition of the Appeal. Notwithstanding such suspension, interest shall continue to accrue on the Award in accordance with Section 10 of Article 2.
- 2.04** Until:
- a. The period to file an Appeal has elapsed and no Appeal has been filed;
 - b. An Appeal has been commenced and has either been completed or discontinued;
or
 - c. The Appeal rights have been extinguished as provided for in Section 2.05 below,

neither party to the Arbitration hearing may ask a Court to enforce the 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 these Policies.

2.05 The Appeal Panel shall not have jurisdiction to process, hear or otherwise deal with an Arbitration Appeal:

- a. Unless the Appellant files the Appeal in Form “A” within ten (10) days of the Appellant receiving the Award;
- b. Unless the duly completed Form “A” is received by the Arbitration Chair within such ten (10) day period. The Form “A” must identify reasons that satisfy grounds for Appeal. Should the grounds lack a supporting argument, the Arbitration Chair in their sole and absolute discretion shall have the power to refuse the Appeal. An amended Appeal can be submitted provided that it is before the Appeal deadline;
- c. Unless the Appeal is accompanied by a filing fee of an amount equivalent to five percent (5%) of the amount of commission in dispute, or the sum of one thousand dollars (\$1,000.00), whichever is the greater, provided that in no event shall the filing fee exceed two thousand five hundred dollars (\$2,500.00);
- d. Unless the Appellant pays the costs of the transcript or other summary of evidence of the proceeding of the Arbitration Hearing Panel within ten (10) days of the issuance of the transcript invoice unless the Appellant pays the costs of the transcript or other summary of evidence of the proceeding of the Arbitration Hearing Panel within ten (10) days of the issuance of the transcript invoice; and
- e. If the Appellant, for any reason, ceases to be a Member either during the period of time during which it may file an Appeal or at any time during the Appeal process described in this Article.

2.06 Once an Appeal has been filed, the Association will order a transcript of original proceedings to be included in the record of the Arbitration hearing, as described in Section 4.01 of this Article. As described in Section 2.05.d, the Appellant shall be responsible for paying the costs of such transcripts, as invoiced.

Section 3 – Reply to the Arbitration Appeal

3.01 Upon receipt of the Arbitration Appeal, the Arbitration Chair shall forward a written Notice of Appeal to the Appeal Respondent.

3.02 The Appeal Respondent shall file with the Arbitration Chair a reply to the Appeal that responds to the matters raised in the Arbitration Appeal (the “**Reply**”). The Reply shall be filed within fourteen (14) days from the date of the Notice.

3.03 When the Arbitration Chair receives the Reply, they shall immediately forward a copy of the same to the Appellant.

3.04 If the Appeal Respondent fails to deliver a Reply within the prescribed time period, or fails or refuses to appear at an Arbitration Appeal hearing, the Appeal Panel may proceed to hear and determine the matter only upon the Appellant’s attendance at the Appeal

hearing and/or upon the Form “A” having been filed by the Appellant and the Reply, if any, having been filed by the Appeal Respondent.

Section 4 – Record of Arbitration Hearing

- 4.01** For purposes of this Article, the record of the Arbitration hearing shall include the following as it relates to the Arbitration hearing being appealed:
- a. The Claim;
 - b. The Response;
 - c. All Notices sent to the Claimant and Respondent by the Arbitration Chair or Panel Secretary;
 - d. Any transcript or other summary of the evidence of the proceedings;
 - e. All exhibits entered in evidence at the Arbitration hearing;
 - f. All signed documents including, hearing checklists and acknowledgements; and
 - g. The Award.

Section 5 – Arbitration Appeal Hearing

- 5.01** The Panel Secretary shall notify the Appellant and Appeal Respondent, in writing, of the date, time and place that the Arbitration Appeal is to be heard. Such Notice shall be forwarded to the Parties at least twenty-one (21) days prior to the date of the Arbitration Appeal hearing.
- 5.02** At the Arbitration Appeal hearing, the Appellant or Appeal Respondent may each be represented by legal counsel. If either Party is to be represented by legal counsel they shall so notify, in writing, the Panel Secretary. Such notice is to be received by the Panel Secretary at least fourteen (14) days before the date set for the Appeal hearing. The Appellant or Appeal Respondent may also be represented by a Member in lieu of their own attendance which is a Brokerage, Broker or Salesperson, as long as such Member who is a Brokerage, Broker or Salesperson is not a member of the Professional Standards Review Roster, Professional Standards Hearing Roster, Arbitration Roster, Appeal Roster or a member of the Association Board of Directors, unless that Member is a member of the same Brokerage as the Appellant or Appeal Respondent. The Arbitration Appeal Panel may retain legal counsel to attend at the Appeal hearing and advise the Appeal Panel on any and all matters of law, but such legal counsel shall not take part in the deliberation or decision of the Appeal Panel.
- 5.03** The Appellant and the Appeal Respondent shall be given full opportunity to present both oral and written arguments at the Arbitration Appeal hearing.
- 5.04** No new evidence shall be called at the Arbitration Appeal hearing, since the Arbitration Appeal is to be decided solely upon the evidence as contained in the record of the Arbitration Hearing as described in Section 4 of this Article.
- 5.05** Where the Appellant fails to appear at the Arbitration Appeal hearing, the Appeal shall be dismissed and, there shall be no further rights to Appeal pursuant to this Article.

Section 6 – Arbitration Appeal Postponements and Adjournments

- 6.01** Postponements and adjournments will not be routinely granted. In determining whether to adjourn the Appeal hearing the Appeal Panel Chair may consider any relevant factors, including:
- a. The reason for the request and any relevant documentation in support thereof provided within fourteen (14) days following receipt of the Notice setting out the date of the Arbitration hearing;
 - b. The consent of other Party;
 - c. Previous delays incurred, including the number and length of previous adjournments or postponements; and
 - d. The parties' consent to conditions which might be imposed if the adjournment or postponement is granted.
- 6.02** In granting the adjournment or postponement, the Appeal Hearing Panel Chair or Arbitration Chair, as applicable, may impose such conditions as it considers appropriate, including an imposition of costs against the Party requesting the adjournment or postponement to be paid to the other Party. The maximum costs that may be awarded is \$1,000.00.

Section 7 – Disposition of the Arbitration Appeal

- 7.01** The Arbitration Appeal Panel appointed under Section 1 of this Article may:
- a. Dismiss the Appeal;
 - b. Grant the Appeal;
 - c. Amend the Award as the Appeal Panel deems appropriate;
 - d. Remit the subject matter of the Appeal back to the Arbitration Chair for a new Arbitration hearing, and at the Appeal Panel's discretion by a differently constituted Hearing Panel; and/or
 - e. Order that the filing fee paid to the Association by the Appellant be:
 - i. Retained by the Association either in part or in whole, to cover its costs of handling the Appeal;
 - ii. Returned to the Appellant in whole, or in part; and/or
 - iii. Reimbursed to the Appellant by the Appeal Respondent in an amount equal to all or any part of the filing fee paid.
- 7.02** If the Arbitration Appeal is heard by an Appeal Panel consisting of three (3) panel members, the Appeal Panel Chair shall be entitled to vote in determining the Appeal decision. However, in the event that the Appeal is heard by an Appeal Panel of four (4) panel members, the Appeal Panel Chair shall not be entitled to vote. The Appeal decision shall be decided by a majority of the votes cast by the panel members entitled to vote. The Appeal decision shall:
- a. Be in writing and shall contain reasons for the decision;
 - b. Be signed by the Appeal Panel Chair; and
 - c. Set out the disposition of the Appeal.
- 7.03** The Arbitration Appeal decision shall be final and binding.

7.04 A copy of the Arbitration Appeal decision shall be delivered to the Appellant and Appeal Respondent by the Panel Secretary within seven (7) days of receipt of the decision by the Panel Secretary.

7.05 The Arbitration Appeal decision may be communicated to all Members, without revealing the name or any other information which may reveal the identity of the Appellant except in the case of expulsion 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 8 – Professional Standards Appeals

8.01 Subject to Section 8.03 hereof, a Respondent may appeal a Professional Standards Hearing Panel decision, in accordance with the following provisions.

8.02 The Professional Standards Appeal may be from a finding that the Respondent the Appellant engaged in the conduct set out in the Allegation Statement or from the penalty imposed, or both.

8.03 The Appeal Panel does not have jurisdiction to process, hear or otherwise deal with a Professional Standards Appeal:

- a. Unless the Appellant files the Appeal in Form “B” within ten (10) days of the Appellant receiving the Award;
- b. Unless the duly completed Form “B” is received by the Professional Standards Chair within such ten (10) day period. The Form “B” must identify reasons that satisfy the grounds for Appeal. Should the grounds lack merit the Professional Standards Chair shall have the power to refuse the Appeal;
- c. Unless the Appeal is accompanied by a filing fee as set out in Section 8.05; and
- d. Unless the Appellant pays the costs of the transcript or other summary of evidence of the proceeding of the Hearing Panel within ten (10) days of the issuance of the transcript invoice.

8.04 The Professional Standards Appeal shall be accompanied by a filing fee of \$1,000.00 plus HST. Each individual Appellant with respect to the same decision must pay the prescribed filing fee, and there shall be only one hearing scheduled for all such Appellants. Upon the disposition of the Appeal, the filing fee shall be returned to the Appellant where the appeal is granted.

8.05 The Appellant shall file the Appeal by submitting a duly completed Form “B” that must contain a concise statement of the grounds for Appeal.

8.06 Once a Professional Standards Appeal has been filed, the Association will order a transcript of original proceedings to be included in the record of the Arbitration hearing, as described in Section 9.01 of this Article. As described in Section 8.07, the Appellant shall be responsible for paying the costs of such transcripts, as invoiced.

- 8.07** The Appeal shall not be processed, dealt with, or heard if the Form “B” is not filed within the 10 (10) day period as set out in Section 8.03 hereof, if the filing fee is not delivered within the same ten (10) day period, or if the Appellant does not pay to the Association the costs of the transcript or other summary of the evidence of the proceedings of the Professional Standards Hearing Panel within ten (10) days of the issuance of the transcript invoice. Failure to comply with this provision will result in the Appeal being dismissed with no further right to Appeal.

Section 9 – Record of the Professional Standards Hearing

- 9.01** For the purposes of this Article, the record of the Professional Standards Hearing shall include the following:
- a. The written Allegation Statement;
 - b. The written Response, if any;
 - c. The Researcher’s report, if any;
 - d. All Notices sent to the parties in connection with the Professional Standards Hearing;
 - e. Any transcript or other summary of the evidence of the proceedings of the Professional Standards Hearing Panel;
 - f. All exhibits entered into evidence at the Professional Standards Hearing;
 - g. All signed documents including, hearing checklists and acknowledgements; and/or
 - h. The decision of the Professional Standards Hearing Panel.

Section 10 – Professional Standards Appeal Hearing

- 10.01** The Panel Secretary shall determine a date, time and place for the Professional Standards Appeal to be heard. Such Notice shall be forwarded to the Appellant at least twenty-one (21) days prior to the date of the Appeal.
- 10.02** No new evidence shall be called at the Professional Standards Appeal, since the Appeal is to be decided solely upon the evidence as contained in the record of the Professional Standards Hearing as described in Section 9 of this Article.
- 10.03** Where the Appellant fails to appear at the Professional Standards Appeal, the Appeal shall be dismissed and, there shall be no further rights to Appeal pursuant to this Article.
- 10.04** At the Professional Standards Appeal hearing, the Appellant may be represented by legal counsel. If the Appellant is to be represented by legal counsel they shall so notify, in writing, the Panel Secretary. Such notice is to be received by the Panel Secretary at least fourteen (14) days before the date set for the Professional Standards Appeal hearing. The Appellant may also be represented by a Member in lieu of their own attendance which is a Brokerage, Broker or Salesperson, as long as such Member who is a Brokerage, Broker or Salesperson is not a member of the Professional Standards Review Roster, Professional Standards Hearing Roster, Arbitration Roster, Appeal Roster or a member of the Association Board of Directors, unless that Member is a member of the same Brokerage as the Appellant. The Professional Standards Appeal Panel may retain legal counsel to attend at the Professional Standards Appeal hearing and advise the Appeal

Panel on any and all matters of law, but such legal counsel shall not take part in the deliberation or decision of the Professional Standards Appeal Panel.

Section 11 – Professional Standards Appeal Postponements and Adjournments

11.01 Postponements and adjournments will not be routinely granted. In determining whether to adjourn the Appeal hearing the Professional Standards Appeal Panel Chair may consider any relevant factors, including:

- a. The reason for the request and any relevant documentation in support thereof provided within fourteen (14) days following receipt of the Notice setting out the date of the Professional Standards Appeal hearing; and
- b. Previous delays incurred, including the number and length of previous adjournments or postponements.

11.02 In granting the adjournment or postponement, the Professional Standards Appeal Hearing Panel Chair may impose such conditions as it considers appropriate, including an imposition of costs to be paid to the Association. The maximum costs that may be awarded is \$1,000.00.

Section 12 – Disposition of the Professional Standards Appeal

12.01 The Professional Standards Appeal Panel by its decision may:

- a. Dismiss the Appeal;
- b. Overturn the decision of the Professional Standards Hearing Panel;
- c. Amend the decision of the Professional Standards Hearing Panel as the Appeal Panel deems appropriate;
- d. Remit the matter back to the Professional Standards Hearing Roster for a new Professional Standards Hearing, and by a differently constituted Professional Standards Hearing Panel; and/or
- e. Impose any of the penalties as set out in Section 13 of Article 4.

12.02 In the event that the Professional Standards Appeal is heard by a Professional Standards Appeal Panel consisting of three (3) panel members, the Professional Standards Appeal Panel Chair shall be entitled to vote in determining the Appeal decision. However, in the event that the Appeal is heard by a Professional Standards Appeal Panel of four (4) panel members, the Appeal Panel Chair shall not be entitled to vote. The Appeal decision shall be decided by a majority of the votes cast by the panel members entitled to vote. The Appeal decision shall:

- a. Be in writing and shall contain reasons for the decision;
- b. Be signed by the Appeal Panel Chair; and
- c. Set out the disposition of the Appeal.

12.03 The Professional Standards Appeal decision shall be final and binding.

12.04 A copy of the Professional Standards Appeal decision shall be delivered to the Appellant by the Panel Secretary within twenty-one (21) days of receipt of the decision by the Panel Secretary.

- 12.05** The Professional Standards Appeal decision may be communicated to all Members of the Association, without revealing the name or any other information which may reveal the identity of the Appellant except in the case of expulsion 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 13 – Failure to Comply

- 13.01** If a Party fails to comply with a decision made by the Appeal Panel by the date specified in the decision, the Board of Directors may, and without further proceedings to restrict or suspend MLS® System services, expel the Respondent 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.

ARTICLE 6 – EARLY COMPLAINT RESOLUTION PROCESS

Section 1 – Introduction

The following represents the policy framework for the early resolution of complaints with respect to the data integrity of the PropTx MLS® System.

The Early Complaint Resolution (“**ECR**”) Process is intended to:

1. Standardize the protocol undertaken by Association Staff when contacting Members with a request to take corrective action; and
2. Increase efficiencies and reduce costs (a benefit for both staff and the Membership) by minimizing the volume of breaches of the MLS® Rules related to data integrity cases escalated through the Professional Standards process.

The ECR Process is limited to the following:

MLS® Rules: 3.01, 3.04, 3.05, 3.06, 3.07, 3.08, 3.10, 3.13, 3.16, 3.17, 3.20, 4.02 and 5.01

CREA Rule: 11.2.1.3, and 11.3.4

The Policy does not cover:

- i. Any Rule/Policy/CREA Rule not noted above
- ii. Matters that have been referred to the Professional Standards Roster under the authority of Article 4 of these APS Policies

Section 2 – Early Complaint Resolution Process

1. Stage 1: Initial Notice

Where it is determined that an identifiable infraction of the applicable rules is present, an email notice (“**1st Notice**”) will be sent to the Broker of Record **and** Listing Salesperson(s)/Broker(s), **and** Manager located within the office of the Listing Salesperson(s)/Broker(s), if applicable to the email registered with the Association. Where there are multiple Managers within the same Brokerage office, the Association will select the first Manager listed within its Membership Database.

The 1st Notice will indicate (i) the nature of the complaint; (ii) the required steps to correct the infraction; and (iii) provide a one (1) Business Day deadline for compliance.

a. If the MLS® Listing Is Rectified

If the matter is rectified by the User, no further action will be taken by the Association and the file will be closed.

b. If the MLS® Listing Is Not Rectified

- i. If corrective action is not completed by the deadline and the Listing Salesperson(s) has not received a second notice for the same Rule in a two (2) year period, a second notice (“**2nd Notice**”) will be sent in accordance with Stage 2 below.

- ii. If corrective action is not completed by the deadline and the Listing Salesperson(s) has received a second Notice for the same Rule in a two (2) year period, the Member(s) will be referred directly to the Professional Standards Roster.

2. Stage 2: 2nd Notice and Warning

Where it is determined that a complaint can be rectified (previously unrectified 1st Notice) and the Listing Salesperson has not been put on 2nd Notice by the Association within the two (2) year period for the same rule, an Association Staff Member will contact the Respondent by email and provide one (1) additional day to take corrective action. The 2nd Notice will include a notification that failure to comply by the deadline will result in the immediate application of the applicable Special Administrative Penalty.

The email shall be directed to the same recipients and convey (i) the nature of the complaint; (ii) the required steps to correct the infraction; and (iii) provide a one (1) Business Day deadline for compliance.

Of note, in all cases, the Association Staff shall only speak with the individual(s) that is/are party to the complaint (i.e., Listing Salesperson, Broker of Record or Authorized Designate to the Broker of Record).

- i. **If the MLS® Listing Is Rectified**

If the matter is rectified by the Member, no further action will be taken by the Board and the file will be closed.

- ii. **If the MLS® Listing Is Not Rectified**

If corrective action is not completed by the deadline, the listing will be subject to the applicable Special Administrative Penalty.

3. Stage 3: Non-Compliance with Special Administrative Penalty and/or Corrective Action

When the Special Administrative Penalty is sent, the Respondent will be provided with seven (7) days to either comply or appeal the decision of the Chair.

- i. **Appeal of Special Administrative Penalty:** A formal appeal will initiate the complete Professional Standards Process in accordance with Article 4.

- ii. **Non-compliance and no Appeal:** Should the Respondent neither comply with the Special Administrative Penalty nor submit a request for referral to the Professional Standard Roster by the deadline, the Respondent's Membership will be *suspended* until compliance is achieved in full. If compliance with the Special Administrative Penalty has not been achieved by the time the next year's Membership fees are due, the Respondent's Membership with the Association will be terminated.

Section 3 – Final Notice

For repeat offenders, a Final Notice will be delivered when three (3) total Notices have been delivered in a two (2) year period for the same rule. Thereby, any future DIS Complaints will not be subject to the ECR Process and will be directed for review by the Professional Standards Roster under Article 4.

ARTICLE 7 – SPECIAL ADMINISTRATIVE PENALTIES

The failure to comply with the PropTx MLS® Rules, will be subject to the to the Schedule herein to be used by the PSRP as per Article 4 and in the Early Complaint Resolution Process as per Article 6 on a cumulative, per listing/per breach basis. Subsequent violations by a Salesperson within a two (2) year period are subject to the escalated penalties herein. Likewise, Brokerages to which the Salesperson belongs may be subject to the same penalties.

GENERAL		
2.01	<p>These PropTx MLS® Rules shall be interpreted in accordance with RECO Rules, the CREA Rules, and all applicable laws and regulatory requirements.</p> <p>If any PropTx MLS® Rules or CREA Rules conflict with the RECO Rules or any applicable laws or regulatory requirements, the conflicting MLS® Rules or CREA Rules will be considered inoperative for the purposes of these MLS® Rules to the extent of such conflict.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
2.04	All Members shall abide by the RECO Rules, the CREA Rules, the PropTx MLS® Rules as adopted from time to time, and the Authorized User Agreement as amended, restated, or replaced from time to time and by all applicable laws and regulatory requirements. No Member shall act in a manner so as to attempt to avoid or circumvent the RECO Rules, the CREA Rules or these PropTx MLS® Rules, or any applicable laws or regulatory requirements.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
2.05	When requested in writing by the Association, the Listing Brokerage shall forward to the Association a copy of any documentation pertaining to an MLS® Listing Agreement by 11:59 p.m. of the next Business Day.	First Breach: \$500.00 Repeat Breach: \$1,000.00
2.06	All Members shall comply, in full, with any audit conducted by the Association. Brokerages shall redact any remuneration information when documentation is requested pursuant to an audit.	First Breach: \$5,000.00 Repeat Breach: \$10,000.00
LISTING INFORMATION AND DOCUMENT ATTACHMENTS		
3.01	Members are responsible for the accuracy of all information submitted to the MLS® System including photographs and all documentation. No language in the MLS® Listing shall be used to override or diminish this responsibility. The Association is not obligated to or responsible for reviewing the accuracy or propriety of any MLS® Data Information Form, MLS® Listing Agreement or Document Attachments. Members must immediately correct any inaccuracy and notify the Association when necessary.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00

3.02	By submitting an MLS® Listing to the MLS® System, the Member represents and warrants to the Association and to all Members that a valid, complete, and accurate MLS® Listing Agreement and Document Attachments that comply with the applicable requirements of the MLS® Rules is in effect between the Seller and the Listing Brokerage and that MLS® Listing is complete and accurate. The submission of a Listing to the PropTx MLS® System shall not affect the Listing Brokerage's ownership rights in the Listing Brokerage's MLS® Listing Agreement and Document Attachments with the Seller.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
3.03	All MLS® Listings submitted to the MLS® System shall be completed on current approved MLS® Listing Agreements and MLS® Data Information Forms.	First Breach: \$300.00 Repeat Breach: \$600.00
3.04	<p>All remarks must appear in the appropriate field of an MLS® Listing as follows:</p> <ul style="list-style-type: none"> a) The public facing fields shall only display comments which provide pertinent information concerning the property, including, but not limited to, descriptions of the property, information about renovations, etc.; b) The Broker Remarks field shall only display comments which provide pertinent information that could impact Co-operating Brokerages, including, but not limited to: <ul style="list-style-type: none"> i. Any terms of the MLS® Listing Agreement that would modify either the total remuneration payable to the Listing Brokerage or the offer of remuneration payable to the Co-operating Brokerage; and ii. Seller contact information; c) The Offer Remarks field shall display all comments related to the registration of Offers and Seller direction, including, but not limited to: <ul style="list-style-type: none"> i. The date and time of an offer presentation; ii. If a Seller is reserving the right to review pre-emptive Offers; and iii. Seller direction that the Co-operating Brokerage not be in attendance during an Offer presentation; and d) The Appointment/Showing Remarks field shall display all information related to Showing the property. 	First Breach: \$500.00 Repeat Breach: \$1,000.00
3.05	<p>Information published on the MLS® System shall relate directly to the listed real estate and the MLS® Listing Agreement.</p> <p>Public facing fields of an MLS® Listing shall not include any information that promotes goods and services, or any form of solicitation. Specifically, an MLS® Listing must not include any form</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00

	<p>of self-promotion of the Member or third-party information, including but not limited to, telephone number, email addresses, and website URLs with the exception that the phrases “visit my website for further information about this Listing” or “visit the REALTOR® website for further information about this Listing.”</p> <p>The Brokerage Remarks field may include the name, address, telephone and/or email address or facsimile number of Member(s) to be contacted for more information concerning the property.</p>	
3.07	<p>Without limiting the generality of the foregoing and the other provisions of the MLS® Rules, any such MLS® Listing shall not be accepted by the Association as an MLS® Listing:</p> <ul style="list-style-type: none"> a) If it excludes any Members from showing the property; b) If it excludes any Members from acting as a Co-operating Brokerage; c) If it is not accompanied by at least one image of the listed real estate subject to the exemption that listed real estate that is not built may use a photograph of the land, an artist rendering, a map indicating the location of the Real Estate or a photograph of the model home with a photograph label indicating as such; or d) If all Mandatory Fields have not been completed. <ul style="list-style-type: none"> i. Where realty taxes are required to appear on the MLS® System as a Mandatory Field, the amount to be shown shall be the current year’s annual taxes or if not available, the prior year’s annual taxes. In instances when the current or prior year’s annual taxes are not available, an MLS® System field selection indicating “taxes not yet assessed” will be chosen, if available, or the Brokerage Remarks shall be updated to read “taxes not yet assessed.” ii. A Mandatory Field will not be deemed complete unless the information in the field is accurate. iii. All registered title holders must be included in the Seller field. If there is insufficient space in the Seller field to list all names, then this information may be continued in the Brokerage Remarks field. 	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.09	<p>A Member submitting an MLS® Listing or Cancellation or a suspension of an MLS® Listing to the MLS® System represents and warrants to the Association that the Member had been so authorized by the person(s) legally entitled to sell the property and agrees to indemnify and hold PropTx and the Association harmless from all claims of third parties if this is not the case.</p>	<p>First Breach: \$1,000.00 Repeat Breach: \$2,000.00</p>

3.10	<p>Only one (1) MLS® Listing for any one (1) trade function signed by the same Seller may be placed on the MLS® System at any one (1) time. The following are examples of what are considered separate trade functions under this Rule:</p> <ul style="list-style-type: none"> a) Sale/Lease; b) Furnished/Unfurnished; and c) Sale by property Owner/Power of Sale. <p>For Commercial MLS® Listings, up to three (3) Property types are permitted on the MLS® System at the same time.</p> <p>Properties with both Residential and Commercial uses may be listed in both Residential and Commercial classes.</p>	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.11	<p>All properties that are to be traded separately shall be listed separately</p>	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.12	<p>All properties that are to be traded together must be listed together.</p>	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.13	<p>An MLS® Listing shall show the names of all Brokerage Members that are party to the MLS® Listing Agreement. If there is insufficient space in the specified field, then this information can be continued in the Brokerage Remarks field.</p>	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.14	<p>An MLS® Listing Agreement shall run for a period of not less than sixty (60) days from the Commencement date.</p>	<p>First Breach: \$500.00 Repeat Breach: \$1,000.00</p>
3.15	<p>Any Exclusion shall be in writing and shall not be binding on a Co-operating Brokerage or self-represented party unless notice of the existence of the Exclusion is published on the MLS® System. An MLS® Listing Agreement and Document Attachments that includes an Exclusion that has the effect of limiting a Listing Brokerage's obligations that otherwise would exist under the MLS® Rules shall be subject to refusal or removal from the MLS® System.</p> <p>The provisions of the MLS® Listing Agreement set out under the headings:</p> <ul style="list-style-type: none"> a) Warranties; b) Family Law Act; c) Verification of Information; 	<p>First Breach: \$1,000.00 Repeat Breach: \$2,000.00</p>

	d) Use and Distribution of Information; e) Successors and Assigns; and f) Conflict or Discrepancy are necessary for the orderly operation of the MLS® System. Notwithstanding any other provisions of the MLS® Rules or CREA Rules, these provisions shall not be amended or deleted.	
3.16	<p>MLS® Listings appearing on the MLS® System shall be immediately available (subject to applicable legislation, the rights of and reasonable accommodation to the occupancy) for showings, inspections, and registration of Offers.</p> <p>Once an MLS® Listing is conditionally sold, the requirement that the MLS® Listing be available for showings shall continue unless otherwise directed by the Seller in writing. The Seller's instructions on showings must be accurately reflected in the MLS® Listing.</p> <p>In the event an existing MLS® Listing becomes unavailable for showings, inspections or registration of Offers, the MLS® Listing shall be suspended by the Listing Brokerage. While under suspension, a record of all requests by Co-operating Brokerages for showings, inspections, and registration of Offers shall be kept by the Listing Brokerage.</p> <p>Upon the Seller rescinding the suspension, the Listing Brokerage shall immediately notify all Co-operating Brokerages who have requested showings, inspections or registration of Offers.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
3.17	<p>MLS® Listings on the MLS® System shall contain all the information necessary for preparing an Offer for Sale, Lease, or Sub-Lease.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
3.18	<p>In all instances when an MLS® Listing Agreement Commences, the Listing Brokerage shall process the MLS® Listing through the MLS® System by 11:59 p.m. the next Business Day following the Commencement date of the MLS® Listing Agreement.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
3.19	<p>In the event an MLS® Listing Salesperson is no longer associated with the Listing Brokerage, the Listing Brokerage shall ensure that the MLS® Listing Salesperson field contains the Broker of Record/Manager's name or the name of a Member who is familiar with the property.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
3.20	<p>Where the lot size of a residential property is irregular, the Listing Brokerage shall report the frontage and the smaller dimension of the</p>	First Breach: \$500.00

	depth, and identify irregular as the lot shape on the PropTx MLS® System.	Repeat Breach: \$1,000.00
3.21	The Listing Brokerage shall update the MLS® System no later than 11:59 p.m. the next Business Day following any amendment to the MLS® Listing Agreement.	First Breach: \$500.00 Repeat Breach: \$1,000.00
REPORTING		
4.01	When an MLS® Listing is processed as both a residential and commercial MLS® Listing on the MLS® System, the trade shall be reported for both MLS® Listing numbers.	First Breach: \$500.00 Repeat Breach: \$1,000.00
4.02	<p>The sale, lease or sub-lease of a residential or commercial MLS® Listing shall be reported by the Listing Brokerage through the MLS® System, whether conditional or firm, by 11:59 p.m. the next Business Day following acceptance of an Offer. Members shall not be permitted to avoid these notice obligations to the Association by, for example, cancelling an MLS® Listing between receipt (or anticipated receipt) and acceptance of an Offer, or encouraging a Seller to do so.</p> <p>A commercial sale, lease, or sub-lease price shall be Reported:</p> <ul style="list-style-type: none"> a) Using the original unit of measure on the MLS® Listing; b) At the time of Reporting a firm transaction; or c) At the same time as Reporting a firm transaction, and request that the price be suppressed until after closing. <p>All changes in the status of a Reported conditional sale on the MLS® Listing shall be Reported by the Listing Brokerage on the MLS® System by 11:59 p.m. the next Business Day following the change.</p>	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
4.03	Any sale during the holdover period shall be Reported to the Association by 11:59 p.m. the next Business Day.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
4.04	The Listing Brokerage shall Report if a firm sale falls through, or if a conditional Offer does not become a firm sale, to the Association by 11:59 p.m. the next Business Day.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
4.05	Prior to reporting a transaction to the MLS® System, chattels and other elements included in the sale price but not contained in the	First Breach: \$1,000.00

	original MLS® Listing Agreement shall be added to the MLS® Listing in the inclusions field.	Repeat Breach: \$2,000.00
ADVERTISING		
5.01	<p>Every image submitted to the MLS® System shall prominently feature the property specific information about the Real Estate Component itself and aspects of the immediate surroundings that relate directly to the Real Estate Component, including, but not limited to, scenery viewed from the Real Estate Component.</p> <p>The following images cannot be included in an MLS® Listing:</p> <ul style="list-style-type: none"> a) Digitally altered images including the use of any artificial intelligence (“AI”) system or technology to create, alter, or enhance images or digital staging that do not accurately depict the listed real estate; b) Images of surrounding amenities that are not in view of the listed real estate; c) Images of advertising or marketing messages with the exception of architectural drawings, floor plans, maps, aerial or distance photographs relating to the listed real estate which is labelled as such; and d) Any persons or digital representations of persons. <p>This Rule does not preclude PropTx or the Association from adding a watermark to the photographs.</p>	First Breach: \$500.00 Repeat Breach: \$1,000.00
5.02	MLS® Signs placed on properties listed on the MLS® System may display such MLS® Marks and REALTOR® Marks as are authorized by CREA from time to time.	First Breach: \$500.00 Repeat Breach: \$1,000.00
5.03	<p>MLS® Signs placed on properties that are listed on the MLS® System shall reflect the current status of that MLS® Listing. This includes, but is not limited to, the following instances:</p> <ul style="list-style-type: none"> a) That the MLS® Sign corresponds with the MLS® Listing status of “For Sale” or “Sold” or “For Lease” or “Leased” as the case may be; b) A Member shall promptly remove their MLS® Sign from property that becomes listed by another Member for the same trade function; and c) A Member shall promptly remove their MLS® Sign from a property where the MLS® Listing is expired, terminated, or suspended. 	First Breach: \$500.00 Repeat Breach: \$1,000.00
5.04	Members other than the Listing Brokerage may not advertise an MLS® Listing unless an MLS® Listing Agreement so indicates and	First Breach: \$1,000.00

	Members have received specific written permission from the Listing Brokerage prior to each occasion of advertising.	Repeat Breach: \$2,000.00
5.05	By submitting Marketing Materials to the MLS® System the Member warrants to the Association that they have permission to use such Marketing Materials in that manner. Members shall only use Marketing Materials which they have created or purchased, including, but not limited to, all images, graphics, text, and photographs. Any permission to use such information must be provided by written consent.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
SHOWINGS AND APPOINTMENTS		
6.02	Subject to the terms of the MLS® Listing Agreement, all appointments with the Seller to show or inspect an MLS® Listing shall be made through the Listing Brokerage or as indicated on the MLS® System.	First Breach: \$2,000.00 Repeat Breach: \$4,000.00
6.03	Subject to the terms of the MLS® Listing Agreement, the Listing Brokerage shall: <ul style="list-style-type: none"> a) Make appointments and confirm them without delay; and b) If an appointment cannot be made, the Listing Brokerage shall immediately advise the Co-operating Brokerage requesting the appointment and continue to attempt to arrange an appointment for a time suitable to all parties if requested. 	First Breach: \$500.00 Repeat Breach: \$1,000.00
6.04	Subject to the terms of the MLS® Listing Agreement a Member, who is unable to keep an appointment to show or inspect a MLS® Listing shall immediately advise the Listing Brokerage prior to the appointment, who shall in turn immediately advise the Seller or occupant. In instances when the Listing Brokerage is unable to keep an appointment to show or inspect a MLS® Listing, the Listing Agent shall immediately advise the Member who has the appointment, prior to the appointment, who shall in turn immediately advise the prospective Buyer.	First Breach: \$500.00 Repeat Breach: \$1,000.00
6.05	Unless otherwise agreed to in writing by the Seller, a Listing Brokerage shall ensure that a Registrant accompanies a non-Registrant during the entire period said non-Registrant is at the property and only during the agreed upon period.	First Breach: \$2,000.00 Repeat Breach: \$4,000.00

	The Co-operating Brokerage shall be responsible for verifying the identity of its own client prior to booking an appointment to show or inspect an MLS® Listing.	
6.06	When a Listing Brokerage utilizes a Courtesy Office to hold keys or security cards, the Listing Brokerage remains responsible for all keys and security cards provided to the Courtesy Office.	First Breach: \$1,000.00 Repeat Breach: \$2,000.00
6.07	A Member shall not interfere or tamper with a lock box of another Member.	First Breach: \$2,000.00 Repeat Breach: \$4,000.00
6.08	A Member who is in receipt of a lock box combination or other access credentials shall not disclose the combination or access credentials to any other person without the consent of the Seller.	First Breach: \$2,000.00 Repeat Breach: \$4,000.00
6.09	Keys shall be re-deposited in a lock box immediately upon exiting the property and the lock box shall be properly secured.	First Breach: \$2,000.00 Repeat Breach: \$4,000.00

APPENDIX O: PRINCIPLES OF COMPETITION

The purpose of a listing service operated under the MLS® trademark is the orderly correlation and dissemination of listing information to its members so that through cooperation in the marketing of property MLS® may better serve the buying and selling public. Member real estate boards and associations shall not undertake any activity or enact or enforce any rules which run contrary to these guidelines subject to any applicable laws, government statute, ordinance or regulation, and to any final decree of any court or administrative agency.

THEREFORE, MEMBER REAL ESTATE BOARDS AND ASSOCIATIONS MUST NOT:

- 1.) Fix, establish, suggest, maintain or control the commission rates or fees for MLS® or other listing services or any services to be rendered by members.

Interpretation I

References to “fees” exclude charges by boards or associations to members for board or association services.

- 2.) Fix, establish, suggest, maintain or control the division of commission or fees between cooperating members or members and non-members.

Interpretation I

Brokers and associations may require that listing brokers indicate the commission available to a selling broker with respect to a particular transaction and require that such compensation be paid by the listing broker unless the listing broker and selling broker have mutually agreed to alter said commission.

Interpretation II

In those cases where the listing Broker is also the selling Broker and the Listing broker is reducing the commission rate or fee, require that the listing Broker disclose he or she is reducing his or her commission to all Brokers with competing offers to purchase, in order that such competing selling Brokers shall not be at a disadvantage and that the vendor shall receive the full benefit of competition from such selling Brokers.

Interpretation III

Member boards and associations may arbitrate or mediate disputes regarding fees or commissions between brokers, persons acting on their behalf, or offices in connection with a specific transaction.

- 3.) Require financial support of the Multiple Listing Service® operation by any formula based on commissions charged for the provision of real estate services.
- 4.) Finance a Multiple Listing Service® by any formula based on sales price, unless that fee does not exceed \$400.00 as increased in accordance with any increases in the Consumer Price Index as published by Statistics Canada and experienced since January 2000.
- 5.) Require or agree with a publisher or publication in which the board or association has no financial interest to refuse any type of advertising from members or non-members including refusals based on the commission rate or fees contained therein or recommend the type of advertising to be accepted by such publishers/publications.

Interpretation I

Member boards and associations may restrict advertising in board/association publications to advertising concerning real property and certain size limitations and minimum periods as necessary for the efficient operation of the publication provided such restrictions are applied uniformly to all potential advertisers.



Interpretation II

Member Boards and associations may require advertising of a listing containing certain basic information relating to price and description of the subject property.

- 6.) Prevent or restrict advertising by members of commission rates or fees, or advertising of for sale by owner or other consultative services, or offering or advertising of inducements, incentives, gifts, prizes, refunds or rebates.

Interpretation I

Advertising means advertising of any description including the posting and use of signs but board compilations of MLS® listings whether in an MLS® book or other MLS® data base are not included in the term “advertising” for the purpose of these Principles of Competition.

Interpretation II

Boards and associations may enforce advertising restrictions which relate to the use of trademarks owned by The Canadian Real Estate Association, provided that such restrictions shall not contravene any section of the Competition Act.

- 7.) Generally restrict advertising by members or non-members unless the advertising is:
 - i) False or misleading,
 - ii) Prohibited by law, or
 - iii) Restricted at the request of the vendor.

Interpretation I

Interpretation I of Section 6 above applies.

Interpretation II

Interpretation II of Section 6 above applies.

- 8.) Prohibit or discourage cooperation with non-members.

Interpretation I

Boards and associations may restrict non-members from offering MLS® listings. Likewise, the board may restrict non-members from having access to MLS® services except through members cooperating on specific listings for which boards may charge fees for such MLS® services.

- 9.) Limit or interfere with the terms of the relationship between members.
- 10.) Require brokers or salespersons work full time in real estate sales, brokerage or related industries as a condition of membership although membership may be terminated based on complaints that member(s) are proven not available to serve the public on a regular and consistent basis and/or in accordance with standards of competence and integrity necessary to serve the public.
- 11.) Refuse membership in a board or association to any broker or salesperson unless they fail to meet uniform and reasonable financial and educational criteria or standards of competence, integrity and character that are reasonably necessary for the protection of the public.

Interpretation I

A board or association may require that all sales personnel in an office or related office become members of that board in those cases where one person in an office is a member of such board so as to avoid use of such board's services by non-board members without payment.



Interpretation II

Interpretation I of Section 8 above applies.

Interpretation III

A board or association may refuse membership to applicants or expel members who have been convicted of a criminal offence that reflects on the integrity and character of the applicant or member.

- 12.) Reject a listing submitted to the MLS® system by a member on the basis of price, commission rate or fees contained in the listing.
- 13.) Prohibit or discourage a member from accepting a listing from a vendor preferring to give “office exclusive”.

It shall be the duty and obligation of member boards of The Canadian Real Estate Association to examine their Rules and Regulations to assure that they conform to this policy. The right of real estate boards and associations, to use the certification and design marks of CREA, may be terminated in the event of a failure to adhere to the Principles of Competition.



APPENDIX Q: LSTAR SOCIAL MEDIA POLICY FOR MEMBERS

Summary

'Social Media' is the term commonly given to websites and online tools that allow users to interact with each other in some way – by sharing information, opinions, knowledge and interests. LSTAR encourages its Members to explore and engage in social media networks at a level at which they feel comfortable, but to do so in accordance with this policy and all other LSTAR policies and applicable laws (including its bylaws).

Member Use of LSTAR-Sponsored Social Media Networks

LSTAR has established accounts on several social media networks to provide LSTAR Members and the public with an online network where they can have access to up-to-date and valuable information about the real estate market and LSTAR activities, thereby expanding the dialogue about matters important to the London and St. Thomas real estate environment beyond the borders of membership. These sites include, but may not be limited to, the LSTAR Member Forum, LSTAR's public-facing Facebook Page and its Members-only Facebook Group, Instagram, X, Linked, YouTube, and Flickr.

If a Member chooses to participate in any LSTAR-sponsored social media network, the Member must do so in accordance with this policy and all other LSTAR policies and applicable laws (including its bylaws). Failure to do so will result, among other things, in LSTAR rescinding the member's right to participate in LSTAR-sponsored social media networks.

In particular, when using LSTAR-sponsored social media networks:

- Where applicable, membership in LSTAR-sponsored social media networks will only be granted to those individuals who have submitted a request for membership and have been approved by LSTAR's Communications Department.
- The materials and content published by LSTAR through its social media networks will be a combination of materials and content created by LSTAR and its users. When using or submitting content through LSTAR-sponsored social media networks, **DO NOT** claim authorship of something that is not yours. If the Member is using another party's content, make certain that they are credited for it and that they approve of you utilizing their content. **DO NOT** use materials subject to copyright, trademark, publicity rights or other rights of others without the necessary permissions of the rightholder(s). Cite or link back to content rather than republishing it unless you have received the necessary consent to republish.
- Always disclose your name and your relationship with LSTAR. It is not acceptable to use aliases or otherwise deceive people. At the same time, be careful not to disclose personal or confidential information that could be used improperly against you and, in particular, LSTAR recommends that a Member strongly consider not posting or otherwise disclosing your home address and/or telephone number on its social media networks.
- Content related to real estate (including and not limited to market updates, MLS® and industry news) that a Member posts on LSTAR-sponsored social media networks, as well as other social networking sites, blogs and online forums, should not appear to be endorsed by LSTAR.
- It is forbidden to post/share any listings, open houses, status changes, price changes, etc. on any LSTAR-sponsored social media platform. If the data you want to post on the LSTAR-sponsored social media platforms has a home on the MLS® System, then it does not belong on those platforms.
- A Member must always show professionalism, courtesy and respect to, as well as protect the



confidentiality of information belonging to, LSTAR and/or any of its employees, Members, clients and affiliates. A Member must also maintain high ethical standards of personal conduct when dealing with, or referring to, LSTAR and/or any of its employees, Members, clients and affiliates. In particular, the following types of online communications are strictly prohibited:

- Any communication that is critical of LSTAR and/or any of its employees, Members, clients and affiliates.
 - Any communication that reflects (or has the potential to reflect) negatively on LSTAR and/or any of its employees, Members, clients and affiliates.
 - Any communication that damages (or has the potential to damage) the reputation of LSTAR and/or any of its employees, Members, clients and affiliates.
 - Any communication that causes (or is reasonably expected could cause) discord and/or negative relations between any of the employees, Members, clients and/or affiliates of LSTAR.
 - Any communication that is defamatory, derogatory, disparaging or otherwise contains negative remarks, images or statements about LSTAR and/or any of its employees, Members, clients and/or affiliates, as well as any other third parties.
 - Any communication that contains any sensitive, private, confidential or proprietary information about LSTAR and/or any of its employees, Members, clients and/or affiliates. Sharing of information must be limited to publicly available information only and, even then, care must be taken to avoid using sensitive, private, confidential or 'insider' information to the disadvantage or prejudice of LSTAR and/or any of its employees, Members, clients and/or affiliates. Always ask permission to publish or report on conversations that are meant to be private or internal to LSTAR or other third parties.
 - Any communication that would in any way breach any employee obligation under any other applicable LSTAR policy, agreement or law.
- A Member is personally responsible for their online activity and, in particular, everything that a Member posts online. Since such postings are in a public forum, always use common sense and discretion. Pause and think carefully before posting on any LSTAR-sponsored social media network.
 - DO NOT post content that is mean-spirited, fraudulent, obscene, objectionable, injurious, threatening, infringing of intellectual property rights, an invasive of privacy, or otherwise in violation of any LSTAR policy and/or applicable laws.
 - Make an effort to write and post things that people will value. If it helps people improve their knowledge, skills and/or understanding about LSTAR and/or the real estate market – then it is adding value.
 - If a Member disagrees with other posted opinions or information, do so respectfully. Remember that there can be a fine line between healthy debate and hysterical reaction and, as such, invite differing points of view without inflaming others.
 - Remember your obligations, as a Member, under other LSTAR policies, agreements and applicable laws, and ensure that your participation in social media networks does not breach any of those obligations.
 - By submitting content to LSTAR for use in its social media networks, a Member is granting LSTAR the



right to use and/or display such content on its social media networks at its sole discretion. All user-submitted content will be reviewed by LSTAR's Communications Department before it is posted on LSTAR-sponsored social media networks. While LSTAR aims to publish all user-submitted content, LSTAR will not tolerate or publish content that:

- contains language that LSTAR, in its sole discretion, considers offensive or inappropriate;
 - is not relevant to the post that is being responded to;
 - is a commercial endorsement, including spam;
 - is anti-competitive in nature;
 - contains threats of physical or bodily harm;
 - contains sensitive, private or confidential information;
 - infringes on the copyrights, trademarks, publicity rights or other rights of LSTAR or any third parties; and/or
 - otherwise violates any LSTAR policy, agreement and/or applicable laws.
- Before submitting or publishing a photograph or video of any LSTAR Member, employee or third party on a LSTAR-sponsored social media network, ask permission from each person in that photograph/video. This is especially important for photographs/videos taken in social settings, which can sometimes send unintended or unwanted messages to viewers.
 - As a Member of LSTAR, you hereby consent and authorize LSTAR (including its employees, agents, representatives and subcontractors) to photograph and/or film you while participating in LSTAR-related activities, and to perpetually use, publish, transmit, distribute and display such photographs and/or videos worldwide, at its sole discretion and without limitation, on any LSTAR-sponsored social media network and/or other form of media existing now or created in the future, in the promotion of LSTAR or other consistent purpose. Please note that, where practicable, LSTAR will endeavour to advise Members that an event will be filmed prior to its commencement and to remind Members that the resulting video material may be published on LSTAR social media networks and/or in the general promotion of LSTAR.
 - Since social media networks are public forums, a Member should have no expectation of privacy in anything that a Member creates, stores, sends or receiving using social media networks, regardless of the level or type of security that are placed on such sites / postings. It should, in fact, be your expectation that LSTAR will from time to time, in its sole discretion and without further notice, monitor and/or access all postings sent or received by a Member using social media networks.
 - LSTAR may, at its sole discretion, block a Member from using any LSTAR-sponsored social media networks if it believes that this is necessary or advisable to ensure compliance with legal requirements or any of LSTAR's policies and/or best practices.
 - LSTAR may also, at its sole discretion, require the Member, from time to time, to immediately remove any content on any LSTAR-sponsored social media network, as well as other social networking sites, blogs and online forums, that LSTAR deems as inappropriate, as determined in the sole and unfettered discretion of LSTAR.



Please also note that the above requirements will continually evolve as new technologies and social networking tools emerge. Accordingly, a Member is expected to review them regularly to ensure that you, as a Member, are up-to-date on, and in compliance with, the contents of this policy.

ACKNOWLEDGMENT

I, _____, hereby acknowledge that I have received, carefully read, and fully understand, the LSTAR Social Media Policy for Members set out above.

Date: _____ Signature: _____



APPENDIX R: EDUCATION, TRAINING AND FEES POLICY

Section 1 – Mandatory Training for New Members/Brokers of Record

- 1.01. All new Members joining or transferring to the Association, or becoming a Broker of Record, must complete LSTAR's mandatory training.
- 1.02. Mandatory training may consist of on-demand and/or trainer-led courses, selected and revised, as required, by LSTAR.
- 1.03. LSTAR must provide at least three (3) hours of mandatory training, but it does not have to be completed at the same time, so long as it is completed within 90 days of joining or transferring to the Association, in accordance with CREA's Core Standards Policy.
- 1.04. All those required to take mandatory training will receive written notification with the instructions for completing each course. Failure to complete all aspects of the mandatory training within the allotted time will result in the following:
 - a. a fine of \$100.00 after 90 days;
 - b. a fine of \$200.00 after 120 days;
 - c. referral to the Professional Standards Committee after 150 days.
- 1.05. Any appeals to the above-noted policy should be sent to the attention of the Professional Standards Committee and will only be entertained after payment of fine(s). Should the appeal be granted, the Committee will have the authority to return all or any portion of the paid fine(s).

Section 2 – Web Camera Policy for Mandatory Online Classes

- 2.01. To verify attendance and active participation, LSTAR requires participants to have their web cameras on during the duration of the online class. The web camera should be positioned in such a way that the participant's face is clearly visible. The participants background should be free of any distractions and offensive imagery.
- 2.02. If a participant is unable to comply with the above requirements, they should inform LSTAR staff as soon as possible, and it will be dealt with on a case-by-case basis.
- 2.03. Failure to comply will result in participant's removal from the class.

Section 3 – Private Courses

- 3.01. If a Member of the Association and/or Brokerage Staff of active member offices are unable to attend regularly scheduled courses, the cost for a private course will be \$75+HST per hour.

Section 4 – Education Failure to Attend “No Show” Fee

- 4.01 The Association will charge a \$25.00 + HST fee to any member and/or brokerage staff who is registered for a complimentary course and fails to attend at the scheduled start time. In respect for the trainer and other attendees, late admittance will not be permitted and the “No Show Fee” will be applied.

Section 5 – Non-Member Fee

- 5.01. The Association will charge a \$35.00 + HST fee to any non-member registering for a LSTAR course, unless otherwise stated.



APPENDIX S: HARASSMENT POLICY

Section 1 – Purpose

- 1.01 The London and St. Thomas Association of REALTORS® (LSTAR) believes that the working environment should at all times be supportive of the dignity and self-esteem of individuals. The intention to provide a work environment free from sexual and racial harassment, bullying, and discrimination on the basis of sex, and sexual solicitation, extends to every aspect of employment and applies to the entire organization, including all departments and locations; to all position levels, including all Members, Directors and Officers; and to all employees. It is expected that these individuals will comply with this policy at all times.

Section 2 – Policy

- 2.01 In keeping with our own beliefs and the law, harassment, of any manner and type, is prohibited in this workplace. LSTAR encourages reporting of all incidents of harassment, regardless of who the offender may be. Complaints of harassment will be investigated and appropriate disciplinary action will be taken where complaints are substantiated. Notwithstanding the existence of this policy, every person continues to have the right to seek assistance from the Ontario Human Rights Commission, even when steps are being taken under this Policy.

Section 3 – Definitions

3.01 Harassment:

“Harassment” is defined in the Ontario Human Rights Code (OHRC) as engaging in a course of vexatious comment or conduct that is known or ought reasonably to be known to be unwelcome.

Every person who is an employee has a right to freedom from harassment in the workplace by the employer or agent of the employer or by another employee because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, age, record of offences, marital status, or handicap.

Every person has a right to be free from:

- a) sexual solicitation or advance made by a person in a position to confer, grant or deny a benefit or advancement to the person where the person making the solicitation or advance knows or ought reasonably to know that it is unwelcome; or
- b) a reprisal or a threat of reprisal for the rejection of a sexual solicitation or advance where the reprisal is made or threatened by a person in a position to confer, grant or deny a benefit or advancement to the person.

No person shall infringe or do, directly or indirectly, anything that infringes a right under this Part.

“Harassment” means engaging in course or vexatious comment or conduct that is known to be unwelcome.

Section 4 – Racial Harassment

- 4.01. Racial harassment is a form of discrimination on racial grounds. Racial grounds include: colour, race, ancestry, nationality, and ethnic or national origins. Forms of racial harassment include: verbal racial slurs, the writing of racial slurs on walls, racial jokes, assault, and other unwelcome physical contact.



Section 5 – Sexual Harassment

- 5.01. Sexual harassment is a form of discrimination based on sex. It is prohibited in the Ontario Human Rights Code and it is illegal.
- 5.02. Sexual harassment may be defined as any conduct, comment, suggestion, gesture, or contact that is sexual in nature by a person where he or she knows or reasonably ought to know that such conduct causes offence, embarrassment or humiliation to any employee; where it is reasonably perceived by an employee as placing a condition of a sexual nature on employment or on any opportunity for training, promotion, or enhanced income; or where it gives rise to a hostile or intimidating work environment.
- 5.03. Sexual harassment may be unintentional or deliberate, verbal or physical. It may be one incident or a series of incidents. The following is a non-exhaustive list of actions which may be construed as sexual harassment:
- unwelcome invitations or requests, whether indirect or explicit, or intimidation or any other comments that might be interpreted by the receiving employee as demands for sexual favours;
 - unwelcome suggestive remarks, jokes, innuendoes or taunting about a person's appearance, or sex;
 - displaying of pornographic or offensive or derogatory pictures, graffiti or literature of a sexual nature;
 - leering or other gestures that are sexual in nature;
 - unnecessary physical contact such as touching, patting, pinching or punching; and/or
 - practical jokes or a sexual nature which cause awkwardness or embarrassment; physical assault that is sexually related.

While the proceeding list is not exhaustive, it is a good indicator of actions which constitute harassment when:

- submissions to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
 - submission or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or
 - such conduct has the purpose or effect of unreasonably interfering with an individual's working environment; and/or
 - such conduct might reasonably be expected to cause insecurity, discomfort, offence or humiliation to another person or group;
- 5.04. Sexual harassment does not refer to occasional compliments or frivolous remarks. What one perceives to be harassment, another may perceive to be a compliment. Tolerance for such behavior may also vary widely among employees. Good judgment must be one's guide. When an employee is offended by such actions, the employee should make it clear that these actions are offensive, in order that the initiator is made aware and can discontinue these actions.

It is sometimes difficult to determine when simple friendliness turns into sexual harassment. The key criteria are:

- a) Whether the employee reasonably finds the behavior embarrassing or intrusive; and/or
- b) whether the employee's job is threatened by failure to respond to a sexual advance.

Sexual harassment will be considered to have taken place if a reasonable person ought to have known that such Behavior was unwelcome.



Section 6 – Bullying

- 6.01. Bullying may be defined as the misuse of position to persistently criticize and condemn or to openly humiliate and professionally undermine the value of an individual's ability, causing a loss of confidence. Bullying in the workplace is usually an ongoing series of irrational and unfair verbal assaults, though physical violence may be involved. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or creates an intimidating hostile or offensive work environment. For the purposes of this policy, bullying will be treated as a form of harassment.

Section 7 – Retaliation

- 7.01 For the purposes of this policy, retaliation against an individual:
- a) having invoked this policy (whether on behalf of oneself or another individual); or
 - b) for having participated or co-operated in any investigation under this policy; or
 - c) for having been associated with the person who has invoked this policy or participated in these procedures; will be treated as harassment.

Section 8 – Management Responsibilities

- 8.01. Management employees are responsible for ensuring that the conduct of our employees, both supervisory and non-supervisory, is not discriminatory, and that no person is subject to harassment of any manner or type whatsoever. The Board of Directors are responsible for ensuring that the conduct of our Members, both Directors and non-Directors, is not discriminatory, and that no person is subject to harassment.
- 8.02. Management employees, Directors or Officers who observe harassment of any manner or type should take immediate action without waiting for any employee to complain, and must notify the President. Investigation is required whether or not the allegation is initiated by a complainant.
- 8.03. All Members, Directors and employees need to be make aware of this policy and accept responsibility to play a part in ensuring that the working environment is free from all types of harassment of any manner or type. This responsibility is to be discharged by avoidance of any conduct which constitutes harassment. In addition, any Member, Director or employee who believes that a colleague has experienced or is experiencing harassment, or retaliation for having brought forward a complaint of harassment, is encouraged to notify one of the Advisors appointed under this policy.
- 8.04. A person who considers that she or he has been subjected to harassment or retaliation is encouraged to bring this matter to the attention of the person responsible for the conduct. Where the complainant does not wish to bring the matter directly to the attention of the person responsible or where such an approach is attempted and does not produce the satisfactory result, the complainant should then seek, the advice of an Advisor.

Section 9 – Procedure

A. Complaint Procedure

- 9.01. Any employee may report a complaint of harassment to the Advisors, who consist of the Chief Executive Officer, or the President and a non-management staff member. It must be made clear to any employee who complains of harassment that his/her career will not be affected in any way as a consequence of his/her complaint. In fact, complainants should be made aware that they are assisting the London and St. Thomas Association of REALTORS® in our overall efforts to maintain a



wholesome work atmosphere. This should also be communicated to any employee named as a witness in a harassment complaint. The President shall inform the Executive Committee.

The Advisor will also advise the complainant of his or her right to continue the complaint procedure, as well as other avenues of recourse such as the right to file a complaint with the Ontario Human Rights Commission, or, where appropriate, the right to lay an information under the Criminal Code.

B. Investigation Procedure

- 9.02. The Investigative Committee, consisting of three appointees, to be appointed by the Executive Committee, shall be responsible for prompt investigation and reporting of a complaint to the Executive Committee. Upon receipt of a complaint, the Investigative Committee will carry out an appropriate investigation. Any individual making a complaint at any level may select a representative or fellow employee of his/her choice, if so desired, to accompany the complainant to any meeting called to discuss the complaint.
- 9.03. When lodging a complaint, the employee must be prepared to provide the Investigative Committee with precise and detailed information on the nature of the behavior in question, including witnesses, (if any), etc. The name of the complainant or the circumstances related to the complaint should be treated as confidential information and should not be disclosed to any person, except where disclosure is necessary for the purpose of investigating the complaint.
- 9.04. The Investigative Committee will submit a written report to the Executive Committee which will document its finding and the basis for its finding, including any conflicts in the evidence, to the Executive Committee. The report will include the Committee's findings and conclusions together with any recommended responses or disciplinary action. The Executive Committee shall consider the recommendations of the Investigative Committee and shall make a decision on the appropriate course of action. The Executive Committee shall advise the parties concerned of the outcome of the investigation and any disciplinary action to be taken.

If the complainant is not satisfied with the outcome of the investigation or the disciplinary action taken by the Executive Committee, the complainant will be reminded of the continuing right to file a complaint with the Ontario Human Rights Commission

C. Disciplinary Action

- 9.05. It is not possible to detail appropriate discipline for a defined set of circumstances involving harassment since each case will be different and should be determined individually. Proper analysis and judgement must be exercised.
- 9.06. Disciplinary action should only be taken after all of the information has been properly presented and is properly recorded. In the event that disciplinary action is recommended with respect to the resolution of a complaint, such disciplinary action must be approved by the Executive Committee of the London and St. Thomas Association of REALTORS®®, prior to its issuance.





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