

BROKERAGE WINDING UP REPORT

(Rules, section 8-11, Bylaws, section 4-11)

INSTRUCTIONS

1. Please print clearly.
2. If there is insufficient space on the form, please provide the requested information in an attachment.
3. Please note that even if trust account balances equal zero, this form must be completed and returned to the Real Estate Council.

PART A – BROKERAGE INFORMATION		
Legal name of brokerage		
Street address		
City	Province	Postal Code
Name of all managing brokers		
Addresses of all branch offices		

PART B – REASON FOR WINDING UP	
Reason for winding up	Effective date of closing

PART C – TRUST ACCOUNTS				
List all of the brokerage's trust accounts				
Name of savings institution	Branch location	Account #	Type of trust account <i>(trading services, rental property management services, strata management services, commission)</i>	Account balance(s)*

*Please provide written confirmation from the savings institution or a copy of the trust account(s) statement verifying that the trust account balances are as indicated above.

PART D – TRUST ACCOUNT PARTICULARS

Please provide, as exhibits to this report, the following information with respect to all amounts held in trust:

- For trades in real estate, a list of all transactions in relation to which the brokerage holds money in a trust account, including deal number, name of buyer and seller, amount of deposit being held, date of contract of purchase and sale and completion date.
- For all rental properties managed by the brokerage, a description of each property managed, a list of the persons on whose behalf trust funds are being held and the amount held in trust for each person, including security deposits, pet damage deposits and other deposits.
- For remuneration held either in a brokerage trust account or in a commission trust account, or anticipated to be received, the names of all licensees on whose behalf the remuneration is being held or is anticipated to be received, the amount for each such licensee, and the expected date of the pay out.
- For any unclaimed amount held in a trust account, the amount held and other particulars, including the name, if known, of the person who is or may be entitled to the amount.

PART E – LOCATION OF BROKERAGE'S RECORDS

All brokerage records under Part 8, Divisions 1 and 2 of the Council Rules must be kept for seven (7) years after their creation. These records must be kept by another brokerage, a lawyer, accountant or notary public, or another person acceptable to the Council. Please provide the name and address of the brokerage or other person proposed to be responsible for keeping the records for the stated period.

Name of brokerage or other person	Occupation of other person	
Street address		
City	Province	Postal code
Phone number <i>(include area code)</i>	Fax number <i>(include area code)</i>	

PART F – CERTIFICATION OF MANAGING BROKER, DIRECTOR, OFFICER, PARTNER OR SOLE PROPRIETOR

I hereby certify that

1. The brokerage has ceased or will cease to carry on the business of the brokerage on the effective date of closing set out in Part B.
2. The brokerage has given written notice to all related licensees that the brokerage has closed or will be closing and that the licences of the licensees will become inoperative at that time but may be reinstated in accordance with the bylaws and rules.
3. The licence(s) of the brokerage, and the licences of all related licensees that are in the possession of the brokerage, have been or will be returned immediately to the Council.
4. As trustee of the brokerage's trust account(s), I will be responsible for paying out any and all amounts held in trust as listed on any attached Exhibits to Part D, and will immediately inform the Council as each trust account balance reaches zero (except for unclaimed monies which have not been disbursed).
5. I acknowledge that I may be required by the Council to submit one or more of the financial statements and reports required under section 7-7 of the Council Rules and any other information about the business and financial records of the brokerage that are requested by the Council.
6. I have arranged for the brokerage records to be kept by the brokerage or other person referred to in Part E for the period stated in that part.
7. To the best of my knowledge, all information in this report is true and complete.

Name <i>(please print)</i>	Date MM/DD/YYYY
Signature	Position with brokerage

Mailing Address Real Estate Council of British Columbia 900 – 750 West Pender Street Vancouver, B.C., Canada V6C 2T8	Enquiries Telephone: 604.683.9664 Toll-free: 1.877.683.9664 Fax: 604.683.9017 www.recbc.ca
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IMPORTANT INFORMATION ABOUT WINDING UP A BROKERAGE

The following information is to assist a managing broker, director, officer, partner or sole proprietor in discharging their duties in winding up a real estate brokerage, including a corporation, partnership or sole proprietor.

Closure requirements:

1. Return all licence certificates with reverse side completed. This includes the licences of the head office, any branch offices and all related licensees.
2. Complete and return the enclosed winding up report attesting to the current balance of the brokerage's trust account, accompanied by verification from the brokerage's bank confirming the current trust account balance. If the trust account balance equals zero (\$0.00), the winding up report must still be completed and accompanied by verification as described above. **Failure to submit this report could delay the licence transfer, or the processing of a licence surrender, of any managing broker, director, officer, partner or sole proprietor of the brokerage.**

Please note that any "subject" transactions must have the subject clauses removed prior to the winding up of the brokerage. If this is not possible, the transaction (including the deposit monies related thereto) must be transferred to another licensed brokerage prior to the termination of the brokerage's licence. The brokerage must obtain the written authorization from all parties to the transaction prior to transferring it to another brokerage. The foregoing is necessary because the act of removing a subject clause requires licensing pursuant to the *Real Estate Services Act*. It is not necessary to transfer transactions that are "firm" or where all subject clauses have been removed. The brokerage may do the usual payouts upon completion of the transaction even after the brokerage's licence has been terminated.

Management and disbursement of trust funds after the date of closure:

Any interest that was earned on the brokerage's general trust account should be paid to the Real Estate Foundation pursuant to section 29(1)(b) of the *Real Estate Services Act*.

Pursuant to section 32 of the *Real Estate Services Act*, a brokerage may transfer money held in trust by a brokerage to the administrator appointed under the *Unclaimed Property Act*, if

- (a) the brokerage has made reasonable efforts to ascertain the identity of or to locate the person entitled to claim the money and to notify that person about the money, and
- (b) despite those efforts, the money has been unclaimed for longer than one year after the applicable time prescribed for the purposes of this section.

If the above conditions have been satisfied, the unclaimed money may be paid to the British Columbia Unclaimed Property Society. Information with respect to the procedure for paying funds to the Society can be obtained from the British Columbia Unclaimed Property Society at 604-662-3518 or from their website at www.unclaimedpropertybc.ca.

If there are adverse claimants, the brokerage may apply to the Supreme Court for an order to pay the trust monies into court. The procedure to pay trust monies into court can be found in the Brokerage Standards Manual available on the Council's website at www.recbc.ca.

Please ensure that the Real Estate Council is immediately informed when the trust account balance reaches zero (\$0.00), except for any unclaimed monies which have not been disbursed. In this instance, please provide written details of the unclaimed funds and confirm the manner in which you will be dealing with these monies.