

XI // SCHEDULE OF RECOMMENDATIONS

TRANSPARENCY AND ETHICS

- 1.** The Real Estate Council create a comprehensive Code of Ethics and Professional Conduct and require licensees to affirm, in writing, their compliance with the Code as part of regular relicensing requirements.
- 2.** The Real Estate Council amend its Rules to no longer permit licensees engaged in trading services to offer dual agency.
- 3.** The Real Estate Council require licensees to fully disclose and explain their financial and non-financial incentive structures, prior to and on entering into a client relationship.
- 4.** The Real Estate Council require licensees to provide information to consumers which clearly explains the duties owed to consumers by licensees, and how consumers can protect their own interests, before, during, and after they enter a relationship with a licensee.
- 5.** The Real Estate Council focus more attention on the forms and contracts used by licensees, to ensure they reflect an appropriate emphasis on consumer protection and the public interest.
- 6.** Government implement the changes it made to contracts used by licensees, requiring seller consent to contract assignments by the buyer, to all forms of contract for trades in real estate whether or not the contracts are prepared by licensees.
- 7.** The Real Estate Council require all licensee disclosures of interests in trade be reviewed and approved by a licensee's managing broker and subsequently filed at regular intervals with the Real Estate Council.
- 8.** The Real Estate Council amend its Rules to prohibit a licensee from acquiring a direct or indirect interest in their own listing.
- 9.** The Real Estate Council require that all offers received by a seller's agent in relation to a trade in real estate, be promptly filed with that agent's managing broker and be retained at the brokerage for review by the Real estate Council on demand.

COMPLIANCE AND CONSEQUENCES

- 10.** The Real Estate Council apply more stringent suitability assessment criteria to prospective licensees.
- 11.** The Real Estate Council impose an explicit duty on managing brokers to report licensee misconduct to the Council, and explicit duty on licensees to report misconduct to their managing broker, when that misconduct places the public at risk.
- 12.** The Real Estate Council implement confidential reporting channels (for example, reporting hotlines or whistle-blower programs) for industry and the public, to facilitate reporting of licensee misconduct.
- 13.** The Real Estate Council use existing regulatory powers to encourage licensee compliance with all rules that govern their conduct, including those of other legal and regulatory regimes.
- 14.** The Real Estate Council increase its proactive detection and deterrence efforts for licensees who engage in, aid, or abet aggressive marketing and sales practices that target vulnerable members of the public.
- 15.** The Real Estate Council increase the focus on licensee conduct examinations in its brokerage auditing program.
- 16.** Government increase maximum disciplinary penalties available to the Real Estate Council to \$250,000 for individual licensee misconduct and \$500,000 for brokerage misconduct, and increase administrative penalties to a maximum of \$50,000.
- 17.** Government amend the Act to enable the Real Estate Council to disgorge the proceeds of misconduct from licensees and brokerages.
- 18.** The Real Estate Council improve the transparency of its complaints and disciplinary process, and the resulting outcomes.

GOVERNANCE AND STRUCTURE

- 19.** Government amend the Act to require that 50% of Council members be non-industry members.
- 20.** Government amend the Act to make the regulation of both licensed and unlicensed real estate services the responsibility of a single regulator, the Real Estate Council.
- 21.** Government increase the Superintendent of Real Estate's oversight of the Real Estate Council including periodic independent assessments of Council's performance against its mandate.
- 22.** The Real Estate Council strengthen the requirements for managing brokers to have active and direct oversight over licensees.
- 23.** Government implement a "fit and proper" standard for brokerage ownership.
- 24.** The Real Estate Council require record keeping and reporting that would assist it to identify industry practices that may be placing consumers at risk.

LICENSEE AND PUBLIC EDUCATION

- 25.** The Real Estate Council undertake a comprehensive review of licensing education and testing requirements to raise entry standards.
- 26.** The Real Estate Council implement mandatory continuing education with content and testing that reinforces a licensee's ethical obligations, conduct requirements, and duties to consumers.
- 27.** The Real Estate Council make its complaints process more publicly accessible and easier to navigate.
- 28.** The Real Estate Council significantly increase and improve its public education and awareness efforts.