



# Code of Conduct

September 2, 2021

The Real Estate Council of Ontario (RECO) Board of Directors have adopted this binding Code of Conduct to prevent the possibility of any Board member advancing his or her personal or business interests, or the interests of another organization, ahead of the interests of the RECO. This Code of Conduct shall extend to candidates standing for nomination/election to the Board of Directors.

## Accountability

The Board of Directors is accountable to the Minister, through the Chair, for the performance of the Real Estate Council of Ontario.

## Role of the Board

The Board of Directors is established to provide progressive, collective leadership and direction to RECO. All Directors, both elected and appointed, are entrusted to direct the activities of the organization as a whole rather than in their own interest or that of any specific group. Directors are also entrusted to protect the public interest. The Board is ultimately accountable for all aspects of the organization's activities. However, it distinguishes between those aspects of RECO's processes for which it is directly responsible and those aspects which it delegates to others. There are four ways in which the Board meets its leadership responsibilities:

- Defining the strategic direction of the organization
- Setting the macro policies of the organization
- Providing financial and legal stewardship
- Monitoring and evaluating organizational effectiveness

## Director Duties

- The Board shall manage or supervise the management of the activities of RECO.
- Directors shall be responsible for the control and direction of all activities of RECO, its committees, the disbursement of its funds and the determination of its policies.
- The Board shall ensure the performance of RECO of its obligations pursuant to the Administrative Agreement, the *Safety and Consumer Statutes Administration Act*, the



*Real Estate and Business Brokers Act, 2002, the Canada Not-for-profit Corporations Act and other applicable or successor legislation.*

- Every director, in exercising his or her powers and discharging his or her duties, shall act honestly and in good faith with a view to the best interests of RECO and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- Directors shall not act as a delegate of another body, group or organization.

## **Director Conduct**

- Directors shall at all times use their best efforts to provide progressive, collective leadership and direction to RECO in support of its mandate to protect the public interest through a fair, safe and informed marketplace that supports a competitive economy.
- Directors shall adhere to RECO's governance policies, including its Conflict of Interest Policy.
- Directors shall not speak against, or in any way undermine Board solidarity, once a Board decision has been made regardless of their personal viewpoint.
- Directors shall not attempt to exercise individual authority or undue influence over RECO.
- Directors are expected to attend all Board meetings, be prepared to commit sufficient time and energy to attend to RECO business, contribute to discussions in a positive and constructive manner and participate in RECO in ways other than attending Board meetings. While unforeseen circumstances may require occasional absences, Directors are to advise the Chair in advance if situations arise in which they will not be able to attend meetings on a regular basis. In cases where consistent absences are occurring, the Board Chair will speak to the Director to determine a workable solution, which will vary based on the particular circumstances. In cases where it is determined that the Director will not be able to consistently attend meetings, and therefore not able to fulfil their duties, consideration will be given to section 2.7 of the By Law 1, "Disqualification, Withdrawal and Removal".
- Directors shall maintain the confidentiality of the details and dynamics of Board discussions, as well as those items designated as confidential.
- Directors shall abide by the *Real Estate and Business Brokers Act, 2002* and associated regulations, including the Code of Ethics, in all actions and conduct.
- Directors shall not embarrass, disparage, discredit or bring into disrepute RECO or its Board of Directors.



- Directors shall act at all times properly and prudently and in utmost good faith, integrity and professionalism to fulfil the requirement of his or her election or appointment to the Board of Directors.

## **Resignations**

When a director is in a situation where his or her continued presence on the Board of Directors might put RECO's reputation at risk or undermine stakeholder confidence in RECO, such director shall immediately notify the Chair and resign. If the Board becomes aware of a situation where the continued presence of a director might put RECO's reputation at risk or undermine stakeholder confidence in RECO the Board shall advise the director, review the matter and make a determination regarding the removal of the director.

The Board retains the right to require a director resign from his or her position if, in the opinion of the Board of Directors, he or she is unable to fulfil the duties under By-law 1, is no longer considered to be in good standing under By-Law 1 or has failed to comply with this Code of Conduct.