

Industry Advisory Council (IAC)

Terms of Reference

1. Introduction

The Real Estate Council of Ontario (RECO) is the delegated administrative authority responsible for administering and enforcing the *Trust in Real Estate Services Act, 2002* (TRESA). RECO protects consumers by registering real estate salespersons, brokers, and brokerages (registrants) in Ontario, setting and upholding standards of professional conduct, and ensuring registrants understand and comply with the law.

To support this commitment, and in accordance with the [Minister's Order to establish an advisory council under the Safety and Consumer Statutes Administration Act, 1996: RECO](#), RECO is establishing an Industry Advisory Council ("IAC") to provide a formal, ongoing mechanism for industry input into RECO's strategic priorities and regulatory activities.

These Terms of Reference set out the purpose, membership, and operations of the IAC.

2. Purpose and Mandate

The purpose of the IAC is to provide RECO with industry perspectives on strategic and emerging issues relevant to RECO's mandate. Specifically, the IAC will support RECO in delivering its consumer protection mandate and its regulation of real estate salespersons, brokers and brokerages. The IAC is one of several engagement mechanisms through which RECO seeks input from the industry it regulates. It complements but does not replace other forums through which RECO engages with registrants and stakeholders, including Collaboration Summits, public consultations, and direct association engagements.

The IAC is distinguished by its ongoing, structured, and advisory nature, providing RECO with a standing body of experienced practitioners available to offer timely input on matters of regulatory significance.

While Collaboration Summits and public consultations are suited to broad engagement on specific initiatives, and association engagements address matters of relevance to organized groups, the IAC is the forum through which RECO seeks sustained, practitioner-level input to support key initiatives the organization is pursuing.

The IAC has an advisory role. Members are expected to identify and raise emerging issues, trends, and risks that impact RECO's delivery of its mandate, and offer solutions that both the sector and the regulator could pursue. The agenda for each IAC meeting will be set by the Secretariat, as defined in Section 3, in collaboration with the IAC Chair and IAC Vice Chair. Issues that may be brought to the IAC include but are not limited to emerging market trends and their regulatory implications; registrant education, competency, and conduct; the development or review of RECO's strategic priorities; and regulatory modernization initiatives that would benefit from sustained practitioner input.

The IAC is not a lobbying forum. Members participate in their individual capacity as experienced practitioners, not as representatives or advocates for any organization or special interest.

The IAC is not a sub-committee of RECO's Board of Directors and does not report to the Board. The IAC reports to and operates under the direction of RECO's Secretariat, as defined in Section 3.

2.1 Objectives

The IAC will:

- Identify emerging issues, trends, and business practices that merit RECO's attention;
- Provide evidence-informed insights, drawing on the perspectives of both active registrants and professionals from related sectors.
- Offer input on significant policy initiatives, strategic priorities, and regulatory modernization efforts;
- Provide feedback on RECO's regulatory activities and program delivery, as relevant.

2.2 Limitations

The IAC's role is advisory. Its advice and recommendations will be reviewed and considered by RECO's executive team and may or may not result in action or policy change.

The role of the IAC does not include:

- Decision-making on strategic, operational, or policy matters;
- Decision-making on the allocation of financial or human resources;
- Involvement in individual enforcement, investigation, or disciplinary matters;
- Representing RECO in public or to the media; or
- Acting as a negotiating body on behalf of any registrant group or association.

3. Reporting Structure

The IAC is not a committee of RECO's Board of Directors. The IAC provides independent advice to RECO's executive management team and reports to RECO's Secretariat.

RECO's Secretariat is responsible for supporting the operations of the IAC, including coordinating meetings, preparing and distributing materials, drafting of meeting summaries, and liaison between IAC members and RECO's executive team. The Secretariat is co-led by the Director of Compliance and the Director of Communications and may include additional RECO staff as determined by RECO.

In collaboration with the Secretariat, the IAC Chair and Vice Chair will prepare an annual written report summarizing the key activities, advice provided, and any significant issues raised by the IAC during the year. See section 11 for more information.

When appropriate, the IAC Chair and Vice Chair may be invited to present key or critical issues directly to the executive team.

4. Membership

4.1 Composition

The IAC will be comprised of up to ten (10) members drawn from these categories; Registrant Members (including directors, officers, employees of registered brokerages); Unregistered Members (including brokerage owners, directors, officers, employees of registered brokerages or agents of industry associations); and Industry-Adjacent Practitioners.

The majority of seats will be held by Registrant Members (including directors, officers, employees of registered brokerages), who must be active registrants in good standing with RECO.

A defined minority of up to two (2) seats may be held by Unregistered Members (including brokerage owners, directors, officers, employees of registered brokerages or agents of industry associations).

A defined minority of up to two (2) seats may be held by Industry-Adjacent Practitioners from other regulated organizations operating in or adjacent to the Ontario real estate sector (e.g. lenders, mortgage brokers).

No consumer representatives, board members of RECO, or employees of RECO may serve as IAC members.

In selecting members, RECO will seek representation across the following dimensions:

- Registration category and role: brokers and salespersons;
- Practice type: residential and commercial real estate;
- Brokerage size: large, medium, and small brokerage models;
- Experience level: members at varying levels of career experience and tenure;
- Geographic diversity: representation from across Ontario, including urban, suburban, and rural regions;
- Diversity, equity, and inclusion considerations; and
- Industry-Adjacent Practitioners from any regulated organization operating in or adjacent to the Ontario real estate sector.

4.2 Eligibility

All IAC members must:

- Have demonstrated credibility, integrity, and high ethical standards in their professional dealings;
- Have the ability to identify and communicate emerging issues, trends, and risks relevant to RECO's mandate;
- Be open to diverse perspectives; and
- Be able to commit to the expected time requirements of IAC membership, including preparation and attendance at meetings.

In addition, Registrant Members must:

- Be an active registrant in good standing with RECO at the time of appointment and throughout their term.

In addition, Industry-Adjacent Practitioners must:

- Be an active registrant or licensed member in good standing with an Ontario regulatory or administrative authority operating in a sector adjacent to or intersecting with real estate (such as FSRA or HCRA); and
- Have the standing to speak to their organization's regulatory experience and perspective relevant to RECO's mandate.

The following individuals are not eligible for IAC membership:

- Employees of RECO or individuals with a family member employed by RECO;
- Members of RECO's Board of Directors or individuals with a family member who is a Board member; and
- Individuals with an unresolved conflict of interest that cannot be mitigated.
- Individuals who are registered lobbyists under any federal, provincial, or municipal lobbying registration regime, including the *Ontario Lobbyists Registration Act, 1998*, the federal Lobbying Act, or municipal lobbying by-laws.
- Individuals who are the subject of an active complaint, investigation, or disciplinary proceeding before RECO, or who have a compliance or disciplinary history that RECO determines to be inconsistent with the standards expected of IAC members.

4.3 Selection Process

Appointments to the IAC will be made through an open, transparent, and merit-based application process. Openings will be posted publicly on RECO's website. Candidates will be required to submit an application demonstrating how they meet the eligibility criteria and representation objectives set out in Sections 4.1 and 4.2. Applications will be evaluated against uniform criteria by a selection panel, consisting of four RECO senior staff members and one sector representative, who will prepare recommendations for consideration. Final appointments are subject to approval by the Secretariat.

RECO retains the exclusive authority to add or remove any member at any time. To support the representational objectives in Section 4.1, RECO may proactively invite nominations from registrant communities and relevant organizations.

4.4 Term Lengths

To ensure continuity and enable staggered renewal of membership, inaugural IAC members will be appointed to serve terms of either one (1) or two (2) years, as determined by RECO's Secretariat at the time of appointment.

Thereafter, new members will be appointed to serve a term of two (2) years. Members may be eligible for reappointment at the discretion of RECO, subject to a maximum of four (4) consecutive years of service. Eligibility for reappointment will be based on continuing to meet the requirements and expectations set out in these Terms of Reference.

A member may resign at any time by providing written notice to RECO's Secretariat. RECO may remove a member at any time, including where the member's conduct, participation, or actions are inconsistent with the responsibilities, expectations, or requirements outlined in these Terms of Reference.

5. Chair and Vice Chair

At the inaugural meeting of the IAC, the Secretariat will appoint a Chair and Vice Chair to serve for an initial term of one (1) year. Thereafter, the Secretariat will appoint a Chair and Vice Chair, to serve for a term of two (2) years. No member shall serve as Chair or Vice Chair for more than two (2) consecutive years.

The Chair and Vice Chair are responsible for facilitating IAC meetings in collaboration with the Secretariat, establishing meeting priorities, and providing leadership to achieve the IAC's objectives.

To ensure continuity, the outgoing IAC Chair is encouraged to remain on the IAC for at least one (1) year following the conclusion of their term as Chair, in an advisory capacity as Past Chair, to support the incoming Chair during the transition.

The IAC Vice Chair will act as Chair if the Chair is unable to fulfill their responsibilities.

The Chair and Vice Chair will be responsible for preparing the annual written report in collaboration with the Secretariat described in Section 3 and 11, presenting it to RECO's executive team.

6. Meetings

6.1 Frequency

The IAC will meet a minimum of four (4) times per year, on a quarterly basis. Additional meetings may be convened as needed to address significant regulatory or policy developments, at the request of the Secretariat.

At least two (2) meetings per year will be held in person.

One meeting per year will be dedicated to understanding the consumer's perspective. RECO will convene and facilitate a consumer forum to gather consumer perspectives, providing an opportunity for consumers to share their experiences, concerns, and feedback directly with RECO and members of the IAC. The purpose of the forum is to ensure IAC members have direct exposure to the consumer perspective as context for their advisory role.

6.2 Quorum

A quorum for IAC meetings is a majority of current members (more than 50%). Meetings will not proceed in the absence of quorum.

6.3 Agenda and Materials

The Secretariat will prepare meeting agendas and support materials in advance of each meeting. Best efforts will be made to distribute materials to members no less than seven (7) business days prior to each meeting, provided that the materials have been approved by the Chair and Vice Chair. Members are required to review materials ahead of each meeting. Members may suggest agenda items for consideration.

6.4 Minutes

Meeting minutes will be prepared by the Secretariat and distributed to members in draft form within three (3) weeks following each meeting. Minutes will be approved by the IAC Chair and Vice Chair prior to circulation.

7. Member Expectations

IAC members are expected to:

- Attend all scheduled IAC meetings; members unable to attend a scheduled meeting should notify the Secretariat as early as possible;
- Where permitted, name an alternate who may attend meetings on their behalf, subject to approval by the Secretariat. The alternate must meet all eligibility requirements and notice of the alternate must be provided in advance of the meeting for review and approval;
- Review meeting materials in advance of each meeting;
- Participate in good faith, in a respectful manner, and in the best interests of RECO's regulatory mandate;
- Be sufficiently familiar with RECO's mandate and regulatory activities to contribute meaningfully to IAC discussions;
- Be responsive and provide timely input during and between meetings as requested;
- Notify the Secretariat in writing of any change in circumstances, event, fact, or information that may affect their eligibility, qualifications, independence, or ability to serve as a member of the IAC, or that may otherwise render them ineligible for appointment or continued service; and
- Safeguard the confidentiality of all materials and discussions, including refraining from sharing details on social media or other public forums;
- Members are expected to attend a minimum of 75% of all scheduled meetings in any given year. Consistent non-attendance may result in removal from the IAC.

8. Conflict of Interest

IAC members must disclose in writing any actual, perceived, or potential conflict of interest to RECO upon appointment and promptly whenever any potential conflict arises thereafter. A conflict of interest includes any situation in which personal, occupational, or financial considerations affect, may affect, or may appear to affect, the objectivity of a member's contributions to the IAC.

Members must disclose any conflicts, actual, perceived, or potential, at the start of every IAC meeting. RECO will determine the appropriate mitigation, which may include recusal from relevant discussions.

Members must refrain from using their IAC participation to gain personal or other benefit or to influence RECO or other members in a manner that constitutes an actual, perceived, or potential conflict of interest.

9. Remuneration

IAC membership is voluntary. Members will not receive remuneration for their participation in IAC meetings or related activities. RECO recognizes and appreciates that members contribute their time and expertise on a pro bono basis in support of RECO's regulatory mandate.

Reasonable out-of-pocket travel expenses incurred in attending in-person IAC meetings will be reimbursed in accordance with [RECO's expense policy](#).

10. Administrative Support

RECO's Secretariat will provide all administrative support to the IAC, including:

- Scheduling meetings and coordinating logistics;
- Preparing and distributing meeting agendas and supporting materials;
- Drafting and distributing meeting minutes;
- Processing member expense reimbursements in a timely manner; and
- Providing an orientation for newly appointed members covering RECO's strategic direction, the IAC's mandate, and member roles and responsibilities.

11. Transparency and Public Reporting

11.1 Public Documents

RECO is committed to transparency in its stakeholder engagement activities. Accordingly, RECO will publish the following on its website:

- These Terms of Reference; and
- The names of current IAC members.

Following each IAC meeting, RECO will publish a summary of the matters discussed and the nature of advice provided, without disclosing confidential information or attributing views to individual members.

The summary will be approved by the Secretariat, Chair, and Vice Chair. This summary will describe the matters considered by the IAC during the meeting and the nature of the advice provided.

11.2 IAC Annual Report

A summary of IAC activities will also be included in RECO's Annual Report.

The Annual Report is intended to provide a summary of IAC's activities, achievements, recommendations, and key outcomes during the reporting period. In collaboration with the Secretariat, the IAC is responsible for determining the content of the IAC Annual Report, including matters arising from its meetings and any information it deems appropriate for public dissemination. The report serves as an important mechanism for promoting transparency, accountability, and awareness of the Council's work and contributions. The IAC Annual Report will be submitted, and presented, to the CEO, Executive Leadership Team, and Board of Directors sixty (60) days following the end of the fiscal year. The final approved Annual Report will be publicly available.

12. Confidentiality

IAC members who receive information and records from RECO during their participation in the IAC are expected to keep such information and records confidential. This obligation applies during and after a member's term.

Members must avoid distributing information shared by RECO or other members to support IAC discussions where such information is not intended for broader distribution. Disclosure of confidential information in breach of this section may result in immediate removal from the IAC and potential disciplinary action.

13. Amendments to Terms of Reference

RECO may amend these Terms of Reference from time to time. Members of the IAC will be consulted on any changes proposed.

14. Council Effectiveness Review

The effectiveness of the IAC in meeting its objectives will be evaluated by RECO every two (2) years. The evaluation will consider the IAC's activities, the quality and relevance of advice provided, and member participation. These Terms of Reference will be reviewed and updated as necessary, as part of that process.