

RECO's Complaints Process

If you are the subject of a complaint

ABOUT THE COMPLAINTS PROCESS

Throughout this overview, the term "real estate professional" will be used when referring to registered brokerages, brokers and salespersons.

The Real Estate Council of Ontario (RECO) established the complaints process to ensure fair and flexible handling of complaints about the conduct of real estate professionals and those holding themselves out as such.

With few exceptions, anyone trading in real estate in Ontario must be registered with RECO. Real estate professionals in Ontario are accountable for their conduct and competence. Our complaints process provides a way to bring concerns to our attention about those trading in real estate.

Q: What types of complaints can RECO address?

RECO addresses inquiries, concerns and complaints about the conduct of real estate professionals, or those holding themselves out as such, involved in any real estate transaction. RECO enforces the *Real Estate and Business Brokers Act, 2002* (REBBA 2002), which promotes, among other things, transparency, honesty, integrity and fairness in real estate transactions. Real estate professionals must provide competent and conscientious service.

Q: Are there limitations to what RECO can do under the law?

Under REBBA 2002, RECO's authority is focused on regulating the conduct of those required to be registered as real estate professionals. We **do not** have the authority to:

- Address what a buyer or seller says or does.
- Award compensation or damages to complainants; that is, RECO cannot force the real estate professional to pay you money. We also cannot cancel a contract you have signed. Such concerns should be directed to the brokerage's manager. These are matters you may wish to discuss with a lawyer.

RECO recommends that you NOT delay seeking independent legal advice, to avoid overlooking or missing a limitation period.

Q: How long will the complaints process take?

There is no fixed time period for the complaints process; because every complaint is unique, some complaints require significant investigation and complaint volumes can vary. The steps taken to review and investigate your complaint will vary depending on the nature of the complaint and the information available to RECO. It is RECO's intention to deal with all complaints in a timely and thorough manner.





IF YOU ARE THE SUBJECT OF A COMPLAINT

We understand that being the subject of a complaint can be stressful. All complaints should be taken seriously, but please keep in mind that the complaint is only *alleging* misconduct – nothing has been proven and RECO has not made any assumptions or determinations about the merits of the complaint.

Q: What are my rights in the complaints process?

The complaints process is intended to be fair to all participants. Here are your rights:

- You have the right to be notified of the complaint with sufficient detail to be able to respond fully to the allegations;
- You have the right to have the complaint dealt with in a timely and unbiased manner;
- You have the right to seek legal advice and to be represented by counsel, if you so choose;
- You have the right to receive the complaint decision in writing, including the action taken by RECO. Note: A copy of the decision will also be sent to your broker of record and the complainant.

Provincial legislation requires you to respond to the complaint and provide any information requested by RECO.

Q: How will I know I am the subject of a complaint?

You and your broker of record will be notified in writing about the complaint. You will be provided with the details of the complaint. You will be requested to respond to the allegations made in the complaint and provide your own supporting information and documents.

Q: What will I need to do?

- Carefully review the information provided to you and consider discussing the matter with your broker of record or a legal advisor.
- You will be requested to provide RECO with a written response to the complaint by a specific deadline, as required by law. It is important to provide a full response, including copies of all supporting information and documents. If in doubt, provide any information that supports your version of the events.
- You may be interviewed as part of the investigation of the complaint.
- Provide the names and contact information of anyone who may have information or may have witnessed the events that led to the complaint.





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A detailed response along with all relevant supporting information and documentation will allow RECO to address the complaint appropriately and will minimize unnecessary delays.

Send copies of documents. Do not send original documents with your response. Original documents should be kept by you in case they are required at a later date.

Q: Where do I send my information?

Responses must be made in writing, and may be sent by email, fax, mail or courier to the attention of the person handling the complaint:

Real Estate Council of Ontario
3300 Bloor Street West
West Tower, Suite 1200
Toronto, ON M8X 2X2
Fax: 416-207-8851
Email: complaints@reco.on.ca

Q: What happens after I send in all of my information?

Once RECO has received your response, it will be reviewed along with other complaint-related information gathered by RECO. All of the information and documents will be considered and a decision will be made. You will receive the decision in writing.

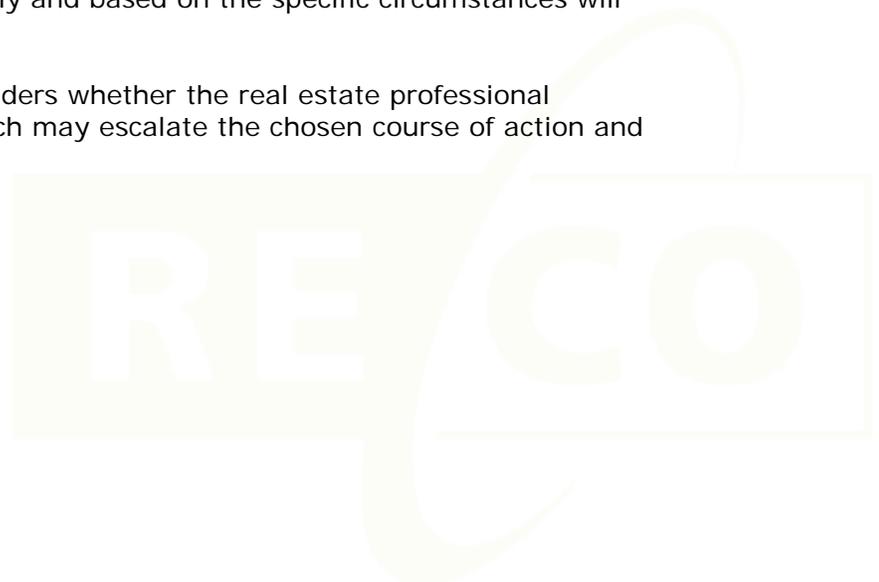
Consider seeking legal advice during the complaints process.

POSSIBLE OUTCOMES

Q: What are the possible outcomes?

RECO evaluates each complaint individually and based on the specific circumstances will determine a course of action.

When processing a complaint, RECO considers whether the real estate professional involved has a history of misconduct, which may escalate the chosen course of action and potential outcome.



Outcomes at-a-glance

No Action		Revocation	
<p>If the complaint is not supported by evidence or falls outside of RECO's authority</p>	<p>In certain circumstances, RECO may attempt to resolve the matter or impose the following:</p> <ul style="list-style-type: none"> • Warning • Course • Requirement 	<p>RECO may escalate matters to pursue the following:</p> <ul style="list-style-type: none"> • Discipline hearing • Provincial Court prosecution 	<p>In situations where RECO believes the salesperson, broker or brokerage is no longer entitled to registration, RECO can seek</p> <ul style="list-style-type: none"> • Suspension, or • Revocation



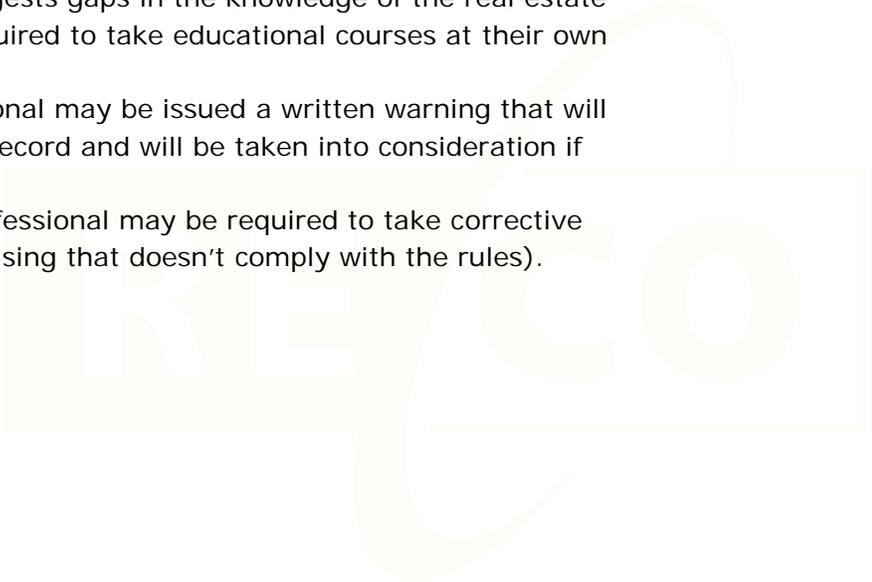
No action

No action will be taken if the allegations contained in the complaint are not supported by the evidence and information obtained by RECO. This can also happen if the complaint falls outside of RECO's legal jurisdiction; that is, we don't have the authority to deal with it.

Administrative action

The following actions may be taken without a formal hearing:

- **Resolution:** Where appropriate, RECO may attempt to resolve a complaint by facilitating dialogue between the complainant and the real estate professional to address issues that may have come from miscommunication or a misunderstanding. Through the RECO dispute resolution process, the complainant and the real estate professional may agree on an appropriate solution.
- **Courses:** Where the evidence suggests gaps in the knowledge of the real estate professional, he or she may be required to take educational courses at their own expense.
- **Warning:** The real estate professional may be issued a written warning that will permanently remain on his or her record and will be taken into consideration if future complaints are received.
- **Requirement:** The real estate professional may be required to take corrective action (for example, correct advertising that doesn't comply with the rules).





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Discipline or court action

For cases requiring more than administrative action, the following may be considered:

- **Discipline Hearing:** The complaint may be referred to a Discipline Committee for a hearing. If it's determined that a real estate professional failed to comply with the Code of Ethics, they may be ordered to take educational courses, pay a fine of up to \$25,000 and/or pay costs.
- **Provincial Court Prosecution:** People who breach sections of REBBA 2002 (other than the Code of Ethics) may be prosecuted in the Ontario Court of Justice system. Individuals convicted in Court of offences are subject to fines of up to \$50,000 and/or prison terms of up to two years. Corporations are subject to fines of up to \$250,000.

Suspension or revocation of registration

In situations where RECO believes the real estate professional is no longer entitled to registration, the following actions may be taken:

- **Proposal:** RECO can issue a proposal to suspend, revoke, refuse to renew, or apply mandatory conditions to the real estate professional's registration. This is the most severe action RECO takes and is reserved for the most serious circumstances. Real estate professionals who receive a notice of proposal have 15 days, from the date the proposal is served, to file a notice of appeal with the Licence Appeal Tribunal for a hearing. If no appeal is received, the proposal will be carried out.
- **Suspension:** If a proposal to revoke has been issued, RECO may also immediately suspend a registration if it is believed to be in the public interest. Suspended real estate professionals must immediately stop trading in real estate and return their registration certificate to RECO. Suspensions are also ordered for non-payment of an insurance premium.

If you have questions or concerns about the complaints process or a specific complaint that has been made against you or one of your employees, please contact the Office of the Registrar.

Office of the Registrar
Real Estate Council of Ontario
3300 Bloor Street West
West Tower, Suite 1200
Toronto, ON M8X 2X2

Tel: 416-207-4800
Toll free: 1-888-296-8755
Fax: 416-207-8851
Email: complaints@reco.on.ca

RECO is unable to provide legal advice or refer you to a lawyer. The Law Society of Upper Canada has a Lawyer Referral Service that may be of assistance to you. For more information about the service, please visit www.lsuc.on.ca.

