RECO
Real Estate Council of Ontario

Discipline Committee of the Real Estate Council of Ontario

Practice Direction Relating to Annual Financial Filing Allegations

This Practice Direction is made by the Discipline Committee to establish a just and expeditious process for hearing allegations relating to failing to comply with the Annual Financial Filing requirement in sections 48.1 and 48.2 of the *Trust in Real Estate Services Act, 2002* (Act).[1]

This Practice Direction effective October 30, 2026, applies to all Proceedings before the Discipline Committee in which the allegation is that the Registrant failed to disclose, within the time and in the form specified, Annual Financial Filing information requested by the Registrar contrary to sections 48.1 and 48.2 of the Act.

Capitalized terms have the same meaning as in the *Discipline Committee Rules of Practice (TRESA 2002)*.

Hearing Format

Despite footnote 4 of Rule 6.02(1), and in accordance with Rule 10.02, the Hearing will be held in writing, unless a Party satisfies the Discipline Committee that there is good reason for not doing so. If a Party objects to the Hearing being held in writing, it shall provide the objections, in writing, together with reasons, within seven (7) days of the date of Notice of Hearing, to the Hearings Manager at RECO. If a Party files such an objection, the Chair of the Discipline Committee will consider whether there is a good reason for not holding the Hearing in writing. Unless a Party provides an objection, together with reasons, within seven (7) days of the date of the Notice of Hearing, the Hearing will proceed in writing on the date stated in the Notice of Hearing.

Despite Rule 9, a pre-hearing conference will not be held.

Hearing Panel

The Chair, with the administrative assistance of the Hearings Manager, will select a Panel of one member of the Discipline Committee to conduct the written Hearing.[2]

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[1] This Practice Direction is made pursuant to the *Discipline Committee Rules of Practice (TRESA 2002)*, including Rules 1.02(2) and 10.02(3).
[2] *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, s 4.2.1; O. Reg. 367/22: DISCIPLINE COMMITTEE, s 7(3), made under the *Trust in Real Estate Services Act, 2002*, S.O. 2002, c. 30, Sched. C

The Parties will be notified of the names of the Discipline Committee members who may be appointed to the Panel in the Notice of Hearing. If a Party has an objection to any Discipline Committee member listed in the Notice of Hearing, it shall provide the objections, in writing, together with reasons to the Hearings Manager at RECO, within seven (7) days of the date of Notice of Hearing. Unless a Party provides an objection, together with reasons, within seven (7) days of the date of the Notice of Hearing, a Discipline Committee member listed in the Notice of Hearing shall be selected for the Panel and shall hear the matter.

Hearing Timelines

The Hearings Manager will schedule the written Hearing promptly upon receiving an Allegation Statement from the Registrar. The Hearings Manager will ensure that 45 days' notice is provided to the parties.[3]

The Parties must make disclosure to one another in accordance with section 11 of Ontario Regulation 367/22. RECO must provide its disclosure at least 30 days before the Hearing date, and the Registrant must provide its disclosure at least 15 days before the Hearing date.

The Parties are required to file written evidence (in the form of an affidavit), a Factum, and Book of Authorities for the written hearing with the Hearings Manager. The Parties shall prepare separate documents for the merits phase of the hearing and for the penalty phase of the hearing. All documents must be filed in accordance with the deadlines set out below; however, the documents relating to penalty will only be accessed and read by the Panel in the event that the Panel makes a finding of a contravention against the Registrant.

Despite Rule 10.02(2), the following deadlines apply to the Parties' evidence, Factums and Book of Authorities for the written Hearing:

1. RECO shall deliver its affidavit evidence, Factums, and Book of Authorities at least 30 days before the Hearing.
2. The Registrant shall deliver any responding affidavit evidence, Factums, and Book of Authorities at least 15 days before the Hearing.
3. RECO shall deliver any reply evidence, Factum or Book of Authorities at least five (5) days before the Hearing.
4. If either Party requires cross-examination on the other Party's affidavit(s), the Party shall advise the other Party and the Hearings Manager at least 7 days before the Hearing. If cross-examination is required, the cross-examination will be conducted before the Panel via videoconference on a date to be set by the Hearings Manager, and the remainder of the Hearing will be conducted via videoconference.

[3] O. Reg. 367/22: DISCIPLINE COMMITTEE, s 9.

If a Party fails to participate in the hearing process, the Panel may hear the matter without further notice to that Party and may make a decision without their participation.

Approved by the Chair and Vice-Chair of the Discipline Committee: October 30, 2026