



Policy on Remuneration for Statutory and other Non-Board Committees or Councils

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| Approval Authority: | Board of Directors |
| Responsible Manager: | Chief Executive Officer |
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The authoritative version of each board policy of the Real Estate Council of Ontario (“RECO”) is maintained in the records of the Board Administrator. All other versions, whether found online or maintained in other departments of RECO or elsewhere, are available for information purposes only. In case of any discrepancy between the version maintained by the Board Administrator and other available versions, the version maintained by the Board Administrator shall prevail.

I. Purpose and Interpretation

1. This Policy establishes the basis on which members of committees/ councils outside of Board committees are compensated for their time and service to RECO. For clarity, employees and contractors otherwise remunerated by RECO are not eligible under this policy for payment.

2. In this Policy, the following terms shall have the following meanings:

“Act” means the *Trust in Real Estate Services Act, 2002, S.O. 2002, c. 30, Sched. C* as amended, and the regulations passed pursuant to that statute.

“Administrative Agreement” means the administrative agreement between RECO and Her Majesty the Queen in Right of Ontario, dated 5 February 2013, as amended.

“ARFI” means the Audit, Risk, Finance & Insurance Committee of the Board.

“Board” means RECO’s Board of Directors.

“CEO” means RECO’s chief executive officer.

“Committees” means collectively the Professional Practice Committee (PPC) the Discipline and Appeals Hearings (DAH) Committee and any other committee made up of external parties with the purpose of providing advisory or other services, for which other forms of remuneration are not provided.



"Council" means any advisory group established by RECO to advise the Board or management on designated topics or issues, including the Consumer Advisory Council and the Industry Advisory Council, and excluding Board Committees, Statutory Committees and Sub-Committees of the Board or of Statutory Committees.

"Meeting" means a formally scheduled meeting of the Committee or Council whether the meeting is held in person or by teleconference, for which an agenda has been prepared and distributed, proper notice has been given, and a record of proceedings has been or is to be kept.

"RECO liaison" means the employee assigned administrative responsibility for the committee or council.

"Remuneration" means any amount to which a committee / council member is entitled pursuant to this Policy.

"SMG" means RECO's senior management group as appointed by the CEO.

3. All values stated in this Policy are stated in Canadian dollars.

II. Scope and Responsibilities

1. The Board approves the Remuneration to be paid to council and committee members.
2. ARFI shall generally oversee the administration of this Policy, and it shall make such reports and recommendations to the Board as it shall deem necessary from time to time or as may be requested by the Board.
3. SMG shall report to ARFI on the administration of this Policy as it shall deem necessary or as may be requested by ARFI, and in that connection it shall make such recommendations to ARFI as it shall deem appropriate.
4. The CEO shall be responsible for the administration of this Policy. The CEO shall make such reports and recommendations to SMG as may be requested by SMG from time to time, or as may be deemed necessary by the CEO.

III. Legal and Policy Context

This Policy shall be read and interpreted in a manner consistent with the following legal and policy framework, it being intended that the Policy shall be compliant with relevant law and policy.

Not-for-Profit Corporations Act, 2010, S.O. 2010, c. 15, as amended

Trust in Real Estate Services Act, 2002, S.O. 2002, c. 30, Sched. C, as amended



Safety and Consumer Statutes Administration Act, 1996, S.O. 1996, c.19, as amended

The Administrative Agreement between RECO and Her Majesty the Queen in Right of Ontario, dated 5 February 2013, as may be amended from time to time.

IV. Introduction

1. To compensate council and committee members for their time and service to RECO, they shall receive such Remuneration as may be contemplated by this Policy.

V. Principles

1. RECO is accountable for the funds it receives through its administration of the Act, and it must ensure that those funds are expended in a manner consistent with good stewardship in the public interest.
2. The bases on which Remuneration is established and paid shall be fair, equitable, uniform and transparent.
3. Remuneration is intended to assist RECO in attracting and meaningfully engaging committee and council members. While individuals are intended to contribute their unique competencies in service of RECO's vision and mission, an element of public service is implied in their work, such that Remuneration is not intended to be competitive in the ordinary marketplace.
4. The general intent of this policy is to align wherever practical with the Board remuneration policy, but to take into account the structural and procedural differences between the Board's work and the work of these Committee and Councils.

VI. Remuneration - General

1. Subject to this Policy, Council and Committee members shall be entitled to Remuneration as approved by the Board.
2. In addition to the Remuneration to which council and committee members are entitled for attending Meetings, Council and Committee members may be entitled to Remuneration in the following circumstances:
 - (i) Council and Committee members are entitled to Remuneration for activities other than Meetings, provided approval of that Remuneration is obtained by the SMG member responsible for such Council or Committee prior to participation in any activity. This may include for example, attendance at training or development sessions or in-depth review of materials for the Registrar, etc.



- (ii) Discipline and Appeal committee members are entitled to Remuneration for writing decisions, as outlined in Table 1.

VII. Remuneration – Specifics

1. The Remuneration referred to in this Article VII has been approved by the Board, as required by sections VI.1. This Policy will be updated as required from time to time as Remuneration is changed by the Board, as the case may be.
2. Council and Committee members shall receive Remuneration in the amounts set out in *Table 1: Remuneration*.

VIII. Remuneration - Process

1. In the case of any Remuneration, payment shall be made following confirmation in writing by the RECO liaison to the council or committee, in accordance with RECO procedures.
2. Payments are made via direct deposit to the Council or Committee members' bank accounts. Prior to receiving Remuneration, the member shall provide to RECO's Human Resources Department such documents and personal information required to process automated payments and government remittances, including but not limited to social insurance number, banking information and tax forms. Payment of any Remuneration due is made on a recurring bi-weekly basis, and it shall be subject to appropriate deductions including (without limitation) income tax and contributions to the Canada pension plan. For certainty, Council and Committee members who do not provide the necessary information to enable the Remuneration to be paid, will not receive the Remuneration and may be suspended from the Council or Committee activities until satisfactory resolution.

IX. General

1. This Policy will be reviewed by the Board in the first instance during the third year after its initial approval, or sooner if warranted by internal or external changes or events. Following its first review, this Policy will be reviewed by the Board every fifth year, or sooner if warranted by internal or external changes or events. Any failure to review this Policy by the Board when scheduled shall not invalidate this Policy, it being understood that this Policy shall remain in full force and effect despite any failure to review.



Table 1: Remuneration

| Category | Remuneration Amounts | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------|----------------------|
| | Meeting of 3 hours or less | Meetings of greater than 3 hours | Other (as specified) |
| Meetings | | | |
| Panel, Committee or Council Chair | \$545 | \$1,089 | -- |
| Panel, Committee or Council member | \$363 | \$726 | -- |
| Activities other than meetings | | | |
| For DAH committee members only.* | | | |
| For writing the reasons for any DAH decision – for preparing and issuing final reasons where the matter proceeds by way of agreed statement of fact and penalty | -- | -- | \$250 |
| For DAH committee members only.* | | | |
| For writing the reasons for any DAH decision except those proceeding by way of agreed statement of fact and penalty (i.e. contested decision reason or penalty reason). | -- | -- | \$1,000 |

*DAH Panel members are not paid to review the Chair’s draft reports.