



Conflict of Interest Policy - Committees

December 15, 2015

Committee, Task Force, Working Group and Advisory Group Members

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This Conflict of Interest Policy applies to all members of Board and CEO committees, task forces, working groups and advisory groups.

Definition

- 1.1 A "conflict of interest" is any situation where:
- a) your personal interests, or
 - b) those of a close friend, family member, business associate, corporation or partnership in which you hold a significant interest, or a person to whom you owe an obligation could influence your decisions and impair your ability to:
 - i. act in RECO's best interests, or
 - ii. represent RECO fairly, impartially and without bias.

It is important to note that a "conflict of interest" exists if the decision could be or could appear to be influenced - it is not necessary that influence takes place.

- 1.2 "Committee" means a committee, task force, working group or advisory group appointed by the Board of Directors (the "Board") or the CEO.

General Duties

- 2.1 Unless authorized to do so by the Board, or by a person the Board designates, you may not:



- a) act on behalf of the Committee in any matter where you are in a conflict of interest or appear to be in a conflict of interest, nor
 - b) use your position on the Committee to pursue or advance your personal interests or those of a person described in paragraph 1.1(b).
- 2.2 The “appearance of a conflict of interest” occurs when a reasonably well informed person properly could have a reasonable perception that you are making decisions on the Committee that promote your personal interests or those of a person described in paragraph 1.1(b).
- 2.3 You must immediately disclose a conflict of interest to the Committee either in writing or as minuted at a Committee’s meeting. It is important to make the disclosure when the conflict first becomes known. If you do not become aware of the conflict until after a matter is concluded, nevertheless you must still make the disclosure immediately.
- 2.4 If you are in doubt about whether you are or may be in a conflict of interest, you must request the advice of the Committee or a person the Board designates.

Unless otherwise directed, you must immediately take steps to resolve the conflict or remove the suspicion that it exists, by:

- Promptly declaring to the Committee any conflict of interest as defined by this policy and asking that such declaration be recorded in the minutes
 - Excusing yourself from the portion of the meeting where the matter giving rise to the conflict of interest is being discussed
 - Refraining from all discussion of the matter giving rise to the conflict of interest, at any meeting of the Committee, or elsewhere
 - Refraining from voting on the matter giving rise to the conflict of interest, at any meeting of the Committee or elsewhere.
- 2.5 While you are a Committee member:
- a) You must not serve as a director and/or employee of a real estate sector organization (such as CREA, OREA, local board/associations and other real estate organizations that represent the interest of the regulated), unless express consent is received from the RECO Chair.
 - b) If you submit an application or nomination form for election to a real estate sector organization’s Board of Directors (such as CREA, OREA, local board/association or other real estate organization that represents the interest of the regulated), you may be required to take an immediate hiatus from



conducting/attending RECO business, unless express consent is received from the RECO Chair.

- c) Your suitability to serve on a Committee may be evaluated to consider whether or not the nature of any external committee membership (such as CREA, OREA, local board/association or other real estate organization that represents the interest of the regulated) creates a reasonable apprehension or appearance it could affect deliberations, the public interest or RECO policy in any way, either because of the external committee's mandate or your role on it.

2.6 You must make an annual filing related to conflict of interest on the Conflict of Interest Disclosure Form.

More About Avoiding a Conflict of Interest

3.1 You must not:

- a) use your relationship with RECO or the Committee to confer a benefit on a person described in paragraph 1.1(b). This duty does not prevent you or anyone else from conducting business with other people connected with RECO or the Committee;
- b) personally benefit from any business activity involving RECO or the Committee except in unique situations, authorized by the Board; or
- c) indirectly benefit from any business activity involving RECO or the Committee except in unique situations, authorized by the Board.

3.2 An "indirect benefit" is:

- a) a benefit derived by a close friend, family member, business associate, or a corporation or partnership in which you hold a significant interest, or
- b) a benefit which advances or protects your interests although it may not be measurable in money.

Using RECO Property and RECO Information

4.1 You must have authorization from the Board, or from a person the Board designates:

- a) to use, for personal purposes, property owned by RECO, or
- b) to purchase RECO property unless it is through channels of disposition equally available to the public. Even then you may not purchase the property without authorization if you are involved in some aspect of the sale.



- 4.2 You may not take personal advantage of an opportunity available to RECO unless:
 - a) it is clear that RECO has irrevocably decided against pursuing the opportunity, and
 - b) the opportunity is equally available to members of the public.
- 4.3 You may not use your position with the Committee to solicit any RECO or Committee stakeholder for a personal business or one operated by a close friend, family member, business associate or a corporation or partnership in which you hold a significant interest. This duty does not prevent you or anyone else from transacting business with other people connected with RECO or the Committee.
- 4.4 "RECO information" is information that is acquired solely by reason of involvement with RECO or the Committee and which RECO or the Committee is under an obligation to keep confidential.
- 4.5 You may use RECO information only for RECO or Committee purposes.
- 4.6 You must not use RECO information for your personal benefit.
- 4.7 You must protect RECO information from improper disclosure.
- 4.8 You must report to the Committee, or to a person the Board designates, any incident of abuse of RECO information.
- 4.9 You may divulge RECO information if:
 - a) you are authorized by the Board or by a person designated by the Board to release it, and
 - b) it is to a person who has a lawful right to the information.
- 4.10 If you are in doubt about whether RECO information may be released, you must request advice from the Committee or from a person the Board designates.

Rules About Gifts

- 5.1 You may accept a gift made to you because of your involvement with the Committee or with RECO in the following circumstances:
 - a) the gift has no more than token value,
 - b) it is the normal exchange of hospitality or a customary gesture of courtesy between persons doing business together,
 - c) the exchange is lawful and in accordance with local ethical practice and standards, and
 - d) the gift could not be construed by an impartial observer as a bribe, pay off or improper or illegal payment.



- 5.2 You may not use RECO property to make a gift, charitable donation or political contribution to anyone on behalf of RECO. Any gift must have the authorization of the Board or a person the Board designates.
- 5.3 You also may not accept a gift or benefit that is more than token in nature from a person or organization that deals with RECO or is involved in issues related to RECO's mandate regardless of the purpose of the gift or benefit.



Committee, Task Force, Working Group and Advisory Group Members

Conflict of Interest – Disclosure Form

I have read the Real Estate Council of Ontario (RECO) Conflict of Interest Policy and agree to comply fully with its terms and conditions at all times during my service as a RECO Committee, Task Force, Working Group or Advisory Group member.

If, at any time after I submit this form, I become aware of any actual, potential or perceived conflict of interest, or of any situation that could give a reasonable person the impression that my ability to act in RECO’s best interests could be compromised, or if the information I have set out below becomes inaccurate or incomplete, I will promptly notify the Board Chair in writing of the nature of the conflict of interest, whether actual or potential, as soon as practically possible and in any event before attending or participating in any subsequent Committee, Task Force, Working Group or Advisory Group meeting.”

Instructions: Place an "X" in all that apply. Please ensure to provide specifics where requested.	Canadian Real Estate Association (CREA)	Ontario Real Estate Association (OREA)	Local Board/Association (please specify)	Other Real Estate Organization (please specify)
I am Director of:				
If yes, please specify the term of office:				
I am an employee of:				
If yes, please specify the position:				
I am a member of a Committee(s) of:				
If yes, what Committee(s): (please include Terms of Reference)				
I am a member of a Task Force/Working Group/Advisory Group of:				
If yes, what Task Force/Working Group/Advisory Group: (please include Terms of Reference)				
I receive a direct or indirect financial benefit from:				

Signature: _____

Print Name: _____ Date: _____