



Sudbury Real Estate Board Bylaws

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ARTICLE 1 -Definitions & General Corporate Matters

SECTION 1 - Name

1.1 The name of the Corporation shall be the Sudbury Real Estate Board.

SECTION 2 - Definitions and Interpretations

2.1 For purposes of this By-law, the term:

- a) "Act" means the *Trust in Real Estate Services Act, 2002 (TRESA)* and its regulations, and any successor legislation;
- b) "Arbitration Act" means the *Arbitration Act, 1991, SO 1991, c. 17*, as amended, and any successor legislation;
- c) "SREB" means the Sudbury Real Estate Board (the "SREB");
- d) "Board of Directors" means the Board of Directors of the Sudbury Real Estate Board, as further described in Section 1.02 of Article 6 hereof; and "Director" means a person who is a member of the Board of Directors; and "Directors" means the Board of Directors, unless the context indicates otherwise;
- e) "Branch Office" means any office of a Member that is a Firm, other than the main office, which is registered in accordance with the Act, and at which the business of trading in real estate is conducted;
- f) "Broker" means a "broker" as defined in the Act;
- g) "By-law" means this By-law, and any addition or amendment hereto as may be approved by the Board of Directors and confirmed in accordance with the provisions of Article 13 hereof;
- h) "Capital Expenditures" means money spent to acquire, update, upgrade or replace physical assets such as property, buildings, equipment or major components thereof.
- i) "CREA" means The Canadian Real Estate Association or any successor organization;
- j) "Committee" means any Committee described in this By-law and includes any Committee established by the Directors;
- k) "ONCA" means the *Not-for-Profit Corporations Act, 2010, S.O. 2010, c. 15*, as amended and any successor or replacement legislation;
- l) "employ" means to employ, appoint, authorize or otherwise arrange to have another person act on one's behalf, including as an independent contractor and "employed", "employs", "employment", "employer" and "employee" shall have such similar expanded definitions;
- m) "Chief Executive Officer" shall mean the chief staff person responsible for the general operation of the SREB;
- n) "Firm" shall mean a "brokerage" as defined under the Act;
- o) "Member" shall mean a Salesperson, Broker or Firm granted membership pursuant to Article 2 and "Members" and "Membership" shall have a corresponding meaning.
- p) "MLS[®]" means the Multiple Listing Service[®] operated by the SREB under the MLS[®] trademark, which trademark is protected throughout Canada for the use of members of CREA in connection with services defined as listing to affect the purchase and sale of real estate.
- q) "OREA" shall mean the Ontario Real Estate Association or any successor organization;
- r) "OREA By-law" means the By-law, rules and regulations enacted by OREA, as same may be amended from time to time by OREA;
- s) "person" includes, where applicable, an individual, a partnership, a corporation, an organization, and a business;
- t) "Principal Broker" means, at the choice of the Member that is a Firm:
 - a. the person who is the broker of record of that Firm for the purposes of the Act, if the Firm's broker of record under the Act is a Member of the SREB; or
 - b. a Member who is a Broker who has been designated as the Principal Broker for the purpose of the relationship between the Member that employs him and is a Firm and the SREB, if that Firm's broker of record under the Act is not a Member of the SREB; or

- c. a Member who is a Broker and has been designated as the Principal Broker for the purpose of the relationship between the Member that employs him and is a Firm and the SREB, *even if* the Firm's broker of record is a Member of the SREB,
 - d. and every Member that is a Firm shall advise the SREB of whom it has designated as its Principal Broker and shall immediately advise the SREB when that designation changes.
- u) "REALTOR® Code" means the Code of Ethics and Standards of Business Practice of CREA, as may be amended from time to time;
 - v) "TRESA Code of Ethics" means, after March 31, 2006, the Code of Ethics for all registrants contained in the regulations to the Act, and any successor Code, all of which is sometimes also referred to as the RECO Code of Ethics. Before March 31, 2006, the RECO Code or TRESA Code means Code of Ethics for all registrants contained in the RECO by-laws;
 - w) "RECO" means the Real Estate Council of Ontario, or its successors, from time to time;
 - x) "Salesperson" means a "salesperson" as defined in the Act;
 - y) "trade" includes a disposition or acquisition of or transaction in real estate by sale, purchase, agreement for purchase and sale, exchange, option, lease, rental or otherwise and any offer or attempt to list real estate for the purpose of such a disposition, acquisition or transaction, and any act, advertisement, conduct or negotiation, directly or indirectly, in furtherance of any disposition, acquisition, transaction, offer or attempt, and the verb "trade" has a corresponding meaning;

2.2 In this By-law, unless the context otherwise requires:

- a. words importing the singular shall include the plural, and vice versa;
- b. words importing the masculine gender shall include the feminine gender, and vice versa;
- c. "may" is construed as permissive; and
- d. "shall" is construed as imperative.

2.3 Where there is any reference made in the By-law and any special resolutions of the SREB, to any Statute or any part of it, such a reference shall also be deemed to include any amendment, re-enactment or successor legislation of that Statute as the case may be.

2.4 Except where expressly provided, the division of this By-law into Articles, sections, and sub-sections and the insertion of headings, subheadings, marginal notes and table of contents or index (if any) are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

SECTION 3 - Jurisdictional Area

- 3.1 The jurisdictional area of the SREB shall be as described in Schedule "A" attached to this By-law.

SECTION 4 - Fiscal Year

- 4.1 The fiscal year of the SREB shall end on the 31st day of December of each year.

ARTICLE 2-MEMBERSHIP

SECTION 1 – Membership

1.1 There shall be one class of membership in the SREB.

SECTION 2 - Membership Conditions

2.1 Any person, sole proprietor, partnership, corporation, or any other entity which is registered as a salesperson, broker or brokerage under the Act may become a Member provided that:

- a) The applicant agrees in writing to adopt and abide by the By-law of the SREB, the REALTOR® Code and the TRESA Code;
- b) The applicant, if a Broker or Salesperson, shall be endorsed by a Firm that is both a Member of the SREB and the employer of the applicant;
- c) The applicant, if a Broker or Salesperson, shall be employed by a Member that is a Firm to trade in real estate on its behalf;
- d) There are no amounts owing to the SREB as described in Article 4, section 3.07.

2.2 It is a condition of admission to Membership of an applicant which is a Firm registered under the Act, and a condition of the continued Membership of a Firm as a Member in the SREB, that:

- a) it does not employ any Salesperson or Broker registered under the Act to trade in real estate on its behalf and who is working within the jurisdictional area of the SREB, unless that Salesperson or Broker is a Member in good standing of the SREB;
- b) it shall not cause any Salesperson or Broker referred to in Sub-section (a) above to be shown as an employee of the Member for the purpose of allowing that Salesperson or Broker to maintain registration in accordance with the Act, unless that employee is a Member in good standing of the SREB; and
- c) If it has a Branch Office outside the jurisdictional area of the SREB, and if that Branch Office is a Member of the SREB, or if any Broker or Salesperson registered under the Act who is working out of that Branch Office is a Member of the SREB, then all Brokers or Salespersons registered under the Act who work out of that Branch Office shall be required to become Members of the SREB.

In addition to all of the above-noted sub-sections being conditions of admission as a Member and conditions of continued membership of a Member, noncompliance with any of the above-noted conditions is a breach of this By-law.

2.3 Each Firm shall designate one person as its representative (the “Representative”), and the individual may exercise all of the powers of that member on its behalf. The name of the Member’s Representative must be filed with the Corporation at the time and in the manner determined by the Board.

ARTICLE 3 – MEMBERSHIP CONDITIONS

SECTION 1 - Obligations of Partnerships and Corporations

- 1.1 Where a Member of the SREB that is a Firm is a partnership, every partner registered under the Act and trading in real estate within the SREB's jurisdictional area shall be a Member.
- 1.2 Where a Member that is a Firm is a corporation, each of its Principal Brokers and directors registered under the Act and trading in real estate within the SREB's jurisdictional area shall become a Member.
- 1.3 Partnerships and corporations, upon making application for admission as Members, shall immediately notify the SREB of the names and addresses of its partners, officers, directors and shareholders, as the case may be. Such partnerships and corporations shall also, upon making application as Members, immediately notify the SREB of the name and address of the person(s) designated as the Principal Broker who is responsible for the Member's activities and whom the SREB may contact as that Member's representative in relation to the SREB.
- 1.4 The provisions of Sections 1.02 and 1.03 shall not apply to a Member which is a Firm that is registered in the Loan Corporations Register or the Trust Corporations Register under the *Loan and Trust ONCA*.

SECTION 2 - Change of Ownership or Control

- 2.1 Each Member that is a Firm shall immediately notify the Chief Executive Officer, in writing, of:
 - a) any change in ownership, if it is a sole-proprietor;
 - b) any change in partners, or any change in the ownership interests of any of the partners, if it is a partnership;
 - c) any change in its officers or directors, if it is a corporation;
 - d) any change in the number of shares held by any shareholder or the addition or deletion of any shareholder, if it is a corporation; or
 - e) any change in the Principal Broker(s).
- 2.2 In addition to the requirements in Section 2.01 above, every Member that is a Firm shall report in writing to the Chief Executive Officer any of the following, within thirty (30) days from the date of its registration or the registration of such changes under the Act:
 - a) if the Member is a corporation, the names and addresses of its officers and directors, the number of shares held by any shareholder of the Member and any change of any of the addresses;
 - b) if the Member is a partnership, the names and addresses of the partners, and any change of any of the addresses, and if any partner is a corporation, the information required by Sub-section (a) above;
 - c) upon a Member who is a Broker or Salesperson being registered or ceasing to be registered with the Member that is a Firm;
 - d) upon a Member who is a Salesperson employed by a Member that is a Firm becoming a Broker registered with the Member that is a Firm, and vice-versa; or
 - e) the names and addresses of all Principal Brokers and all branch managers designated pursuant to the Act and any changes thereto.

- 2.3 The provisions of Sub-sections 2.01(c) and (d) and Sub-section 2.02(a) of this Article shall not apply to a Member that is a Firm which is registered in the Loan Corporations Register or the Trust Corporations Register under the *Loan and Trust ONCA*.
- 2.4 In the event of any such change as described in Section 2.01 of this Article, the membership of the Member that is a Firm and of all Members employed by it may, by resolution of the Board of Directors, be deemed terminated, provided that should the Directors so decide, the individuals affected may re-apply for membership. In the event of such termination, reasons are to be specified.
- 2.5 Where an applicant is re-applying for membership because his membership was terminated under the provisions of Section 2.4 above, the Directors may, at their sole discretion, reduce the amount of the application fee to be paid as prescribed in Section 1.1 of Article 4 of this By-law.

SECTION 3 -Furthering the Objects of the SREB

- 3.1 All Members shall use their best efforts in furthering the objects of the SREB and in the enforcement of the By-law of the SREB.

SECTION 4 - Termination of Membership

- 4.1 Membership in the SREB is non-transferable.
- 4.2 Membership ceases to exist:
- a) upon the death of an individual Member;
 - b) upon the dissolution, bankruptcy or insolvency of a Member that is a Firm;
 - c) upon the suspension or termination of the Member's registration under the Act;
 - d) upon the Chief Executive Officer receiving written notification of the Member's resignation, which shall be effective when the Chief Executive Officer receives it; or
 - e) upon the occurrence of some other event in accordance with this By-law, including, but not limited to the provisions of Section 2 above; the provisions of Article 2; the provisions of Article 4; the provisions of Article 8; and the provisions of Article 9.
- 4.3 Where a Member resigns, or his membership is terminated, he shall immediately return to the Chief Executive Officer all membership cards or certificates or other documents relating to his membership and such Member immediately loses all rights of membership including, but not limited to voting rights. Termination, resignation or suspension of membership for whatever reason shall not relieve a Member from any of his/its monetary or other obligations arising before the effective date of termination, suspension or resignation of membership.
- 4.4 Any Member resigning on or after the first day of January shall be responsible for the annual fee for that calendar year, as is applicable to his category of membership or such portion of it as the Directors may determine.
- 4.5 Where membership of any Member that is a Firm has been terminated under any of the provisions of Section 4.2 of this Article any individual Member may apply to the Directors who may, at their sole discretion, waive the provision of Section 4.01 above and permit the affected individual Member to transfer membership to another Member that is a Firm, and who may, at their sole discretion, waive all or a portion of the fees or dues payable to reapply for membership.
- 4.6 Where the membership of any Member of the SREB in either OREA or CREA is terminated by either of these Associations, the membership of that Member in this SREB is deemed to be automatically terminated.

ARTICLE 4 – Dues & Fees

SECTION 1 -Payment of Fees and Dues

1.1 Members and applicants for membership shall pay the following fees and dues, which fees and dues will be due and payable as and when prescribed herein:

Firm	\$1,000.00 + HST
Broker	\$1,500.00 + HST
Salesperson	\$1,500.00 + HST
Transfer Fee	\$ 100.00 + HST

1.2 Annual Fees shall be for the calendar year January 1 to December 31 and shall be paid to the SREB, in the case of new Members, upon admission as Members of the SREB, and in the case of all other Members, before January 31 of each year.

1.3 Except as otherwise stated in this Article, all amounts payable by Members are due on the date set out in the invoice.

1.4 In addition to the payment of fees and dues above-noted, all Members, shall pay to the SREB and the SREB shall collect from the Members and remit to OREA and CREA respectively, the annual OREA and CREA dues in the amounts as prescribed by OREA and CREA from time to time.

1.5 The Directors may, on an unanimous decision only, waive the fees and dues otherwise payable by any Member to the SREB provided:

- a) the Member remains an Member of the SREB;
- b) the Member has reached the age of 60 and has 25 consecutive years of service with the SREB;
- c) the waiver does not affect the obligation of the Member to pay weekly books, supplements, quarterly sales books, technology fees as charged by the supplier, and all required OREA, CREA and Northern Ontario dues, which may by resolution of the Board of Directors be paid by the SREB on behalf of the Member; and
- d) the Member shall apply in writing to the Board of Directors.

SECTION 2 - Special Provisions Dealing with Application Fees and Annual Fees

2.1 Where an applicant is re-applying for membership because his membership was terminated under the provisions of Section 4 or Section 2.04 of Article 3 of this By-law, then the Directors may waive or reduce the amount of the application fee to the extent the Board of Directors, in its sole discretion, considers proper.

2.2 An applicant whose membership application is approved before September 1 in any year shall pay, in addition to the application fee and other required amounts, the full amount of the annual fee applicable to that category of membership. An applicant who becomes a member after September 1 in any year shall pay, in addition to the application fee and other required amounts, only one-half of the annual fee.

SECTION 3 - Non-Payment of Amounts Owed to the SREB

3.1 If a Member owes money to the SREB for any reason whatsoever, and does not pay the amount when due (for the purposes of this Article, such Member hereinafter called the “Defaulting Member”), the Chief Executive Officer, provided that the Chair agrees, may send that Defaulting Member a letter by registered mail or personal delivery (or by courier), requiring that the money be paid to the SREB by the date stipulated in the letter, and advising that if it is not paid by such date the Defaulting Member shall lose all membership privileges and his membership in the SREB shall be terminated.

- 3.2 a) If the required action is not taken or payment made by the date provided for in Section 3.01 above, the Chief Executive Officer shall send, by registered mail or personal delivery (or by courier), a second letter to the Defaulting Member setting out therein that the Defaulting Member's membership shall be terminated unless, within ten (10) days of receipt of such second letter, the Defaulting Member delivers to the Discipline Committee, care of the Chief Executive Officer, a notice disputing the amount claimed to be owing by the Defaulting Member to the SREB together with a cheque or cash representing the amount claimed to be owing to the SREB. If no such notice of dispute plus amount owing is delivered, the termination of the Defaulting Member's membership shall come into effect upon expiry of such tenth day.
- b) If the Defaulting Member is a Firm, and if the amount owed is not paid within two (2) days of receipt by the Defaulting Member of the letter described in Sub-section 3.02 (a) above, the Chief Executive Officer may, if so directed by the Chair, send a copy of such letter to all Members shown in the records of the SREB to be employed by (the "Effected Members") the Defaulting Member. The provisions of this Sub-section (b) and the sending of copies of the such second letter to those Effected Members is for information purposes only and does not in any way change the provisions or the effect of any other section of this Article 4, including, but not limited to Sections 4.01 and 4.02.
- 3.3 Where a Member delivers a notice of dispute and the amount owing, as provided for in Sub-section 3.02(a), the dispute shall be heard by a Discipline Hearing Panel made up of members of the Discipline Committee, following the procedures set out in Article 9 of this By-law, save and except that the right to Appeal (as defined in Article 9) shall not apply to such a dispute.
- 3.4 The Discipline Hearing Panel shall not have authority to deal with a dispute by a Defaulting Member as provided for in this Section 3, unless the Defaulting Member has first complied with the payment requirements as set out in the second letter described in Section 3.02, provided that if the Defaulting Member is successful in his dispute any amount paid to the SREB which was found not to be owing, shall be returned to him.
- 3.5 In such a dispute, the onus shall be on the Defaulting Member to prove that such amount was not owing to the SREB.
- 3.6 The Discipline Hearing Panel shall have the right to dismiss the dispute or find in favour of the Defaulting Member and apply such penalties as are prescribed in Article 9.
- 3.7 a) If a Defaulting Member is suspended or terminated for failure to pay to the SREB any amount owing, or if any Member is terminated, suspended, or resigns from the SREB, any amount owing by such Member or Defaulting Member shall remain a debt owing to the SREB until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication to the SREB to become a Member or upon applying to the SREB, as a member of another real estate board, in order to access or obtain any of the SREB's services (including MLS® data and MLS® services) pursuant to any service sharing/data sharing/interboard agreement that the SREB has with any other real estate board, the applicant shall repay such debt as a condition precedent to such application for membership being approved by the Directors, or as a condition precedent to accessing or obtaining any of the SREB's services (including MLS® data and MLS® services) pursuant to any service sharing/data sharing/interboard agreement that the SREB has with any other real estate board.
- b) If a Member which is a Firm is terminated or suspended, whether for failure to pay to the SREB any amount owing or for any other reason, or if such Member resigns from the SREB, any amount owing to the SREB shall remain a debt owing to the SREB until paid, notwithstanding the suspension or termination of services or membership. Upon reapplication by the Firm whose membership was terminated, or by any sole proprietor, partner, Principal Broker, officer or

director of such Firm to become a Member, or upon the Firm whose membership was terminated or any sole proprietor, partner, Principal Broker, officer or director of such Firm applying to the SREB, as a member of another real estate board, in order to access or obtain any of the SREB's services (including MLS[®] data and MLS[®] services) pursuant to any service sharing/data sharing/interboard agreement that the SREB has with any other real estate board the applicant shall repay such debt as a condition precedent to such application for membership being approved by the Directors or as a condition precedent to accessing or obtaining any of the SREB's services (including MLS[®] data and MLS[®] services) pursuant to any service sharing/data sharing/interboard agreement that the SREB has with any other real estate board.

SECTION 4 - Payment and Collection of Fees

- 4.1 A Member which is a Firm shall pay to the SREB, as they become due, all fees payable by its employees who are Members of the SREB. This provision is not intended to affect any contractual agreement between a Member that is a Firm and its employees, but is only intended to facilitate the collection, on behalf of the SREB, of the fees payable to the SREB. It shall be the sole responsibility of a Member that is a Firm to ensure the full amounts invoiced by the SREB are paid to the SREB by the date stipulated.
- 4.2 All Members of the SREB who are, or become officers or directors of a Member that is a Firm, agree that they shall be personally responsible to the SREB for any amounts owing by the Member they are officers or directors of, to the extent of the amounts incurred at the time they occupied such position(s).
- 4.3 Where a Member fails to pay such amounts as determined in Section 4.02, such failure may be dealt with in accordance with Section 3 of this Article.

ARTICLE 5 - Meetings & Voting

SECTION 1 - Voting Rights

1.1

- a) Each Member shall be entitled to notice of all meetings of Members and to attend and vote at same, either in person or by proxy.
- b) Rights of the Members shall include:
 - i. to attend at the Annual, General and Special Meetings of the SREB, meeting not less than annually;
 - ii. to elect, in accordance with the provisions of this By-law, the SREB of Directors;
 - iii. to approve By-laws in accordance with the ONCA;
 - iv. to appoint auditors;
 - v. such other matters as are within the ambit of the Members pursuant to the ONCA.

1.2

- a) Members shall be entitled to notice of all meetings of Members, addressed to them individually (although such notice may be sent care of the Member that is a Firm and the Member's employer) and to attend and vote at same. Each Member is entitled to one vote if present at the meeting either in person or by proxy.
- b) Where a Member is not able to attend and vote at a meeting of Members, the Member may vote by proxy. Such proxy must be appointed by the Member.

1.3

- a) Except as provided for in this Section 1, no other person except as provided for in the ONCA shall be entitled to receive no notice of or vote at, either in person or by proxy, a meeting of Members. Notice shall be given in the manner specified in the Act to each Member, each Director and to the auditor or person appointed to conduct a review engagement. Only Members may vote at a meeting of Members. Where, in this By-law or by the ONCA, any matter is required to be approved by members, this shall mean the Members using the meeting and voting procedures set out in this Article.
- c) The Board of Directors, the Chief Executive Officer or his designate, plus other SREB staff as is necessary, the auditor and his representative(s), shall also be entitled to attend any meeting of Members.

SECTION 2 - Voting and Proxies

- 2.1 At every meeting, each Member present either in person or by proxy shall have one vote on a show of hands or on a vote using coloured cards. If a poll is taken, each such Member present either in person or by proxy shall have one vote. Such votes shall be exercised either by the Members or by the proxies on behalf of the Members.
- 2.2 A proxy shall be in writing, and it must be signed by the Member or someone authorized by him, under power of attorney, to sign the proxy on behalf of the Member.
- 2.3 An instrument appointing a proxy shall be in the form required by the ONCA.

- 2.4 Unless revoked earlier, a proxy shall only be valid for the meeting it is given. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed in the same manner as a proxy and deposited either with the Chief Executive Officer at the SREB offices at any time up to and including the last day (excluding Saturdays, Sundays and holidays) preceding the date of the meeting, or any adjournment thereof, at which the proxy is to be used, or with the chair of such meeting on the day of the meeting, or any adjournment thereof, before such meeting (or adjourned meeting) is called to order.
- 2.5 The Directors may specify in the notice calling a meeting of Members, a time, not exceeding 48 hours (excluding Saturdays, and holidays) preceding the meeting, or any adjournment thereof, before which time proxies to be used at that meeting must be deposited with the Chief Executive Officer at the offices of the SREB, and any period of time so fixed shall be specified in the notice calling the meeting. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Chief Executive Officer at the offices of the SREB or, where no such time is specified in such notice, it has been received by the Chief Executive Officer at the offices of the SREB, or by the chair of such meeting, or any adjournment thereof, before the meeting (or adjourned meeting) is called to order.
- 2.6 All notices of meetings of Members shall include reference to the provisions of Section 2.5 of this Article and shall include a blank proxy form.
- 2.7 Where a Member is not able to attend and vote at a Meeting of Members, the Member may vote by proxy. Such proxy must be another Member appointed by the Member and limiting a proxy holder to one (1) proxy.

SECTION 3 - Annual Meeting

- 3.1 Subject to complying with the requirements of the ONCA, the annual meeting, as described in the ONCA shall be held at such time and at such place within the Province of Ontario as the Directors by resolution may determine. Subsequently, the following Annual Meeting shall be called no later than fifteen (15) months after holding the preceding Annual Meeting.
- 3.2 At the annual meeting, the Directors shall present to the Members a report dealing with the affairs of the SREB for the previous year, a financial and other statements of the SREB as required by the ONCA, the auditor's report, and such other information as the Board of Directors may determine.
- 3.3 The Members shall, at the annual meeting, appoint an auditor who will hold office until the next annual meeting, and if no such appointment is made, the auditor in office shall continue in office until his successor is appointed.
- 3.4 Capital expenditures in excess of \$50,000 for any one item in any one year, shall require approval of the voting membership.

SECTION 4 - Notice Requirements

- 4.1 Unless otherwise provided for in this By-law, a notice, in writing, setting out the time, place and date of any meeting, and which must include an indication of the general nature of the business to be dealt with at the meeting, shall be sent to each Member (which notice may be sent care of the Member that is a Firm and the Member's employer) at least ten (10) clear days (the ten (10) days do not include the date of mailing or the date of the meeting) prior to the date of the meeting as set out in the notice. The notice shall be sent to the last known address of the Member or the Member that is his employer as it is recorded in the records of the SREB.
- 4.2 With respect to any meeting of the Members, a notice shall be sent to the auditor at least ten (10) clear days prior to the day of the meeting (the ten (10) days do not include the date of mailing or the date of

the meeting).

4.3 Service

Any notice required to be sent to any Member or Director or to the auditor or person who has been appointed to conduct a review engagement of the Corporation shall be delivered personally, or sent by prepaid mail, facsimile, email or other electronic means to any such Member at the Member's latest address as shown in the records of the Corporation; and to such Director at his or her latest address as shown in the records of the Corporation or in the most recent notice or return filed under the Corporations Information Act, whichever is the more current; and to the auditor or the person who has been appointed to conduct a review engagement at its business address; provided always that notice may be waived or the time for giving the notice may be abridged at any time with the consent in writing of the person entitled thereto.

4.4 Error or Omission in Giving Notice

The accidental omission to give any notice to any Member, Director, Officer, member of a committee of the SREB or auditor or person conducting a review engagement, if any, or the non-receipt of any notice by any such person where the Corporation has provided notice in accordance with the By-laws or any error in any notice not affecting its substance shall not invalidate any action taken at any meeting to which the notice pertained or otherwise founded on such notice.

SECTION 5 - General Provisions relating to Meetings of Members

- 5.1 Unless otherwise specifically provided for in this Article 5, the provisions of this Section 5 shall govern all meetings of Members.
- 5.2 Meetings of the Members may be held at any place in Ontario as the Directors may decide and as set out in the notice of the meeting.
- 5.3 At least 40 Members representing 25% of Members that are Firms, must be present in person, in order to establish a quorum, and no business shall be conducted at the meeting unless the required quorum is present at the beginning of and throughout the meeting.
- 5.4 At all meetings of members, the Chair shall be the Chair of the meeting, or in his absence the Chair-Elect shall be the Chair.
- 5.5 If the Chair and the Chair-Elect or Vice-Chair are absent, the Members present at the meeting either in person or by proxy may choose any other Director to act as Chair.
- 5.6 Where no Director is present or if all Directors present decline to act as Chair of the meeting, the Members present at the meeting either in person or by proxy may choose any Member present at the meeting to act as the Chair.
- 5.7 The provisions of Sections 5.04, 5.05 and 5.06 above are subject to Section 7.10 below.
- 5.8 If there is a quorum, the Chair of a meeting, may, with the agreement of a majority of the Members present at the meeting either in person or by proxy, declare the meeting adjourned. If there is no quorum, the Chair of a meeting may declare the meeting adjourned.
- 5.9 If the Board of Directors or Members call a Meeting of the Members, the Board of Directors may determine that the meeting shall be held entirely by means of a telephonic, an electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting

SECTION 6 - Voting Procedure at Meetings

- 6.1 Only those Members present either in person or by proxy shall be allowed to cast a ballot or vote by a show of hands (or by holding up different coloured cards to show approval or disapproval) at a meeting of the Members.
- 6.2 Except as otherwise provided in these by-laws or the ONCA, all matters proposed for consideration and approval of the Members shall be decided by a majority of the votes cast by the Members present either in person or by proxy.
- 6.3 The Chair of the meeting shall be allowed to vote where there is a tie-vote and his vote is needed to break that tie, and such vote shall be in addition to the vote he may have as a Member at the meeting.
- 6.4 If at any meeting a ballot vote is demanded on the issue of electing a Chair of the meeting or on the issue of adjourning the meeting, that vote must be taken immediately.
- 6.5 If at any meeting a ballot vote is demanded on any other issue, including the election of Directors, the ballot vote shall be held in the manner and at a time during the meeting as the Chair shall direct, and the results of the ballot vote shall be deemed to be the decision of the meeting.
- 6.6 A demand for a ballot vote may be withdrawn by the person who made the demand.
- 6.7 Where after a show of hands or a holding up of differently coloured cards, a ballot vote is demanded, the Chair may refuse to conduct same if, in his opinion, it appears that such a procedure would not serve any useful purpose in reaching a clear decision on the resolution being voted on.

SECTION 7 - The Election of Directors

- 7.1 Each year there shall be an election of the directors at the Annual Meeting.
- 7.2 The individuals so elected shall automatically take office as soon as the Annual Meeting at which they are elected adjourns.
- 7.3 At least sixty (60) days before the Annual Meeting the Directors shall by resolution appoint a Nomination Committee in accordance with the provisions of Article 7 of this By-law.
- 7.4
 - a) The Chair of the Nomination Committee shall determine from the existing Board of Directors their intention to allow their name to stand for the following year. The response shall be in writing. The Nomination Committee shall meet as required.
 - b) The Nomination Committee shall prepare a report containing recommended nominations for the positions of Director.
- 7.5 The report of the Nomination Committee shall be in writing and forwarded to the Chief Executive Officer not less than forty-five (45) days before the date of the Annual Meeting.
- 7.6 The Chief Executive Officer shall enclose, with the notice of the Annual Meeting, a copy of the report of the Nomination Committee.
- 7.7 Additional nominations for any position on the Board of Directors may be made by filing a proposal in accordance with the ONCA, with the Chief Executive Officer, endorsed by not less than 5 per cent of the Members of the SREB, together with the written consent of the Member so nominated. Such additional nomination must be filed with and received by the Chief Executive Officer at least ten (10) days prior to the date of the meeting of Members at which the election of the Directors is to be held.
- 7.8 If additional nominations are received in accordance with Section 7.7, then at least seven (7) days prior to the date of the meeting of Members at which the election of the Directors is to be held, the Chief Executive Officer shall send all Members a copy of such additional nominations.
- 7.9 Where the number of candidates exceeds the number of available elective positions, the elected

candidates shall be those receiving the greatest number of votes in descending order, up to the number of available elective positions in the poll, regardless of whether or not such candidates receive a majority of the votes cast.

SECTION 8 - Other Meetings of Members

- 8.1 Any other meetings of Members may be called by the Directors or on the written request of not less than one-tenth (1/10th) of the Members. Where there are no Directors in office, any individual member may call a special meeting to fill vacancies in the Board of Directors.

ARTICLE 6 - BOARD OF DIRECTORS

SECTION 1 - Board of Directors

- 1.1 The term of office of the Directors (subject to the provisions, if any, of the articles) shall be from the date of the meeting at which they are elected or appointed until the next annual meeting or until their successors are elected or appointed.
- 1.2 Directors cannot serve more than six (6) consecutive years unless a Director is appointed by the Board of Directors as the Chair Elect in their sixth (6th) year, in which case, that Director may run for a seventh (7th) term in order to be available for appointment by the Board as Chair in that seventh (7th) year.
- 1.3 A Director who has left the Board of Directors for one (1) year after serving their term, may run again as if he or she were sitting for the first time.

SECTION 2 - Qualifications of Directors

- 2.1 Every Director must be an individual, a Member of the SREB, and be at least eighteen years of age, and must meet all qualifications set out in the ONCA.
- 2.2
 - a) Not more than three (3) Members employed by the same Firm may serve as Directors at the same time. However, if, during the course of his term in office, a Director becomes employed with a Firm which already has three (3) or more employees sitting as Directors, such director may finish his term of office.
 - b) Sub-section (a) above shall not prevent more than three (3) Members employed by the same Firm from running for election to the Board of Directors, provided that those candidate Members must agree before the election who will decline (or agree to a method to determine who will decline) to sit as a Director should more than three of the Members employed by the same Firm be elected, and provided that the Members are, at some time before the annual meeting, advised of this provision and the possibility that one or more of those Members may decline to take office even if elected.
- 2.3 Not more than six Salespersons who are Members may be Directors at the same time.
- 2.4 In order to be eligible for election as a Director, the candidate must have completed the Leadership 100 course offered by the OREA Centre for Leadership Development and provide the Chief Executive Officer with a copy of the Leadership 100 certificate.

SECTION 3 - Vacancies on the Board of Directors

- 3.1 The office of a Director shall be vacated immediately:
 - a) if the Director resigns office by written notice to the SREB, which resignation shall be effective at the time it is received by the SREB or at the time specified in the notice, whichever is later;
 - b) if the Director dies or becomes bankrupt;
 - c) if the Director is found to be incapable by a court or incapable of managing property under Ontario law; or
 - d) if, at a meeting of the Members, the Members by ordinary resolution removes the Director before the expiration of the Director's term of office.
- 3.2 Subject to Sections 10.01, in the event a vacancy occurs on the Board of Directors for any reason, except where the vacancy exists because of an increase in the number of Directors, the Directors may at a regularly scheduled Directors meeting, provided there is a quorum present, appoint any Member who

is qualified to fill the vacancy. Such an appointed Director shall be in office only for the length of the unexpired term of the Director who caused the vacancy.

SECTION 4 - Removal of Directors

4.1 Provided that the meeting has been properly called and notice of such a resolution and meeting has properly been given in accordance with Article 5, the Members of the SREB, may by resolution at a meeting duly called for that purpose, provided it is approved by a majority (50% plus 1 vote) of the votes cast by the Members who are present in person or by proxy, remove any Director from office before the expiry of his term. At such a meeting, the Members may also, by simple majority of the votes cast by the Members present in person or by proxy, elect any qualified Member of the SREB to fill the unexpired portion of the term of the Director who was removed.

SECTION 5 - Remuneration of Directors

5.1 The Directors shall serve as such without remuneration and no Director shall directly or indirectly receive any profit from occupying the position of Director; subject to the following:

1. Directors may be reimbursed for reasonable expenses they incur in the performance of their Directors' duties;
2. Directors may be paid remuneration and reimbursed for expenses incurred in connection with services they provide to the Corporation in their capacity other than as Directors, provided that the amount of any such remuneration or reimbursement is:
 - i. considered reasonable by the Board of Directors;
 - ii. approved by the Board of Directors for payment by resolution passed before such payment is made; and
 - iii. in compliance with the conflict of interest provisions of the Act; and

SECTION 6 - Committees

6.1 The Board may appoint from their number a committee of Directors and may delegate to the committee any of the powers of the Directors except those powers set out in the ONCA that are not permitted to be delegated.

6.2 Subject to the limitations on delegation set out in the ONCA, the Board may establish any committee it determines necessary for the execution of the Board's responsibilities. The Board shall determine the composition and terms of reference for any such committee. The Board may dissolve any committee by resolution at any time.

SECTION 7 - Officers of the SREB

7.1 The Board shall appoint from among the Directors a Chair and may appoint any other person to be Chair-Elect, Vice-Chair and Past-Chair at its first meeting following the Annual Meeting. Subject to these by-laws and the ONCA, the Board shall assign duties to those Officers at that meeting. The Board may appoint such other Officers and agents as it deems necessary, and who shall have such authority and shall perform such duties as the Board may prescribe from time to time.

7.2 Any Officer shall cease to hold office upon resolution of the Board. Unless so removed, an Officer shall hold office until the earlier of:

1. the Officer's successor being appointed,
2. the Officer's resignation, or
3. such Officer's death.

7.3 When present, the Chair shall act as Chair of all meetings of the members.

7.4 If for any reason the Chair is unable to carry out the functions and duties of his office the Chair- Elect shall assume all duties.

SECTION 8 - Banking

8.1 The Directors shall determine by resolution in which banking institution the funds of the SREB shall be deposited.

8.2 The Signing Officer of the SREB shall be either:

a) the Chair together with the Chair-Elect.

b) the Chair or the Chair Elect together with one other person appointed by a resolution of the Directors: or

c) any two persons appointed by a resolution of the Directors: or 2

d) the Chief Executive Officer together with the Chair, the Chair-Elect or another person appointed by a resolution of the Directors.

SECTION 9 - Indemnity

9.1 The SREB may indemnify a Director or Officer of the SREB, a former director or officer of the corporation or an individual who acts or acted at the corporation's request as a director or officer, or in a similar capacity, of another entity in accordance with the ONCA.

SECTION 10 - Board Meetings

10.1 Calling of Meetings

Meetings of the Directors may be called by the Chair or any two Directors at any time and any place on notice as required by this By-law.

10.2 Regular Meetings

The Board may fix the place, if applicable, and time of regular Board meetings and send a copy of the resolution fixing the place, if applicable, and time of such meetings to each Director, and no other notice shall be required for any such meetings.

10.3 Notice

Notice of the time and place, if applicable, for the holding of a meeting of the Board shall be given not less than three (3) days before the date that the meeting is to be held.

Notice of a meeting is not necessary if all of the Directors are present, and none objects to the holding of the meeting, or if those absent have waived notice or have otherwise signified their consent to the holding of such

meeting. If a quorum of Directors is present, each newly elected or appointed Board may, without notice, hold its first meeting immediately following the annual meeting of the Corporation.

A notice of a meeting of Directors need not specify a place of the meeting if the meeting is to be held entirely by one or more telephonic or electronic means. If the Directors may attend a meeting by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

10.4 Voting

Each Director has one vote. Questions arising at any Board meeting shall be decided by a majority of votes. In case of an equality of votes, the Chair shall not have a second or casting vote.

10.5 Participation by Telephonic or Electronic Means

Subject to the provisions of the articles, if any, a meeting of Directors may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and by one or more telephonic or electronic means, provided that all persons attending the meeting are able to communicate with each other simultaneously and instantaneously. A person who, through telephonic or electronic means, attends a meeting of Directors is deemed for the purposes of the Act to be present at the meeting.

ARTICLE 7 – USE OF SYMBOLS

SECTION 1 - Use of Symbols

- 1.1 Upon endorsement by the Directors any Member may use such mark, symbol, design, device or crest on stationery or advertising material subject to any rules or regulations the Directors may impose regarding the use of same.
- 1.2 The symbol or crest of CREA is hereby adopted and endorsed as the official crest of the SREB, and terms of reference for its use are the same as those adopted by CREA, which by this reference are deemed to be included in this By-law.

ARTICLE 8 – PROCEDURE AT MEETINGS

SECTION 1 - Order of Procedure at Meetings

- 1.1 All meetings of the Members of the SREB, the Board of Directors and all meetings of Committees of the SREB shall be subject to the procedures, rules and regulations as set out by Board policy.

ARTICLE 9 – OREA & CREA

SECTION 1 - Membership in OREA

- 1.1 The SREB shall be a member of OREA and by virtue of this membership all Members of the SREB are deemed to be members of OREA and shall be subject to its by-laws, rules and regulations including but not limited to its dispute resolution process.

SECTION 2 - Membership in CREA

- 2.1 The SREB shall be a member of CREA and by virtue of this membership all Members of the SREB are deemed to be members of CREA and shall be subject to its by-laws, rules and regulations.

ARTICLE 10 – BYLAW AMENDMENTS

SECTION 1 - By-law Amendments

- 1.1 The Board may from time to time in accordance with the Act amend or repeal and replace this By-law.
- 1.2 The Board shall submit the amendment or repeal and replacement by-law to the Members at the next Meeting of the Members, and the Members may confirm, reject or amend the by-law, amendment or repeal by ordinary resolution.

SECTION 2 - Approval of By-law Amendments

- 2.1 Any enactment, amendment or repeal of this By-law as approved by the Directors is not enforceable until confirmed by not less than two-thirds (2/3) of the votes cast by the Members present either in person or by proxy, at a duly called meeting of the Members of the SREB. Even though, by definition, “By-law” includes rules and regulations, this Section 2.01 does not apply to the creation, amendment or revocation of rules and regulations, and the provisions of Article 6, Section 17.01 shall apply to rules and regulations.

ARTICLE 11 -NOTICES

SECTION 1 - Notices

- 1.1 Unless otherwise specified in this By-law, any letter, notice, document or any other material (hereinafter collectively referred to as “Notices”) required or permitted to be given or forwarded by the SREB or its officers, Directors, employees, representatives, Committees, Committee members, representatives of its Committees or Committee members, hearing or appeal panels, or representatives of its hearing or appeal panels, may be: (a) mailed by regular or registered mail addressed to; (b) delivered personally (or by courier) addressed to; or (c) telecopied (faxed) addressed to, such Member at its/his address as recorded with the SREB; or (d) sent electronically (by e-mail) to the e-mail address provided by the Member for the purpose of receiving Notices from the SREB to the Member.
- 1.2
 - a) Notices which are telecopied (faxed) shall be deemed to have been received by the addressee on the next business day (example, if telecopied on a Friday afternoon, deemed receipt on Monday morning. If telecopied on a Wednesday morning, deemed receipt on Thursday.)
 - b) Notices which are mailed by regular mail shall be deemed to have been received by the addressee on the fifth business day (not including the day of mailing) after mailing (example, if mailed on a Monday afternoon, deemed receipt on Monday).
 - c) Notices which are mailed by registered mail, shall be deemed to have been received on the day they are actually received by the addressee according to the records of Canada Post.
 - d) Notices delivered personally or by courier, shall be deemed to have been received when delivery is made to the address of the Member as recorded with the SREB.
 - e) Notices which are sent by e-mail shall be deemed to have been received by the addressee on the next business day (example, if sent by e-mail on a Friday afternoon, deemed receipt on Monday morning. If sent by e-mail on a Wednesday morning, deemed receipt on Thursday).
 - f) For the purposes of this section, business day shall mean every day except Saturdays, Sundays and those days which are statutory holidays in the Province of Ontario.
- 1.3 If Notices are mailed, faxed, sent by e-mail or delivered to a Member and have been returned on three consecutive occasions because such Member cannot be found, the SREB need not send any further Notices to such Member until it/he informs the SREB in writing of its/his new address.

ARTICLE 12 – REALTOR® CODE

SECTION 1 – REALTOR® Code of Ethics and Standards of Business Practice

- 1.1 The SREB hereby adopts the REALTOR® Code and by this reference to it, the REALTOR® Code is deemed to be part of this By-law.
- 1.2 The SREB shall adopt such By-law, rules and regulations as are necessary from time to time in order to enforce through its Professional Standards Committee and Discipline Committee the provisions of the REALTOR® Code.
- 1.3 If a complainant is referred to RECO, in accordance with Section 4 of Article 9, the SREB shall be deemed to have enforced the corresponding section of the REALTOR® Code.

PASSED THIS _____ DAY OF _____, 20____. WITNESS
THE CORPORATE SEAL OF THE SREB.

Chair

Chief Executive Officer

SCHEDULE A

SCHEDULE "A" ARTICLE 1 SECTION 4 – Jurisdictional Area

The areas of jurisdiction of this association shall be the District of Sudbury, District of Manitoulin, Township, Bright, Thompson, Cobden, Striker, Long, Spragge, Lewis, Shedden, Deagle, Proctor, Esten, McGiverin, Mack, Scarfe, Patton, Gladstone, Day, Wells, Parkinson, Montgomery, Gould, Grassett, Tennyson, I23, I24, I25, A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, 7Z, 1A, 2A, 3A, 4A, 5A, 6A, 7A, 7B, 6B, 5B, 4B 3B, 2B, 1B, 1C, 2C, 3C, 4C, 5C, 6C, 7C, 1D, 2D, 3D, 4D, 5D, 6D, 7D, 1E, 2E, 3E, 4E, 5E, 6E, 7E, 1F, 2F, 3F, 4F, 5F, 6F, 7F, 188, 182, 176, 169, 163, 157, 151, 145, 39, 138, 144, 150, 156, 162, 168, 175, 167, 161, 155, 149, 143, 137, 129, 130, 131, 132, and Municipalities and Improvement Districts contained therein, in the District of Algoma, Townships Dana, Crerar, Hugel, Kirpatrick, MacPherson, London, Falconer, Latchford, Caldwell, Badgerow, Gibbons, McWilliams, Thistle, Bastedo, Field, Springer, Bertram, and Municipalities contained therein, in the District of Nipissing, Townships of Blair, Brown, Burton, Harrison, Wallbridge, Mowat, Henvey, and Municipalities contained therein in the District of Parry Sound, and the following Indian Reserves: #17, 17A, 2, 13, 9, 10, 6, 4, 5, 7, 8, 12, 19, 20, 22, 23, 24 and 26.