

MEMORANDUM OF UNDERSTANDING

Between:

**The Saskatchewan Real Estate Commission
and
The Association of Battlefords Realtors
The Estevan Real Estate Board
The Lloydminster Real Estate Board Association
The Moose Jaw Real Estate Board
The Prince Albert Real Estate Board
The Association of Regina Realtors
The Saskatoon Real Estate Board
The Swift Current Real Estate Association Inc.**

A. Purpose of this Memorandum of Understanding

This memorandum seeks to clarify the roles and responsibilities of the Saskatchewan Real Estate Commission (SREC) and the Saskatchewan Real Estate Association (SREA) and the Saskatchewan Real Estate Boards (The Board). It suggests a system of communication and referrals between the organizations to enhance the co-operation that already exists.

The SREC, the Real Estate Boards and SREA share a common objective; that is, to promote the integrity and professionalism of industry members in Saskatchewan. SREC carries out its responsibility as a regulatory body under the legislation. The Boards and SREA carry out their responsibilities in Saskatchewan as a private membership association. In respect of handling complaints involving the Board's members, the goal is to reduce overlap and duplication, when that is possible, while seeking to achieve this common objective.

It is important to recognize that this memorandum does not constitute a delegation of authority by SREC within the meaning of *The Real Estate Act (Act)*. It is not a contracting out or outsourcing of services by SREC to SREA or the Boards and is subject to the existing *Act* and amendments thereto.

B. Role of the Real Estate Board and the Saskatchewan Real Estate Association

The Board and SREA are a voluntary membership associations that operate local MLS systems and provide member services to Realtors in their area. The Board and SREA are not a public body created by legislation; rather it is a private association of Realtors established under provincial legislation.

The Board is a member of the Saskatchewan Real Estate Association (SREA) and the Canadian Real Estate Association (CREA). Members of the Board are also members of CREA. In addition to the provision of services to their members, the primary purpose of these associations are to advance the interests of Realtors within the real estate industry.

Although the term “Realtor” is often used in common language to describe a real estate agent, this term is a private trademark of CREA. Only members of CREA are entitled to use the term “Realtor” as a benefit of membership. In order to become a member of the Board, a person must be registered with SREC. However, not all industry members are Realtors.

In addition to providing membership services, the Board also promotes the integrity and professionalism of its member Realtors by the enforcement of the CREA Code of Ethics, Standards of Business Practices and its own Rules and Regulations. For the purposes of this document, these are collectively referred to as the “Association Rules”. These are made available to all members in hard copy version by way of a Policy Manual and are also available via the Board’s computer database.

The Board also conducts investigations into complaints against its members that fall under the Association Rules. Its investigations and hearings are conducted in accordance with the Board’s own procedures. The procedures followed by the Board are not the same as those followed by SREC and may or may not be the same as procedures followed by other boards. The model and authority for this action flows from CREA’s bylaws for its member boards.

A disciplinary action against the Board member may affect a member’s standing within that Board. In addition to any fines that may be imposed, the member could be suspended or have Board membership revoked. The disciplinary action against the Board member does not affect any other memberships the person may hold, including membership in another board. A disciplinary action against a Board member does not affect that member’s registration status with SREC.

C. Co-operation Between SREC, SREA and the Board re: Complaints & Investigations

It is understood that due to the nature of complaints, the actions of an industry member that are subject to an investigation may be of interest to SREC, the Board or SREA or any combination of these organizations. In fact, it may not be possible to determine the primary nature of a complaint based on a preliminary review of the letter that has been received by SREC, the Board or SREA. In some cases, the actions involve both “misconduct” within the meaning of *The Real Estate Act* and a breach of the “Association Rules”.

In some cases, the decision to refer the matter to SREC, the Board or SREA cannot be made until a preliminary investigation into the complaint is completed. Whether a preliminary investigation is necessary will be within the discretion of SREC's representative or the Board's or SREA's representative. Where it is unclear which organizations should commence a preliminary investigation, consultation between SREC, the Board or SREA is recommended.

The Board has access to information regarding the registration status of an industry member through SREC's public inquiries section on its website.

It is acknowledged that once SREC investigates a matter involving the Board member and takes disciplinary action under *The Real Estate Act*, the Board or SREA will not conduct any further investigation into that matter.

D. Referrals by SREC to the Board or SREA

SREC will refer to the Board, complaints that do not fall under the scope of the legislation but may relate substantially to matters addressed in the Association Rules. These complaints will relate to the Board's member Realtors only. For complaints of this type received by SREC, the recommended procedure will be as follows:

1. SREC's representative will do a preliminary review of the complaint with a view of determining whether it falls under SREC's jurisdiction.
2. If SREC's representative concludes that the matter does not fall under SREC's jurisdiction and may be an issue(s) covered by the "Association Rules", enquiries will be undertaken to determine if the registrant is a member of the Board.
3. If the registrant is a member of the Board, the SREC representative will confirm with a representative of the Board that the matter substantially falls within the "Association Rules". SREC will then correspond with the complainant to determine if the complainant requests that the matter be referred to the Board or to SREA for investigation. If the complainant agrees, all evidence will be forwarded to the Board or SREA.

E. Referrals by the Board or SREA to SREC

The Board or SREA will refer complaints to SREC that fall under the scope of Saskatchewan's real estate legislation. For complaints of this type received by the Board or SREA, the recommended procedure will be as follows:

1. The Board's representative will do a preliminary review of the complaint.

2. If the results of the preliminary review suggest that the complaint falls under the scope of Saskatchewan's real estate legislation, the Board representative will confirm with SREC's representative that the matter falls substantially within the legislation.
3. If the matter is confirmed by SREC's representative to fall within the scope of the legislation, the Board representative will contact the complainant to determine if the complainant requests the matter be referred to SREC for investigation. If the complainant agrees, all evidence will be forwarded to SREC.

F. Conclusion

This memorandum clarifies the different roles and responsibilities of SREC, the real estate boards and SREA and strives to assist in achieving the common objective of promoting the integrity and professionalism of the industry.

The procedures for communication and referrals outlined demonstrate the desire to cooperate and will be used as a guideline for the respective organizations. It is also understood that such guidelines may be reviewed and adjusted over time. Therefore, discussions on these issues between SREC, the Board and SREA will continue from time to time.

Saskatchewan Real Estate Commission

Per: _____
Al Jacobson, Executive Director/Registrar

Date: _____

The Board

Per: _____
, Executive Officer

Date: _____