

BY-LAW NO. 2

being the By-law for the Nomination and Election of Directors of REAL ESTATE COUNCIL OF ONTARIO

- 1.1 Definitions. Unless otherwise specified or the context requires, terms defined in By-law No. 1 shall have the same meaning in this By-law No. 2.
- 1.2 Interpretation. This By-law No. 2 shall be, unless this By-law No. 2 stipulates otherwise or the context otherwise requires, construed and interpreted in accordance with the following:
 - a) all terms contained herein and which are defined in the *Corporations Act* (Ontario) (the “**Act**”) shall have the meanings given to such terms in the Act; and
 - b) words importing the singular number only shall include the plural and vice versa; and the headings used in this By-law No. 2 are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.
- 1.3 Nomination Process - General. Notwithstanding any term of the Act, an individual may be nominated for election as an Industry Director solely pursuant to and in accordance with this By-law No. 2, and, for greater certainty, no Industry Member shall be entitled to either: (a) submit a proposal within the meaning of the Act that includes nominations for the election of Industry Directors; or (b) nominate individuals for election as Industry Directors from the floor of any meeting of the Members of the Corporation.
- 1.4 Nomination Process - Nominations. On a date set by the Board of Directors, the form of the nomination, as approved by the Board, together with a form of written consent of the candidate to hold office for the elected term for the position of an Industry Director, shall be available from the registered office of the Corporation. Any candidate wishing to stand for election as an Industry Director of the Corporation shall deliver to the registered office of the Corporation a duly completed and original signed nomination form and consent form not later than 2:00 p.m. Eastern Daylight Time on a date set by the Board of Directors. The nomination of a candidate for election as an Industry Director of the Corporation shall be in writing on the form approved by the Board, duly completed and signed by the candidate and confirmed by two (2) Individual Members, neither of whom is a candidate as an Industry Director, and the original shall be delivered to the registered office of the Corporation. A candidate must meet the qualifying criteria that is established from time to time by the Board of Directors. A candidate for the position of an Industry Director can only be a candidate in the Region where he/she maintains his/her address for service, which shall be the same as the candidate's address for service as a registrant under REBBA. The Corporation shall not be responsible for lost or delayed nomination forms.
- 1.5 Nomination Process - Voting Information. After the last day for the delivery of the signed nomination forms and consent forms for the candidates for Industry Directors to the registered office of the Corporation, the Chief Executive Officer shall cause to be made available to each Individual Member an alphabetical list of the candidates running for Industry Director in the Individual Member's Region and biographical profiles of such candidates in the form approved by the Board and voting instructions. Such materials shall be made available by one or more of the following methods: prepaid mail at the Individual Member's address for service, which shall be the same as such Individual Member's

address for service as a registrant under REBBA, electronic means, or publication on the Corporation's website, or by such other methods as the Board may by resolution direct.

- 1.6 Nomination Process - Acclamation. In the event that the number of candidates nominated for Industry Directors for a Region equals the number of vacancies on the Board from that Region, the Chief Executive Officer shall declare those candidates to have been acclaimed as the Industry Director nominees from that Region.
- 1.7 Nomination Process - Voting. An Individual Member shall only be entitled to vote for a nominee for Industry Director from the Region where such Member has his/her address for service, which shall be the same as such Member's address for service as a registrant under REBBA as of the date nomination forms must be received, and such Member shall only be entitled to vote for a number of candidates for Industry Director not to exceed the number of Industry Directors to be elected from that Region at the subsequent annual meeting of the Members. Voting for nominees for Industry Directors shall conclude at or before the annual meeting of Members.
- 1.8 Nomination Process - Vote Counting.
 - a) Following the conclusion of nomination process, the Chief Executive Officer shall ensure that the votes for each candidate are counted.
 - b) The Chief Executive Officer shall declare those persons who have achieved the highest number of votes to be the nominees for the number of Industry Director positions available in each Region.
 - c) The Chief Executive Officer shall make the nomination process voting results available by publication on the Corporation's website or by such other methods as the Board may by resolution direct.
 - d) A record of the votes counted in the nomination process shall be retained in the records of the Corporation.
- 1.9 Nomination Process - Equality of Votes. In the event that the nomination voting results for one or more candidates for Industry Directors for a Region is undecided by reason of an equality of votes, the Chief Executive Officer shall put into a box one paper for each candidate and having the name of each candidate written on it. The Chief Executive Officer shall draw by chance from the box one or more of such papers sufficient to make up the required number of Industry Directors for that Region. The Chief Executive Officer shall declare the person whose name appears on the paper so drawn, as the nominee for that region.
- 1.10 Nomination Process - Retabulation.
 - a) If any candidate for Industry Director wishes a retabulation of the nomination voting results in his/her Region, such candidate must request a retabulation in writing from the Chief Executive Officer and pay a fee of three hundred dollars (\$300.00) or such fee as the Board may by resolution direct to the Corporation within seven (7) days of the declaration by the Chief Executive Officer of the nominees.
 - b) Upon receiving such a retabulation request from a candidate for Industry Director and payment of the required fee, the Chief Executive Officer shall promptly cause

the nomination voting results to be retabulated. When such results are retabulated the Chief Executive Officer shall promptly provide the retabulated results to all candidates from that Region.

- c) Where from the retabulation it appears to the Chief Executive Officer that a candidate was wrongly declared to be nominee, the Chief Executive Officer shall declare the correct nominee.
 - d) The Chief Executive Officer shall make the corrected nomination voting results available by publication on the Corporation's website or by such other methods of service as the Board may by resolution direct.
 - e) Where from the retabulation it appears to the Chief Executive Officer that a candidate was wrongly declared to be a nominee for a Region and the correct result is an equality of votes, the procedure set out in elsewhere in this By-law, shall then be followed with any necessary modifications.
- 1.11 Resolution at the Annual Meeting. A resolution naming the nominees from the nomination process shall be presented at the subsequent annual meeting of Members. The Individual Members shall by ordinary resolution elect the nominees as Industry Directors to hold office subject to the Act and the By-laws.
- 1.12 Insufficient Candidates. If a meeting of Individual Members fails to elect the minimum number of Industry Directors as required by the Articles, the Board may exercise all of its powers subject to the Act, provided that there is a quorum. A quorum of the Board may fill a vacancy among the Industry Directors existing for that reason.
- 1.13 Matters Not Dealt With in the Articles or the By-laws. The Chief Executive Officer, which includes his/her designate, shall on any matter not dealt with in the Articles or By-laws respecting the nomination process, determine the procedure to be followed and the ruling of the Chief Executive Officer shall be final. The Chief Executive Officer has the right to extend any time period if there has been a disruption in services or some other unforeseen event requiring, in the opinion of the Chief Executive Officer, an extension. The inadvertent omission to make available a notice of the nomination of candidates, a nomination form or consent form or any other document(s) relating to the nomination process to any Individual Member shall not invalidate the results of the nomination process, or the election of the nominees as Industry Directors by the Members. No nomination process or results are invalidated because the Corporation or any officer, employee or agent of the Corporation has not strictly complied with any requirement of the Articles or By-laws respecting the nomination process or results.
- 1.14 Lost Materials. The Corporation shall not be responsible for any material relating to the nomination process that has been lost, misdirected, delayed, mislaid, or has not been received.

By-Law No. 2 in effect on June 9, 2021, is hereby signed by the President and Secretary of the Corporation as of June 24, 2021.



President



Secretary