

# Policy on Board Remuneration

Approval Authority: Members of RECO  
Responsible Manager: Chief Strategy & Corporate Officer  
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The authoritative version of each corporate policy of the Real Estate Council of Ontario (“RECO”) is maintained in the records of the Chief Strategy & Corporate Officer. 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 Chief Strategy & Corporate Officer and other available versions, the version maintained by the Chief Strategy & Corporate Officer shall prevail.

## I. Purpose and Interpretation

1. This Policy establishes the basis on which Directors are compensated for their time and service to RECO, including attendance at meetings and broader governance responsibilities.
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.

“Administrator” means the individual appointed by the Minister to exercise the powers and duties of the Administrator pursuant to applicable legislation, Ministerial Orders and RECO’s By-law.

“Board” means RECO’s Board of Directors.

“Board Committee” means a committee established by the Board from time to time.

“By-law” means RECO’s corporate By-law #1.

“CEO” means RECO’s Chief Executive Officer.

“Chair” means the Chair of the Board, or the Chair of a Board Committee, as applicable.

“Committees” means Board Committees established by the Board.

“Director” means a member of the Board of Directors at RECO.

“ELT” means RECO’s Executive Leadership Team.

“Meeting” means a formally scheduled meeting of the Board, a Committee or RECO Members, 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, and the term specifically includes events related to whole Board development pursuant to the Policy on Director Orientation & Development.

“RECO Members” means Members of RECO as a corporation as defined in the By-law.

“Registrar” means the registrar appointed under the Act.

“Remuneration” means any amount to which a Director is entitled pursuant to this Policy.

“Retainer” means a component of Board compensation intended to recognize broader governance responsibilities, including preparation, oversight, leadership, participation in governance discussions and other activities not captured through meeting-based compensation.

“Vice-Chair” means the Vice-Chair of the Board appointed in accordance with RECO’s By-law and governance framework.

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

## **II. Scope and Responsibilities**

1. Pursuant to the By-law, RECO Members approve the Policy on Board Remuneration applicable to Directors.
2. The Board shall oversee administration of this Policy and may make such recommendations regarding its implementation as it considers appropriate.
3. ELT shall support administration of this Policy and provide such information and recommendation as may be requested by the Board.
4. The Chief Strategy & Corporate Officer shall be responsible for the administration of this Policy and shall make such reports and recommendations as may be requested by the Board from time to time, or as may be deemed necessary.
5. During any period in which the Administrator is exercising the powers of the Board or Members pursuant to applicable law, Ministerial Order or By-law, references in this Policy to the Board or RECO Members shall be deemed to include the Administrator acting in that capacity.

### 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
- RECO's Corporate By-law #1
- RECO's Policy on Appointment of the Chair & Vice-Chair
- RECO's Policy on Board, Committee & Other Assessments
- RECO's Policy on Committees of the Board of Directors
- RECO's Policy on Director Orientation & Development
- RECO's Policy on Organizational Planning & Performance

### IV. Introduction

1. To compensate Directors for their time and service to RECO, Directors 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 only in a manner consistent with good stewardship in the public interest.
2. The basis 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 qualified Directors and supporting a modern, skills-based governance model. While Directors contribute their expertise in service of RECO's public interest mandate, remuneration is not intended to mirror private-sector compensation.
4. Remuneration should recognize governance responsibilities extending beyond attendance at meetings, including preparation, oversight, leadership and stewardship responsibilities.
5. If a Director is employed by the Crown, the Director shall not receive any remuneration from RECO.

## **VI. Remuneration - General**

1. Subject to this Policy and consistent with the By-law, Directors shall be entitled to Remuneration as approved by RECO Members. Such Remuneration shall be applicable to services on the Board or any Committee.
2. In addition to the Remuneration to which Directors are entitled to attend Meetings, Directors may be entitled to Remuneration in the following circumstances:
  - (i) Directors other than the Chair are entitled to Remuneration for activities other than Meetings, provided approval is obtained from the Chair prior to participation in any activity related to the Board or a Committee.
  - (ii) The Chair is entitled to Remuneration for activities other than Meetings, provided approval is obtained from the Board, facilitated through the Chief Strategy & Corporate Officer, prior to participation in any activity related to the Board or a Committee.
3. Any decision reached pursuant to section VI.2 by the Chair or the Board shall be final.

## **VII. Remuneration – Specifics**

1. The Remuneration referred to in this Article VII has been approved by the RECO Members. This Policy will be updated as required from time to time as Remuneration is changed by RECO Members.
2. Directors shall receive Remuneration in the amounts set out in *Table 1: Director Remuneration*.
3. The annual retainer set out in *Table 1: Director Remuneration* shall be paid on a quarterly basis.

## **VIII. Remuneration - Process**

1. In the case of Remuneration for Meetings, payment shall be made following confirmation in writing by the CEO and countersigned by the Chief Strategy & Corporate Officer or designate, of attendance by the Director at the Meeting.
2. In the case of Remuneration for activities other than Meetings to which a Director is entitled pursuant to section VI.3, payment shall be made following submission by the Director of confirmation of attendance at the activity in question, together with a statement by the Director as to the duration of the activity. The information provided by the Director pursuant to this section VIII.2 shall be satisfactory to the Chair, the Board, or the CEO, as applicable.
3. Prior to any Member receiving Remuneration, the Member shall supply to RECO's Department of Human Resources such personal information as is required to process payments, including, but not limited to social insurance number, banking information and completed tax forms. Payment of per diem Remuneration due is made on a recurring bi-weekly processing cycle, and

it shall be subject to appropriate deductions including (without limitation) income tax and contributions to the Canada pension plan.

## IX. General

1. At the direction of the Board, RECO shall publish on its publicly facing website the names of Directors receiving Remuneration, and the amounts and reasons for payment of that Remuneration.
2. This Policy will be reviewed no later than June 2029, or sooner if warranted by internal or external changes or events. Following that review, this Policy will be reviewed at least every three years. 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: Director Remuneration**

Category	Remuneration Amounts		
	Scheduled for and concluding in 3 hours or less, or with no stated duration but concluding in 3 hours or less	Scheduled for 3 hours or less and concluding in more than 3 hours, scheduled for longer than 3 hours, or with no stated duration but concluding in longer than 3 hours	Annual Retainer
Chair, for chairing any Board meeting or RECO Members' meeting	\$545	\$1,089	\$25,000
Vice-Chair	\$363	\$726	\$14,000
Committee Chair	\$545	\$1,089	\$7,500
Director	\$363	\$726	\$5,000
<b>Activities other than meetings</b>	<b>For activities scheduled for and concluding in 3 hours or less, or with no stated duration but concluding in 3 hours or less</b>	<b>For activities scheduled for 3 hours or less and concluding in more than 3 hours, scheduled for longer than 3 hours, or with no stated duration but concluding in longer than 3 hours</b>	---
All Directors, including the Chair	\$363	\$726	---