




25th Hour Regulatory Consulting



Policies and
Procedures
manuals:
what you need
to know

A close-up, slightly blurred photograph of a person's hand holding a thick, open book. The book is held open, showing many pages. The lighting is soft, and the background is dark and out of focus. The overall tone is professional and informative.

WHY DOES MY BROKERAGE
NEED A POLICIES AND
PROCEDURES MANUAL?



10 Reasons to ensure your brokerage has a well drafted policies and procedures manual:

1. Legal Compliance.
2. Consistency
3. Risk Management
4. Training and Onboarding
5. Quality Control
6. Ethical Guidance
7. Client Satisfaction
8. Data Security
9. Financial Management
10. Continual Improvement

BEFORE YOU GET STARTED

Every managing broker should consider the following questions when creating any policy manual:

1. What are the legal and regulatory requirements that impact my brokerage?
2. What are the unique needs of the brokerage?
3. How will you ensure compliance and accountability?
4. How will you ensure accessibility and understanding of the brokerage policies and procedures?
5. How does the size of my brokerage impact any policies I may wish to include in the manual?

SECTIONS TO INCLUDE:

1. General brokerage policies and procedures
2. Financial Policies
3. Privacy and Confidentiality
4. Brokerage and Managing Broker Duties/Responsibilities
5. Employee and Unlicensed Assistant Responsibilities
6. REALTOR® General Duties/Responsibilities
7. Advertising and Marketing
8. Client Relationships
9. Sections Specific to Acting for a Buyer/Seller
10. Expectations for the Offer Process and Conclusion of the Transaction





POLICIES

&

PROCEDURES

General Policies:

- This may include topics such as:
 - Brokerage office facilities, supplies, access, etiquette, workplace respect, and OHS obligations;
 - Floor duty requirements for brokerages that rotate agents for a mandatory floor duty shift (if applicable);
 - Personal offices;
 - Internet and technology including online communications and cyber security;
 - Brokerage document management policies;
 - Brokerage insurance and agent insurance requirements, and any WCB obligations;
 - Time off;
 - Personal conduct;
 - Complaints, disputes and termination from the brokerage.

Financial Matters:

- This may include topics such as:
 - Information on brokerage commission trust accounts;
 - How independent contractors are paid and any tax obligations that will be borne by either the brokerage or agent;
 - How employees are paid and any tax obligations that will be borne by either the brokerage or agent;
 - Brokerage benefits packages.





Privacy and Confidentiality:

- This may include topics such as:
 - Privacy obligations;
 - Definitions of personal or confidential information;
 - Information on the role of a privacy officer;
 - Links to the brokerage Privacy Policies;
 - How employee and agent personal information is handled;
 - How client personal information is handled;
 - Protection of private information;
 - The obligation to ensure all information collected is accurate; and
 - Record retention and rules on release of private or confidential information.

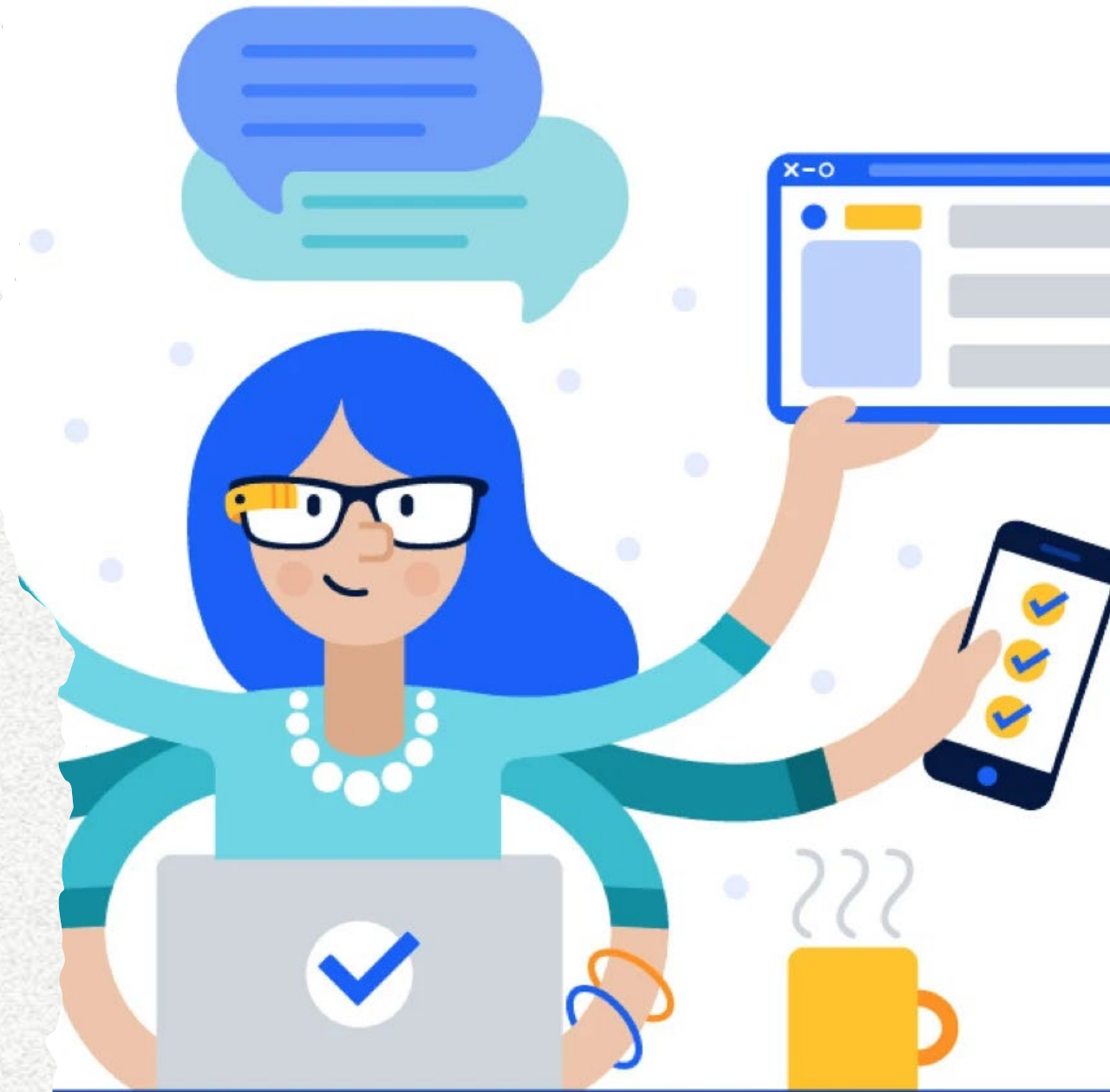


Brokerage and MB Duties:

- This may include topics such as:
 - Brokerage responsibilities under RESA;
 - Brokerage responsibilities under other legislation including PCMLTFA;
 - Managing Broker responsibilities under RESA and other legislation such as WorkSafe BC and PCMLTFA; and
 - Broker delegation in cases of a managing broker absence.

Employees and Unlicensed Assistants:

- This may include topics such as:
 - Unlicensed employee responsibilities;
 - Unlicensed assistant responsibilities;
 - BCFSAs requirements for where unlicensed assistants can work; and
 - What unlicensed assistants can/cannot do.



REALTOR® General Duties:

- This may include topics such as:
 - REALTOR®/ associate broker responsibilities under RESA;
 - REALTOR®/ associate broker responsibilities under other legislation including PCMLTFA, CASL...;
 - Compliance with the CREA Realtor Code and local board rules;
 - Compliance with the brokerage policies and procedures;
 - Teams;
 - PRECs;
 - Compliance with RESA and FINTRAC reporting requirements;
 - Document retention;
 - Professionalism; and
 - Personal trades.



Advertising and Marketing:



- This may include topics such as:
 - Legislation and Rules around advertising services;
 - Anti-spam and Do Not Call Lists;
 - False or misleading advertising;
 - Client consent;
 - Competition Act;
 - REDMA;
 - The REALTOR Code/ Board requirements;
 - Brokerage branding;
 - Photography/videography;
 - Contests/Sweepstakes; and
 - Promises or offers made in an advert.



Client Relationships:

- This may include topics such as:
 - Establishing an agency relationship (Implied/Dual);
 - Written service agreements with buyers/ sellers (including provisions for terminating an agreement or what happens when an agreement expires);
 - Teams and the client;
 - Disclosures;
 - The duties owed to a client;
 - The duties owed to unrepresented parties;
 - Vulnerable populations;
 - Identifying clients/unrepresented parties;
 - Conflicts of interest; and
 - Referrals

Acting for Buyers/Sellers:

- This may include topics such as:
 - Listing/showing a property;
 - Listing presentations;
 - CMAs;
 - PDS;
 - Material latent defects and stigmatized properties;
 - Tenanted properties;
 - Financing;
 - MLS Rules;
 - Open houses;
 - Documentation;
 - Dealing with represented and unrepresented buyers;
and
 - Referring to experts.



Offers and Conclusion of Transaction:

- This may include topics such as:
 - Reviewing offers/counter-offers;
 - Assignments;
 - Offer presentation;
 - Dealing with multiple offers;
 - Dealing with backup offers;
 - Withdrawing an offer;
 - HBRP;
 - Deposits;
 - Transaction completion vs. possession;
 - Conveyancing; and
 - Documentation and record keeping



Best Practices:

1. Reference other compliance program manuals (such as the PCLMTFA mandated compliance program manual) and where to locate them.
2. Clearly define the purpose and goals of the policies and procedures manual.
3. Involve stakeholders when needed.
4. Review the manual annually to ensure accuracy.
5. Include links directly to the websites you are referencing.
6. Use clear and concise language.
7. Structure the manual logically, with a table of contents for easy navigation.
8. Customize the manual if you are using a template.
9. Promote consistency in how tasks are carried out.
10. Be open to feedback!!!



BCrea
Managing Brokers'
Conference



SESSION SPOTLIGHT

Ryan DeLuca

Make Your Manual Matter:
Tailoring Policies and
Procedures for Brokerages

JOIN US ON NOVEMBER 9TH!!!



Questions?