



Private and Confidential

June 2, 2011

**Letter of Reprimand Pursuant to Section 39 of the
*Real Estate Act***

In accordance with section 39 of the *Real Estate Act*, R.S.A. 2000 c. R-5 (Act), the Executive Director of the Real Estate Council of Alberta (RECA) has determined that there is sufficient evidence of conduct deserving of sanction in regard to you [(“the Industry Member”)], at all material times, an Associate registered with [(“the Brokerage”)], presently registered with [(“the Brokerage”)], to issue a letter of reprimand. The evidence giving rise to the Executive Director’s decision is as follows.

As part of [(“the Brokerage”)]’s ongoing efforts to attract business to the brokerage, [(“the Brokerage”)] offers a Guaranteed Sales Program. [(“The Brokerage”)]’s Policy and Guidelines Manual in regards to the “Guarantee Sales Program” states, “The guarantee Sales Program is a [(“the Brokerage”)] wide program available to all [(“the Brokerage”)] clients.”

On or about July 2010 a website you administered on behalf of [(“the Brokerage”)], www. [(“the Industry Member”)].ca, advertised a “Buy Back Guarantee” program. The advertisement is authored from the perspective that this is “your” or “your teams” program when it is your Brokerage, [(“the Brokerage”)]’s “Guaranteed Sales Program”.

On or around December 21, 2010 RECA sent you “Notification of Commencement of an Investigation Under the *Real Estate Act*” stating that information gathered indicates that there may be an advertising and misrepresentation issue with respect to your offer to buy back homes.

On or around January 11, 2011 you sent a response to RECA’s notification indicating that you had reviewed the template information on the website you administered on behalf of the brokerage to see how the information may have been misleading to the public and that you have since removed any information that may be misinterpreted by the public.

On or about February, 2011, the website www. [(“the Industry Member”)].ca continued to advertise a “Buy Back Guarantee” program. The advertisement is authored from the

perspective that this is “your” or “your teams” program when it is, [(“the Brokerage”)]’s “Guaranteed Sales Program”.

On or about May, 2011, review of your website continues to advertise a “Guarantee” program. The advertisement is authored from the perspective that this is “your” program when it is, [(“the Brokerage”)]’s “Guaranteed Sales Program”

The Executive Director believes that this conduct is in contravention of Section 42 (a) of the Rules made pursuant to the Act which sets out that:

42 Industry members must not:

- (a) make representations or carry on conduct that is reckless or intentional and that misleads or deceives any person or is likely to do so

The Executive Director believes that this is conduct deserving of sanction but also believes this matter can be dealt with by way of this Letter of Reprimand.

If you dispute this Letter of Reprimand, in accordance with section 40.1(2) of the Act, you may appeal it to a Hearing Panel. You will be given a full opportunity consistent with procedural fairness and natural justice to present evidence before the Hearing Panel and make representations in relation to the contravention.

If you have any questions in regard to this Letter of Reprimand, please contact Corrie Olafson, Investigator at 403-228-2954.

REAL ESTATE COUNCIL OF ALBERTA

Joseph Fernandez, for
Bob Myroniuk
Executive Director