

# Guide to the Condominium Management Services Act, 2015

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SUMMARY OF KEY ELEMENTS OF THE  
CONDOMINIUM MANAGEMENT SERVICES ACT, 2015  
AND SUPPORTING REGULATIONS

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This summary has been prepared to help the public understand some of the key elements of the [Condominium Management Services Act, 2015](#) (CMSA) as well as the regulations made under the CMSA: the [General Regulation](#) (Ontario Regulation 123/17) the [Complaints, Insurance and Other Requirements Regulation](#) (Ontario Regulation 4/18), and the [Code of Ethics and Discipline and Appeals Committees Regulation](#) (Ontario Regulation 3/18).

**This summary is provided for information purposes only and is not legal advice. It is not intended to replace the CMSA or its regulations, and reference should always be made to the official version of the legislation. Although we endeavor to ensure that the information in this resource is as current and accurate as possible, errors do occasionally occur. You are encouraged to also review the Act and the regulations, which contain details not included in this summary.**

The Protecting Condominium Owners Act, 2015 (“PCOA”) received Royal Assent on December 3, 2015, marking the first overhaul of the province’s condo law in over 16 years. The PCOA makes substantial amendments to the Condominium Act, 1998 (“Condo Act”). It also enacts the Condominium Management Services Act, 2015 (“CMSA”) which regulates and provides for the licensing of condo managers and condo management providers in Ontario. Licensing requirements took effect on November 1, 2017. Certain provisions of the CMSA and the regulations come into force on February 1, 2018.

This document provides a plain-language summary of the CMSA and the regulations made under the CMSA: the General Regulation, the Complaints, Insurance and Other Requirements Regulation, and the Code of Ethics and Discipline and Appeals Committees Regulation.

## I. ADMINISTRATIVE AUTHORITY

An administrative authority (AA) is a not-for-profit corporation, managed by an independent board of directors, and self-financed from fees collected from the regulated sector. AAs assume complete financial, operational and legal responsibility for administering legislation. The CMSA authorizes the designation of an AA to administer

the CMSA. The AA's board must appoint two statutory officials, a registrar and director, for the purposes of the CMSA.

The Minister may appoint one or more members to the board of directors of the AA. The number of members appointed by the Minister cannot form a majority of the board of directors and may include representatives of the public, consumer groups, government organizations, condo corporations, owners, residents and representatives of other interests as the Minister determines.

The CMSA gives the AA the power to set and collect fees, costs and other charges. These fees must be set in accordance with the processes and criteria approved by the Minister.

In July 2016, the Condominium Management Regulatory Authority of Ontario (CMRAO), a not-for-profit corporation, was incorporated. Effective November 1, 2017, CMRAO has been designated by the government as the administrative authority for the purposes of the CMSA. Further information about the CMRAO and the licensing of condo managers and management providers can be found on the [CMRAO website](#).

## II. LICENSING

The CMSA requires anyone providing condo management services, including condo managers and condo management providers, to be licensed in order to provide those services.

The CMSA applies to any individual or business that provides condo management services, which means any of the following services provided to or on behalf of a condo corporation (referred to as "client" in the Act and regulations):

- Collecting or holding contributions to the common expenses or other amounts levied by, or payable to, the corporation.
- Exercising delegated powers and duties of the corporation or its board of directors, including:
  - making payments to third parties on behalf of the corporation;
  - entering into or negotiating contracts on behalf of the corporation; and,
  - supervising employees or contractors hired by the corporation.

Exemptions to the requirement to hold a licence are prescribed under the General Regulation and are summarized later in this document.

An applicant for a licence or renewal of a licence who meets the prescribed requirements (set out below) is entitled to a licence or renewal of a licence unless:

- The applicant, or the officers and directors of a corporate applicant, cannot reasonably be expected to be financially responsible in their role as a licensee
- There are reasonable grounds to believe that the applicant will not carry out their role as a licensee in accordance with law, and with integrity and honesty

- The applicant is carrying on activities that would be in contravention of the CMSA or its regulations, other than the code of ethics
- The applicant or their agent makes a false statement in their application
- The applicant is in breach of a condition of their licence
- The applicant fails to comply with a request for information made by the registrar for the purposes of the application

Generally, an applicant is entitled to a hearing by the Licence Appeal Tribunal if the registrar proposes to refuse to grant or renew a licence, suspend or revoke a licence, or apply conditions to a licence.

## 1. Licensing for Condo Managers

The General Regulation sets out two classes of licences for condo managers (individuals):

1. **Limited Licence:** An entry-level licence with certain conditions on the licence. A limited licensee must work under the supervision of a general licensee.
2. **General Licence:** Condo managers need a minimum of two years' specified work experience as a limited licensee and must complete the educational and examination requirements, among meeting other requirements, in order to qualify for a general licence.

Condo managers must first hold a limited licence and they must complete the educational, examination and work experience requirements for a general licence within 5 years before applying for that licence.

Note: Please see the "Transition" section below for an overview of the licensing rules that apply to condo managers and condo management providers with experience providing condo management services prior to November 1, 2017.

## 2. Limited Licence

### Application Requirements for a Limited Licence

The applicant must:

- be at least 18 years of age;
- provide the registrar with the applicant's complete legal name and an indication of the name in which the applicant requests to be licensed: either the applicant's complete legal name, part of the applicant's legal name or a name by which the applicant is commonly known;
- submit a completed application form;
- provide the accompanying fee set by the CMRAO;
- provide a police record check (dated within 6 months before the application is made); and,
- have successfully completed the educational and examination requirements for a limited licence, if any, as specified by the Minister or registrar.

### Conditions of a Limited Licence

- A limited licensee must be supervised by a general licensee when providing condo management services.
- The following activities need approval by the supervisor before execution (except in emergency situations):
  - Entering into, extending, renewing, or terminating contracts or other agreements.
  - Making expenditures over \$500 of the condo corporation's money, not including reserve funds.
- The following activities need approval by the supervisor before execution:
  - Providing anything that the condo corporation is required to provide to owners or mortgagees under the Condo Act (e.g. notices).
- The following activities cannot be undertaken by a limited licensee:
  - Signing a status certificate.
  - Making expenditures out of, investing or otherwise making dispositions of a condo corporation's reserve fund.

A limited licensee shall be employed by no more than one condo management provider unless the licensee has obtained the consent, in the form or manner approved by the registrar, of all condo management providers that employ the licensee.

### **3. General Licence**

#### Application Requirements for a General Licence

The applicant must:

- hold a limited licence;
- provide the registrar with the applicant's complete legal name and an indication of the name in which the applicant requests to be licensed: either the applicant's complete legal name, part of the applicant's legal name or a name by which the applicant is commonly known;
- submit a completed application form;
- provide the accompanying fee set by the CMRAO;
- provide a police record check (dated within 6 months before the application is made);
- have successfully completed the educational and examination requirements for a general licence, as specified by the Minister or registrar within the five years before making the application;
- have obtained at least two years of work experience under the supervision of one or more general licensees, that meet the requirements established in the regulation (see below list for further details) within the five years before making the application; and,

- if the applicant intends to carry on business from a dwelling, the applicant must have made arrangements to give the registrar access to the applicant's business records when licensed.

#### Required work experience to obtain a general licence:

The applicant must:

- plan and participate in a condo corporation's board of directors meetings;
- plan and participate in meetings of owners, including at least one annual general meeting;
- participate in preparing a budget for a condo corporation and presenting the budget to the condo corporation's board of directors;
- interpret and present financial statements to the condo corporation's board of directors;
- prepare and present reports to the condo corporation's board of directors; and,
- oversee the maintenance or repair of units, common elements or condo corporation assets, if any.

#### Conditions of a General Licence

A general licensee shall be employed by no more than one condo management provider unless the licensee has obtained the consent, in the form or manner approved by the registrar, of all condo management providers that employ the licensee.

### **4. Licensing for Condo Management Providers**

A corporation, partnership, sole proprietor, association or other organization or entity seeking to provide condo management services in Ontario must hold a condo management provider licence.

#### Application Requirements for a Provider Licence

The applicant must:

- provide the registrar with the applicant's complete legal name and an indication of the name in which the applicant requests to be licensed: either the applicant's complete legal name or part of the applicant's legal name or a name by which the applicant is commonly known or the business name registered under the Business Names Act;
- submit a completed application form;
- provide the accompanying fee set by the CMRAO;
- if the applicant is an individual, provide a police record check (dated within 6 months before the application is made); and,
- If the applicant intends to carry on business from a dwelling, the applicant must have made arrangements to give the registrar access to the applicant's business records when licensed.

In addition to the above, the applicant must designate a principal condo manager ("PCM") who will be responsible for ensuring that the provider complies with the CMSA and its regulations. The PCM must hold a general licence or transitional general licence

and must have successfully completed educational and examination requirements for a PCM, if any, as specified by the Minister or registrar.

Note: A licence issued under the CMSA is not transferrable.

## 5. Supervision

Limited licensees must be supervised by a general licensee or a transitional general licensee.

A licensee who supervises a limited licensee:

- must oversee the work of the licensee being supervised;
- is responsible for the work that they approve on behalf of the licensee being supervised; and,
- must be readily available to assist the licensee being supervised but does not necessarily need to be present at the location of the licensee being supervised.

Effective February 1, 2018, a licensed condo management provider must ensure an adequate level of supervision for the limited licensees that they employ.

## 6. Educational and Examination Requirements

Condo managers with a limited licence will be required to successfully complete, within five years before making an application for a general licence, certain educational and examination requirements in order to get that licence.

Educational and examination requirements for condo managers will be specified by the Minister of Government and Consumer Services for the first four years after November 1, 2017, after which time the registrar appointed by the administrative authority (CMRAO) will have the power to specify educational and examination requirements.

Condo managers who began but did not complete the educational and examination requirements during the initial four-year period will have an additional year to complete the educational and examination requirements specified by the Minister.

The Minister has designated the following educational and examination requirements for condo managers (note: these requirements are specified by the Minister in the published [designation](#))

<b>Licensee</b>	<b>Education and Exam Requirements</b>
<b>Limited</b>	<b>Nothing specified</b>
<b>General</b>	<b>Mandatory courses and exams</b> Must successfully complete all of the following courses

	<p>developed by the Association of Condo Managers of Ontario (ACMO):</p> <ol style="list-style-type: none"> <li>1. Condominium Law;</li> <li>2. Physical Building Management;</li> <li>3. Financial Planning for Condominium Managers; and</li> <li>4. Condominium Administration and Human Relations.</li> </ol> <p>Note: Condo managers with 5 or more years of work experience before November 1, 2017, may take any of ACMO's four challenge examinations in lieu of the applicable course.</p>
<b>PCM</b>	<b>Nothing specified</b>

Note: Please see the “Transition” section below for an overview of the rules for condo managers providing condo management services prior to the licensing requirements coming into force on November 1, 2017.

## **7. Equivalencies**

The registrar may recognize the prior successful completion of programs of study, training programs, internship programs, apprenticeship programs, courses, seminars, lectures, tutorials, tests or examinations of an applicant as equivalent to the specified educational and examination requirements for applicants for a limited or general licence.

The registrar may also recognize prior work experience of an applicant as equivalent to the specified educational and examination requirements for applicants for a limited or general licence.

## **8. Other Jurisdictions**

The registrar may exempt applicants for a limited or general licence from some of the application requirements for that licence if they hold or held an equivalent licence, registration or certification in a jurisdiction outside of Canada, and the registrar may impose conditions on the exemption.

## **9. Expiration**

A licence expires on the date listed on the licence.

## **10. Renewal**

A licensee must apply for renewal of a licence within 30 days before its expiry. Licensees may renew and maintain a licence even if they are not currently employed.

Licence renewal requirements for a condo manager and condo management provider include:

- Completed application form
- Accompanying fee set by the CMRAO

To renew a limited or general licence, licensees will be required to complete continuing education if any is specified by the Minister or registrar.

## **11. Exemptions**

The following specified individuals and entities are exempt from licensing requirements when providing specified services to condo corporations:

- Paralegals and lawyers
- Architects
- Accountants
- Engineers
- Insurance brokers
- Persons appointed as a receiver under the Courts of Justice Act in respect of a condo corporation
- Banks, loan and trust corporations, credit unions or caisse populaires
- Persons who conduct reserve fund studies under the Condo Act
- Inspectors appointed by the court under the Condo Act
- Administrators appointed by the court under the Condo Act
- Directors and officers of condo corporations unless the director or officer is also providing condo management services and receiving or expecting to receive compensation or reward for those services
- Persons who only provide construction, repair and maintenance services, including landscaping and cleaning services

Certain individuals are exempt from licensing requirements, but only for the purposes of collecting or holding contributions to the common expenses, and only if the individual promptly after receiving the money, delivers the money to the condo corporation or a licensed condo manager:

- Security guards
- Other individuals (for example, superintendents, office assistants, etc.) employed by a condo management provider or a condo corporation or who acts on behalf of a condo corporation, if the individual has been delegated in writing the authority to collect or hold those contributions

## **III. TRANSITION**

Individuals and entities who were providing condo management services on the day the licensing provisions of the CMSA came into force (or within one year before that day) have 90 days after November 1, 2017, to apply for a licence. Those individuals or entities who apply for a licence within 90 days may continue to provide condo management services until the registrar makes a final decision with respect to the

applicant's licence application. The registrar may grant an extension to the 90-day period for reasons of undue hardship.

## 1. Condo managers

Individuals may apply for a:

- a. **Limited Licence** – if, prior to November 1, 2017, the applicant had **2 years or less** of work experience as a condo manager.
- b. **Transitional General Licence** – if, prior to November 1, 2017, the applicant had **more than 2 years** of work experience as a condo manager obtained within the previous 5 years, but has not completed the educational or examination requirements for a general licence.
- c. **General Licence** – if, prior to November 1, 2017, the applicant had **more than 2 years** of work experience as a condo manager obtained within the previous 5 years **and**:
  - Had successfully completed ACMO's Registered Condominium Manager (RCM) designation examination; or,
  - Had successfully completed the four courses, or applicable challenge examinations, developed by ACMO as listed above (see Educational and Examination Requirements, above).

## 2. Progression from Transitional General Licence to General Licence

A transitional general licence may be renewed for a maximum of 3 years. In order to qualify for a general licence, the licensee must successfully complete the educational and examination requirements for a general licence (see Educational and Examination Requirements, above) and apply for a general licence before the licensee's transitional general licence expires.

## 3. Condo Management Providers

Corporations, partnerships, sole proprietorships, associations or other organizations or entities providing condo management services immediately before the day the licensing provisions of the CMSA came into force may apply for a condo management provider licence.

In order to be licensed as a condo management provider, the applicant must designate a principal condo manager (PCM). During the transition period, condo management providers may designate a transitional general licensee, a general licensee, or an applicant of either licence, as their PCM.

## **IV. REGULATION OF LICENSEES**

### **1. Contract Governing Services**

Effective February 1, 2018, the Act will require every licensee that provides condo management services to a condo corporation to have a written contract governing the services that will be provided. The licensee must provide such services in accordance with the contract.

### **2. Certificate of Licence**

#### Content of Licence

The registrar must issue a certificate of licence to licensees that sets out the following information:

- Name in which the licensee is licensed
- Licence number
- Expiration date of the licence
- Class of licence (for condo managers)
- Name of principal condo manager (for condo management providers)

The registrar may include any additional information that the registrar considers appropriate.

#### Proof of Licence

While providing condo management services, a licensee must carry the licence and, upon request of any person, produce it for inspection. A condo management provider who is issued a certificate of licence must keep a paper form of it posted in a conspicuous place at its principal place of business.

### **3. Licensee Information**

#### Address for Service

A licensee must maintain an Ontario address for service.

#### Notifications to Registrar

A licensee is required to proactively notify the registrar when:

- The licensee has obtained consent to be employed by multiple providers.
- The licensee has been employed by a condo corporation, including the name of the corporation.
- The licensee has a change in its address for service.
- The licensee has had a change in employment.
- The licensee has hired a new condo manager.
- The employment of a condo manager previously employed by the licensee has been terminated, and the reason for the termination.
- There are persons who beneficially own or control 10% or more of the issued and outstanding equity shares, or who are acquiring or accumulating such ownership

or control, including the persons' identities, or if there is a change in ownership of such shares.

- The licensee designates a PCM, including the PCM's identity, or makes a change in the PCM.
- The licensee ceases to carry out condo management services.
- There is a change to any information previously provided to the registrar for the purpose of obtaining a licence.

In the case of a change in the officers or directors of a licensed condo management provider that is a corporation or partnership, the licensee must obtain the consent of the registrar prior to making the change and notify the registrar within five days of making the change.

#### **4. Employment**

Except as prescribed by regulation, the CMSA requires condo managers to be employed by a condo management provider. The General Regulation exempts a general licensee and transitional general licensee from this requirement if the licensee is employed by no more than three condo corporations, and is not an independent contractor.

#### **5. Insurance**

Effective February 1, 2018, every licensed condo management provider will be required to maintain the following types of insurance:

1. **Errors and omissions insurance:** that includes coverage for every condo manager that the provider employs, including those employed as an independent contractor; and
2. **Fidelity insurance:** that includes protection against losses that a client of the provider suffers and that arise from dishonesty of condo managers, other employees, directors and officers of the provider.

##### Request by Registrar

A licensed condo management provider must provide the registrar appointed by the Condominium Management Regulatory Authority of Ontario (CMRAO) with any information about the provider's insurance coverage that the registrar requests.

##### Disclosure of Insurance

Before entering into a contract for condo management services with a condo corporation, a licensed condo management provider must provide the condo corporation with certificates of insurance that include:

- type of insurance coverage
- amount per occurrence and in aggregate that the insurance provides
- the insurer
- policy number

- commencement and expiry dates of the insurance

#### Notification of Coverage Change

If the required insurance coverage is cancelled, terminated, or changed in a material way the licensed condo management provider must notify its client condo corporation in writing within 15 days of the licensee being notified of the change, or of the change taking effect (whichever is earlier).

## 6. Disclosures

#### Disclosures related to the Contract for Condo Management Services

Effective February 1, 2018, before entering into a contract for condo management services with a condo corporation, a licensee must disclose in writing the following information to a prospective client condo corporation:

- **Needs assessment:** a description of the condo management services that a licensee reasonably believes may be appropriate to meet the needs of the condo corporation, based on the description of those needs that the condo corporation gives to the licensee.
- **Services and costs:** a description of the services and associated costs that the licensee would provide to the condo corporation under the condo management contract.
- **Bundled services:** a statement about whether any services, discounts or other benefits provided by the licensee are dependent on the condo corporation continuing to purchase services from the licensee or from an interested person in respect of a licensee.
- **Subcontracted services:** a statement about whether any of the services will be provided, in whole or in part, by a person other than the licensee or could reasonably be expected to be so provided and, if applicable, the name of the person and a description of the service to be provided by the person.
- **Material interest:** any material interest that the licensee, or an interested person in respect of the licensee, has in another business that is offering or could reasonably be expected to offer services to the condo corporation.
- **Financial benefit:** any direct or indirect financial benefit that the licensee, or an interested person in respect of the licensee, may receive from another person in connection with providing condo management services to the condo corporation.

Before entering into a contract for condo management services with a condo corporation, a licensee must disclose in writing to the condo corporation, and any other affected client condo corporation of the licensee, that the following circumstances exist, if they exist:

- The client condo corporation and the other client condo corporation are both parties to the same outstanding litigation.

- The client condo corporation and the other client condo corporation share, or will share, in the provision, use, maintenance, repair, insurance, operation or administration of the same land, part of a property, assets, facilities or services.

During the course of providing condo management services, if the licensee becomes aware of the licensee's or an interested person's material interest in another business, any financial benefit the licensee or interested person may receive in connection with providing condo management services, or of a potential conflict between client condo corporations, the licensee must disclose this fact to the client condo corporation(s) as soon as reasonably possible.

If during the course of providing condo management services, the licensee intends to subcontract services, the licensee shall, before entering into the subcontract, disclose to the condo corporation the name of the subcontractor and description of the services to be provided by the subcontractor.

#### Disclosures Relating to Condo Corporation Contracts or Transactions

Effective February 1, 2018, licensees must disclose any material interest in a client condo corporation's contract or transaction to the condo corporation as soon as the licensee is or becomes aware of the interest. A licensee will be prohibited from entering into a proposed contract or transaction on behalf of the condo corporation if there is a material conflict of interest unless the licensee has disclosed the interest to the condo corporation and has obtained written approval from the condo corporation to enter into the contract or transaction. A licensee must not be present for any discussions by the condo corporation regarding the matter to which the disclosed interest relates unless the condo corporation consents to the presence of the licensee.

### **7. Proxies**

Effective February 1, 2018, a licensee, or any person acting on behalf of a licensee, cannot solicit proxy forms for a meeting of owners if the subject matter of the meeting includes: matters directly related to the licensee, the election or removal of at least one of the condo corporation's directors, or any other prescribed matter.

The General Regulation defines "solicit" to mean petitioning for, or trying to directly obtain, a proxy form, but does not include:

- Collecting or holding proxy forms or providing a location to collect or hold proxy forms;
- Notifying or reminding owners or mortgagees to submit proxy forms if they are unable to attend a meeting of owners;
- Making information available on how to submit proxy forms;
- Providing blank proxy forms as part of anything that a condo corporation gives to owners or mortgagees; or,
- Providing blank proxy forms to owners or mortgagees on request.

Licensees will also be prohibited from modifying or attempting to modify a proxy form for a meeting of owners. However, licensees, or persons acting on their behalf, may solicit proxy forms if the form is solely for the purposes of achieving quorum for the meeting.

## **8. Records**

### Record Retention

A licensee is required to retain the following records for at least 6 years:

- Documentation related to the licensee's completion of educational and examination requirements and continuing educational and examination requirements.
- Documentation related to a limited licensee's completion of the work experience required for a general licence.
- Documentation related to the required supervision of a limited licensee.
- Documentation related to the consent received by a licensee's employers allowing the licensee to work for multiple condo management providers.
- Documentation related to all disclosures that the licensee is required to make to a client condo corporation under the CMSA or its regulations.
- Employment records related to the employment of licensees by one or more condo management providers.
- Every contract that a licensee enters into with a condo corporation, including related documentation.
- Documentation related to the delegation of authority to an employee of the licensee to hold or collect money on behalf of a condo corporation.
- Any other notice or record the licensee is required to keep under the CMSA or its regulations.

### Storage of Records

A licensee may only keep records at a dwelling if the licensee has received approval from the registrar to do so.

### Transfer of Condo Corporation Records

Effective February 1, 2018, the CMSA will require a licensee to immediately transfer to the condo corporation all documents and records relating to the condo corporation upon termination of a contract for condo management services. The General Regulation will require a licensee to transfer all such documents and records to the licensee's former client condo corporation no later than 15 days after the contract is terminated. For documents and records that do not yet exist but the licensee is required to create under the contract for condo management services, a licensee will have 30 days from the contract's end to create and transfer the records to the licensee's former client condo corporation. A licensee cannot retain anything it is required to transfer as a means of pressuring the client condo corporation to fulfill contractual obligations.

A licensee may make and retain copies of records that must be transferred for purposes related to the contract, but must take reasonable measures to keep any copies of those

records secure and except in certain circumstances, the licensee must not use or disclose the retained copies.

#### Other Obligations regarding Condo Corporation Records

Effective February 1, 2018, a licensee must maintain any client condo corporation records securely, accurately and with care and due regard for client condo corporation obligations under section 55 of the Condo Act. Upon request by the client condo corporation, a licensee must make such records available for inspection by the client condo corporation and transfer such records, or copies thereof, to the client condo corporation as soon as reasonably possible.

### **9. Public Information on Licensees**

The registrar is required to make the following information available to the public without charge on the CMRAO's website and at least one other place the registrar considers appropriate:

- Name of licensee.
- Licence number and expiration date.
- Whether licensee is a condo manager or condo management provider.
- If a condo manager, class of licence.
- Business information (i.e. address, email, phone number, name of PCM, name of condo corporation that directly employs licensee) for condo managers and condo management providers.
- Licence conditions.
- Proposals by registrar to take action (i.e., to suspend, revoke, refuse to grant or renew a licence, impose conditions) with respect to an applicant or licensee.
- Names of those with cancelled licences (must be available for at least 2 years).
- Names of those with revoked licences or renewal refused (must be available for at least 2 years).
- Names of those with suspended licences (must be available for at least 2 years after suspension).
- Offence details (charged).
- Offence details (guilty-must be available for at least 5 years).
- Discipline committee order (must be available for at least 2 years).
- Appeals committee order (must be available for at least 2 years).

The registrar has the discretion to make any other information available to the public if it would assist in protecting the public. However, financial information relating to a person or business that is reasonably expected to be kept confidential will not be made available to the public.

## V. COMPLAINTS & ENFORCEMENT

### 1. Handling Complaints

Effective February 1, 2018, if the registrar receives a complaint about a licensee, the registrar may request information about the complaint from any licensee. Such a request must indicate the nature of the complaint. Any licensee who receives a written request for information must provide that information.

#### Notice to Principal Condominium Manager

If the registrar makes a written request for information from a licensed condo management provider or condo manager employed by a condo management provider, the registrar must provide a copy of the request to the condo management provider's principal condo manager.

In handling complaints, subsection 57 (4) of the CMSA will authorize the registrar to do any of the following, as appropriate:

- Attempt to mediate or resolve the complaint;
- Give the licensee a written warning;
- Require the licensee to take further educational courses;
- Refer the matter, in whole or in part, to the discipline committee;
- Suspend, revoke or add conditions to a licence;
- Refuse to renew a licence; or,
- Take further action as is appropriate in accordance with the CMSA.

#### Notice of Action Taken

If the registrar takes any of the above-noted actions in regards to a complaint against a licensee, the registrar must give written notice of the action, as applicable, to:

- The principal condo manager of a condo management provider;
- A condo manager and the principal condo manager of the condo management provider employing that condo manager; or
- A condo manager and the board of directors of the condo corporation employing that condo manager.

#### Obstruction Prohibited

A licensee is prohibited from obstructing, interfering with or hindering any person from making a complaint to the registrar about a licensee.

A licensee is also prohibited from obstructing, interfering with or hindering any person from providing information that the person is authorized to provide to the registrar, the director, a condo corporation, the board of a condo corporation or a condo management provider relating to the conduct of a licensee or the potential contravention or failure by any person to comply with the CMSA or its regulations.

## **2. Code of Ethics**

Effective February 1, 2018, licensees will be required to abide by a code of ethics, summarized below.

### Condo Managers

A condo manager must not cause their employing condo management provider to contravene the code of ethics.

### Fairness, Honesty and Integrity

A licensee must treat every person fairly, honestly and with integrity when offering or providing condo management services.

### No Discrimination or Harassment and Duty to Accommodate

A licensee must endeavour to treat all persons equally, without discrimination or harassment, and to provide reasonable accommodation for persons with disabilities when providing condo management services.

### Conscientious and Competent Service

A licensee must provide conscientious, courteous and responsive service and demonstrate reasonable knowledge, skill, judgment and competence when providing condo management services.

### Current Documents

A licensee must ensure that forms and documents that are used in the course of providing condo management services are current.

### Business Records

A licensee must make and keep all records that are reasonable required to provide condo management services.

### Financial Responsibility

A licensee must be financially responsible when providing condo management services.

### No Misrepresentation of Licence

A licensee must not make misrepresentations about the type of, class of, or conditions on their licence to any person.

### Error, Misrepresentation and Fraud

A licensee must use their best efforts to prevent error, misrepresentation, fraud or any unethical practice in the course of providing condo management services.

### Unprofessional Conduct

A licensee must not engage in any act or omission that would be reasonably regarded as disgraceful, dishonourable, unprofessional or unbecoming a licensee.

### Engaging and Informing the Client

A licensee must keep a client condo corporation informed in a timely manner of all significant steps the licensee takes in the course of providing condo management services. If applicable, the licensee must also keep a client condo corporation informed about the condition of the property and the condo corporation's assets.

### Best Interests

A licensee must promote and protect the best interests of their client condo corporations.

### Accepting Gifts

A licensee must not accept a gift from any person or entity if the gift could reasonably be regarded to influence the licensee when providing condo management services. However, this does not prevent a licensee from accepting a gift of nominal value that is given as an expression of courtesy or hospitality if doing so is reasonable in the circumstances.

### Unreasonable Interference

A licensee must not unreasonably interfere with the use and enjoyment of the common elements, units or assets by certain persons, including a client condo corporation, owner, occupier, invitee, director or employee.

### Contract re Property or Client's Assets

A licensee with a contractual obligation to manage, maintain, repair or protect the property or assets of a client condo corporation must be diligent in executing those obligations. A licensee must not exaggerate, misrepresent or conceal material facts to a client condo corporation regarding the property or the condo corporation's assets.

### Services from Others

If a licensee is unable to provide services to a condo corporation with reasonable knowledge, skill, judgment and competence or is not authorized by law to provide those services, then that licensee must not provide services to the condo corporation, must advise the condo corporation to obtain services from another person, and must not discourage a condo corporation from seeking a particular kind of service.

### Fees and Compensation

A licensee must not indicate to any person that compensation or costs are fixed or approved by the CMRAO, registrar or any government authority.

### Confidentiality

A licensee must not disclose any confidential information to a third party without prior written consent of the person to whom the information relates (except as required or authorized by law).

### **3. Discipline Proceedings**

Effective February 1, 2018, the CMSA will establish a discipline committee to determine if a licensee has failed to comply with the code of ethics.

The committee will have the following order-making powers:

- Require either the principal condo manager of the licensee or the licensee themselves to take further educational courses.
- Require the condo management services provider to fund educational courses for condo managers employed by the licensee.
- Impose a fine the committee considers appropriate, to a maximum of \$25,000 to be paid by the licensee to the administrative authority.
- Fix and impose costs that the licensee is required to pay to the administrative authority.

#### Composition

The discipline committee and the appeals committee must each have the following composition:

- At least five members
- At least one member who has never been a licensee or a shareholder, officer, director or employee of a current or former licensed condo management provider.

#### Appointment

- A person may be appointed to both the discipline committee and the appeals committee.
- A board member of the CMRAO may not be appointed to either committee.
- The board of the CMRAO must appoint the chair and vice-chair of the discipline and appeals committees from among the members of the committees.
- Each committee member must take an oath or affirmation of office before beginning their duties.
- The appointment expires on the date specified in the appointment or, if no expiry date is specified in the appointment, on the day before the third anniversary of the appointment (3 years less a day).
- If the term of office expires before an active hearing is complete or a decision is given, the term is deemed to continue but only until the hearing is completed and a decision is rendered.
- The board of the CMRAO may terminate appointments at any time, for cause.

#### Referral Limitation

The Registrar has 2 years, from the day on which the facts on which the complaint is based first came to the knowledge of the registrar, to refer a matter to the discipline committee.

#### Discipline Committee Panel

When a matter is referred to the discipline committee, the chair must assign a panel of at least 3 members of the discipline committee to hear and determine the matter.

- At least two panel members must be licensees or officers or directors of a licensed condo management provider.
- At least one panel member must never have been a licensee or a shareholder, officer, director or employee of a current or former licensed condo management provider.
- If the subject of a proceeding is a condo manager, condo management provider or a principal condo manager, then at least one of the panel members must also be a condo manager, condo management provider or a principal condo manager, as applicable.

### Parties

The parties to a proceeding are:

- the licensee who is the subject of the proceeding,
- the CMRAO and,
- any other person added by the discipline committee.

### Notice of Hearing

The discipline committee must give the parties to a proceeding at least 45 days' notice of a hearing by the committee.

### Disclosure of Evidence

If a party intends to bring evidence at a hearing, they must disclose it to every other party not later than:

- 30 days before the hearing begins, for evidence led by the CMRAO
- 15 days before the hearing begins, for evidence led by other parties

### Disclosure from Closed Hearing

If a hearing is closed to the public, the discipline committee can order that the evidence and submissions at the hearing not be disclosed to the public.

### Notice of Decision to Complainant

If a disciplinary proceeding arises from a complaint by a person who is not a party to the proceeding, the discipline committee must send that person a copy of the final decision or order.

### Notice of Appeal Rights

When the discipline committee sends a copy of the final decision or order to a party who participated in a proceeding (or their representative), it must also send a notice outlining the party's right to appeal and the procedures applicable to the appeal.

## **4. Appeal Proceedings**

Effective February 1, 2018, the CMSA will establish an appeals committee to consider appeals from the discipline committee. The appeals committee may overturn, affirm, or modify the order of the discipline committee and may make any order that the discipline committee may make.

### Commencement of Appeals

A party seeking to appeal the discipline committee's order must commence the appeal within 30 days after the discipline committee provides notice of its decision or order, by providing the appeals committee with:

- Notice of appeal (sets out the parties, the order being appealed, the grounds for the appeal and the relief being sought)
- Accompanying fee set by the CMRAO

A copy of the notice must also be delivered to the discipline committee and the other parties to the appeal.

### Appeals Committee Panel

When a party commences an appeal, the chair must assign a panel of at least 3 members of the appeals committee to hear and determine the appeal.

- At least two panel members must be licensees or officers or directors of a licensed condo management provider.
- At least one panel member must never have been a licensee or a shareholder, officer, director or employee of a current or former licensed condo management provider.
- If the subject of a proceeding is a condo manager, condo management provider or a principal condo manager, then at least one of the panel members must also be a condo manager, condo management provider or a principal condo manager, as applicable.

A person who served on the discipline committee panel for the order being appealed is not permitted to serve on the appeals committee panel.

### Parties

Parties to the appeal are:

- the appellant,
- other persons who were parties to the discipline committee proceeding and,
- any other person added by the appeals committee.

Generally, the discipline committee rules noted above about notice of hearing, disclosure and notice of decision also apply to the appeals committee, with necessary modifications.

Any fine imposed by order of the discipline or appeals committees will be payable on the day specified by the committee or sixty days after the last order made.

## **5. Inspections**

Effective February 1, 2018, the registrar may appoint persons to be inspectors. The registrar will be, by virtue of their office, an inspector.

The inspectors will have the power to conduct inspections without a warrant or court order for the purposes of:

- ensuring compliance with the CMSA and its regulations;
- dealing with a complaint against a licensee; and,
- ensuring the licensee remains entitled to a licence.

## **6. Offences**

Effective February 1, 2018, a person or entity, other than the administrative authority, is guilty of an offence under the CMSA if that person:

- Provides false information in an application, statement or return.
- Fails to comply with any order, direction, or other requirement, except for orders issued by the discipline or appeal committee.
- Fails to comply with the CMSA, except for the code of ethics established under the Act.
- Fails to take reasonable care to prevent the provider from committing an offence (as officer or director of a condo management provider).

An individual that is convicted of an offence is liable to a fine of not more than \$50,000 or imprisonment for a term not more than two years less a day, or both. A person or entity that is not an individual is liable to a fine of not more than \$250,000. In addition to these penalties, the court making the conviction may order the convicted party to pay compensation or make restitution.