

PROVINCE OF BRITISH COLUMBIA
ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 282, Approved and Ordered May 09, 2016


Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, effective May 16, 2016, the Real Estate Services Regulation, B.C. Reg. 506/2004, is amended as set out in the attached Schedule.


Minister of Finance


Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Real Estate Services Act*, S.B.C. 2004, c. 42, s. 130

Other: OIC 1109/2004

April 19, 2016

R/241/2016/27

SCHEDULE

- 1 *Part 6 of the Real Estate Services Regulation, B.C. Reg. 506/2004, is amended by adding the following section:*

Standard terms in contracts prepared for providing trading services

- 6.3 The real estate council may make rules respecting standard terms about the assignment of a contract for the purchase and sale of real estate required to be included in a proposed contract of that kind prepared by a licensee for consideration by the party to whom or on whose behalf the licensee is providing trading services.

- 2 *Part 8 is amended by adding the following section:*

Assignment of contracts for the purchase and sale of real estate

- 8.2 (1) In this section, “contract” means a proposed contract for the purchase and sale of real estate.
- (2) This section does not apply in relation to a contract for the sale of a development unit by a developer, as those terms are defined in section 1 of the *Real Estate Development Marketing Act*.
- (3) Unless otherwise instructed in writing by the party to whom or on whose behalf the licensee is providing trading services, a licensee must include the following terms in a contract the licensee prepares for consideration by that party before the contract is presented to another party:
- (a) this contract must not be assigned without the written consent of the seller;
 - (b) the seller is entitled to any profit resulting from an assignment of the contract by the buyer or any subsequent assignee.
- (4) A licensee who is providing trading services to or on behalf of a buyer must provide a notice in accordance with subsection (6) if the licensee is aware that a contract to be presented to the seller for consideration does not contain a term referred to in subsection (3) (a) or (b).
- (5) A licensee who intends to acquire, directly or indirectly, real estate must provide a notice in accordance with subsection (6) if a contract to be presented to the seller for consideration does not contain a term referred to in subsection (3) (a) or (b).
- (6) A notice under subsection (4) or (5) must
- (a) be provided at the same time the contract is presented to
 - (i) the licensee who is providing trading services to or on behalf of the seller, or
 - (ii) if no licensee is providing trading services to or on behalf of the seller, the seller,
 - (b) advise the seller to obtain independent professional advice before signing a contract that does not contain a term referred to in subsection (3) (a) or (b),

- (c) be in a form approved by the real estate council, and
 - (d) be separate from the contract.
- (7) If a contract presented to a seller for consideration does not contain a term referred to in subsection (3) (a) or (b), a licensee who is providing trading services to or on behalf of the seller must
- (a) provide to the seller the notice referred to in subsection (6) and inform the seller that the contract does not contain the term, and
 - (b) inform the seller
 - (i) whether the contract may be assigned, and
 - (ii) if the contract may be assigned,
 - (A) about any conditions in the contract on the right of assignment of the contract, and
 - (B) about the seller's entitlement under the contract to any profit resulting from an assignment of the contract, if applicable.