



St. Louis REALTORS® Citation Policy

The St. Louis REALTORS® Citation Policy, as adopted after approval by the NAR Board of Directors, is based on the premise of awareness and education of the NAR Code of Ethics Articles or Standards of Practice will decrease the number of violations.

When a complaint is filed, it will be reviewed by Grievance Committee to determine whether a possible violation of the Code of Ethics occurred and they will forward a recommendation either to the Citation Panel or to Professional Standards or will dismiss the complaint. The guidelines are as follows:

Initial Review by Grievance Committee and Citation Panel

- I. When Grievance Committee receives a written ethics complaint, it will review the complaint consistent with Sections 19 and 20 of the current NAR Code of Ethics and Arbitration Manual. The Grievance Committee may add or delete articles or respondents at this stage in the proceedings.
- II. If the Grievance Committee determines that the complaint should be forwarded for a hearing, the Grievance Committee will determine whether it fits the Articles and Standards of Practice fit the Citation criteria or should be sent directly to Professional Standards.
 - A. If the complaint does not include alleged violations included in the Citation Schedule, or it includes some covered by the Citation Schedule and some that are not, the complaint shall be referred directly to the Professional Standards Committee for hearing consistent with the policies and procedures set forth in the Code of Ethics and Arbitration Manual for ethics hearings.
 - B. The Citation Panel will issue a citation pursuant to Section III (*See page 2*) and impose discipline consistent with the associations' Citation Schedule only if the complaint includes allegations of violations noted in the Citation Schedule.
 - C. In the event the members of the Citation Panel determine the conduct described in the complaint is sufficiently egregious to warrant a hearing rather than a citation, the complaint shall be referred to the Professional Standards Committee for hearing consistent with the policies and procedures set forth in the Code of Ethics and Arbitration Manual for ethics hearings.

The Citation Review Panel will be comprised of:

- 1) Minimum of (3), maximum of (5) – quorum of 3, majority rules
- 2) Decisions can be made in face-to-face meetings or via email/conference call
- 3) Standing panelists will be comprised of the Professional Standards Chair, Vice Chair, and Immediate Past Chair.
- 4) Professional Standards Chair appoints two (2) additional experienced panelists annually; and
- 5) In event of panel vacancy due to conflict of interest among the standing panelists the Current Chair shall have authority to appoint alternate(s) from the Professional Standards Committee.

Issuance of Citations

- III. Citations will be sent to the respondent(s) and to the REALTOR® principal of respondents' office with a copy of the citation. If the respondent changes firms before or after the complaint is filed but before the citation is issued, both the former and current REALTOR® principal will receive a copy of the citation.
 - A. For complaints submitted anonymously, staff will prepare a written summary of the complaint to give the respondent sufficient information to understand the basis of the citation. The summary will be included with the citation sent to the respondent.
- IV. The respondent will have twenty (20) days from receipt of the citation to request a full due process hearing on the complaint before a Professional Standards Panel.
 - A. If the respondent accepts the citation this shall be deemed to be a final resolution of the complaint, which shall not be appealable or subject to any further review.
 - B. Acceptance of the Citation is an acknowledgement of the behavior alleged in the complaint.
 - C. Acceptance of the citation includes the completion of required education, at the expense of the respondent, to include one of the following:
 - 1. Required Education:
 - First and Second Violation: NAR Code of Ethics (online course)
 - Third Violations: GRI408 Ethics (online course)
 - 2. Certificate of Completion of any Ethics course must be presented to Association Staff within (30) days of citation for the case to be closed.
 - 3. Only (1) of the courses listed are required to be completed per complaint, regardless of the number of Articles or Standards of Practice cited
 - D. If the respondent does not request a hearing within twenty (20) days of receipt of the citation, payment must be received by the association no later than (10) days after the date of acceptance or time period to request a hearing has elapsed (or 30 days from notification of Citation).
 - 1. Failure to pay the citation amount or failure to complete and present fulfillment of education requirements in the time allotted, will result in the automatic suspension of membership services (including but not limited to MARIS, Supra, Contracts & Forms, etc.) until the citation has been paid.
 - 2. The case will be deemed to be closed upon receipt of payment and completion of education required by the specific citation, and notice will be provided to the complainant that a citation has been issued and paid.
 - E. If the respondent requests a hearing within the time specified, the complaint shall be referred to Professional Standards for a hearing. The complainant who initially filed the complaint shall be given the option to proceed as the complainant for the purposes of the hearing, and will be afforded all due process rights provided for in the Code of Ethics and Arbitration Manual. Should the complainant be a member of the public who refuses or is unable to participate in the hearing, or should the complainant be a REALTOR® member who refuses or is unable to participate in the hearing, the provisions of Section 21(f)(3) in the NAR Code of Ethics and Arbitration Manual shall apply.

- F. Once the citation deadlines have passed, the Respondent cannot change from Due Process Hearing back to Citation or vice versa.

Limitations to the Citation

- I. Any REALTOR® is limited in the number and type of citations that he/she may receive, according to the following rules:
 - A. No more than two (2) citations will be issued to a member within a consecutive twelve (12) month period, starting on the date the first complaint was filed, at the same association.
 - B. No more than three (3) citations will be issued to a member within a consecutive thirty-six (36) month period, starting on the date the first complaint was filed, at the same association.
 - C. No additional citations are permitted where the cumulative fine for the citations issued would be more than \$5000 (not to exceed \$5,000) in any three (3) year period at the same association.
 - D. The Association will track complaints filed against members for 3-year period. An escalating fine schedule is set for members with repeat citations issued or members found in violation of the Code of Ethics within the previous 3-year period.
 - 1. Escalating Fine Schedule:

Fines will increase automatically, when a Respondent is cited in a new Complaint for the same Article or Standard of Practice within the 3-year a period. (i.e. No Fine First Citation, \$200 Second Citation, \$300 Third Citation)
- II. The fact that a respondent has previously been issued a citation for any violation – whether or not it was paid – shall not be admissible in any ethics or arbitration hearing, including a hearing to consider a complaint where the respondent rejected a citation and requested a hearing. A hearing panel may consider citations previously issued (within 36-months of the hearing) to the respondent for the purpose of determining appropriate discipline as provided in Subsection IV below.
- III. Citations will not be considered in any publication of violations should such rules be adopted by the association.
- IV. Where a hearing panel finds a violation of the Code of Ethics, the panelists may consider past citations (issued within 36-months of the hearing) in determining an appropriate sanction.
- V. Association staff will track the number of citations issued, the number of citations paid, and the violations for which citations were issued. This information may be provided in the aggregate to the Board of Directors, but will not include details about the complaints, nor identify the complainants or respondents.

Citation Schedule of Fines

	Applicable Article and Standard of Practice	Fine	Ethics Training Required in addition to fine
Article 1			
Failure to fully disclose and obtain consent from both parties when representing both the seller/landlord and buyer/tenant in the same transaction	Article 1, supported by Standard of Practice 1-5	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failure to submit offers and counteroffers objectively and as quickly as possible	Article 1, supported by Standard of Practice 1-6	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Article 3			
Failure to communicate a change in compensation for cooperative services prior to the time that REALTOR® submits an offer to purchase/lease the property	Article 3, supported by Standard of Practice 3-2	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
As a listing broker, attempting to unilaterally modify the offered compensation with respect to a cooperative transaction after a REALTOR® has submitted an offer to purchase or lease that property	Article 3, supported by Standard of Practice 3-2	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required

	Applicable Article and Standard of Practice	Fine	Ethics Training Required in addition to fine
Failing to disclose existence of dual or variable rate commission arrangements	Article 3, supported by Standard of Practice 3-4	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failure to disclose to cooperating brokers differential that would result in dual or variable rate commission arrangement if sale/lease results through efforts of seller/landlord	Article 3, supported by Standard of Practice 3-4	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failing to disclose existence of accepted offers, including offers with unresolved contingencies, to cooperating brokers	Article 3, supported by Standard of Practice 3-6	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Misrepresenting the availability of access to show or inspect a listed property	Article 3, supported by Standard of Practice 3-8	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Providing access to listed property on terms other than those established by the owner or the listing broker	Article 3, supported by Standard of Practice 3-9	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required

	Applicable Article and Standard of Practice	Fine	Ethics Training Required in addition to fine
Article 6			
Accepting any commission, rebate, or profit on expenditures without client's knowledge or consent	Article 6 (first paragraph)	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failure to disclose to a client or customer REALTOR®'s financial benefits or fees received as a direct result of recommending real estate products or services	Article 6 (second paragraph)	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failure to disclose REALTOR®'s direct interest in an organization or business entity when recommending to a client or customer that they use the services of that organization or business entity	Article 6, supported by Standard of Practice 6-1	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Article 12			
Failing to present a true picture in real estate communications and advertising	Article 12	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required

	Applicable Article and Standard of Practice	Fine	Ethics Training Required in addition to fine
Failing to disclose status as real estate professional in advertising and other representations	Article 12	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Advertising property for sale/lease without authority of owner or listing broker	Article 12, supported by Standard of Practice 12-4	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failing to disclose name of firm in advertisement for listed property	Article 12, supported by Standard of Practice 12-5	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Failing to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership interest	Article 12, supported by Standard of Practice 12-6	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Falsely claiming to have “sold” property	Article 12, supported by Standard of Practice 12-7	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required

	Applicable Article and Standard of Practice	Fine	Ethics Training Required in addition to fine
Failure to disclose firm name and state of licensure on REALTOR® firm website	Article 12, supported by Standard of Practice 12-9	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Registering or using of deceptive URL or domain name	Article 12, supported by Standard of Practice 12-12	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Article 16			
Conditioning submission of a buyer's offer on additional compensation from a listing broker	Article 16, supported by Standard of Practice 16-16	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required
Placing for sale/lease sign on property without permission of seller/landlord	Article 16, supported by Standard of Practice 16-19	1 st Citation - Education Only 2 nd Citation \$200 3 rd Citation \$300	Education Required