

# **Egyptian Board of REALTORS®, Inc.**

1306 N. Atchison • Suite A • Marion, IL 62959 • 618-364-0046



MULTIPLE LISTING SERVICE

**MLS**®



EQUAL HOUSING  
OPPORTUNITY

***Enclosed is the information required in order to file an ethics complaint. This packet contains the following:***

***2021 Code of Ethics and Standards of Practice of the National Association of REALTORS®  
COE Enforcement  
REALTORS® Pledge and Performance Service pamphlet  
Form #E-1  
Complaint Form for IDFPR***

***To submit a grievance to the Egyptian Board of REALTORS®, please complete the enclosed Ethics Complaint Form #E-1 in its entirety and a detailed letter explaining the complaint and any necessary supporting documentation, along with a resolution that you are seeking, and mail to the Association office.***

***Upon receipt of the ethics complaint, the Egyptian Board of REALTORS® Grievance Committee will meet to review the information. Please refer to the pamphlet entitled, Filing an Ethics Complaint for additional information on this process.***

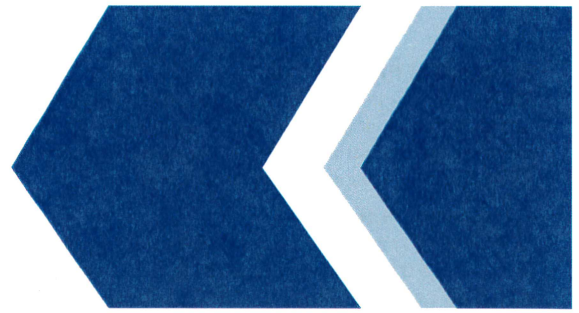
***You also have the option of submitting a complaint to the Illinois Department of Financial and Professional Regulation by visiting [www.idfpr.com](http://www.idfpr.com), by calling 312-793-8724, or by completion of the enclosed Complaint Form with documentation. Mail to IDFPR at 100 West Randolph Street, 9<sup>th</sup> Floor, Chicago, IL 60601. In addition, please do not hesitate to contact me at 618/364-0046 or by email at [ae@egyptianboard.com](mailto:ae@egyptianboard.com) in regard to the complaint process.***

***Sincerely,***

***Charay Palmer  
Association Executive***

# CODE OF ETHICS AND STANDARDS OF PRACTICE OF THE NATIONAL ASSOCIATION OF REALTORS®

Effective January 1, 2023



Where the word REALTORS® is used in this Code and Preamble, it shall be deemed to include REALTOR ASSOCIATE®s.

While the Code of Ethics establishes obligations that may be higher than those mandated by law, in any instance where the Code of Ethics and the law conflict, the obligations of the law must take precedence.

## Preamble

Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. REALTORS® should recognize that the interests of the nation and its citizens require the highest and best use of the land and the widest distribution of land ownership. They require the creation of adequate housing, the building of functioning cities, the development of productive industries and farms, and the preservation of a healthful environment.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and a patriotic duty to which REALTORS® should dedicate themselves, and for which they should be diligent in preparing themselves. REALTORS®, therefore, are zealous to maintain and improve the standards of their calling and share with their fellow REALTORS® a common responsibility for its integrity and honor.

In recognition and appreciation of their obligations to clients, customers, the public, and each other, REALTORS® continuously strive to become and remain informed on issues affecting real estate and, as knowledgeable professionals, they willingly share the fruit of their experience and study with others. They identify and take steps, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the public or which might discredit or bring dishonor to the real estate profession. REALTORS® having direct personal knowledge of conduct that may violate the Code of Ethics involving misappropriation of client or customer funds or property, willful discrimination, or fraud resulting in substantial economic harm, bring such matters to the attention of the appropriate Board or Association of REALTORS®. (Amended 1/00)

Realizing that cooperation with other real estate professionals promotes the best interests of those who utilize their services, REALTORS® urge exclusive representation of clients; do not attempt to gain any unfair advantage over their competitors; and they refrain from making unsolicited comments about other practitioners. In instances where their opinion is sought, or where REALTORS® believe that comment is necessary, their opinion is offered in an objective, professional manner, uninfluenced by any personal motivation or potential advantage or gain.

The term REALTOR® has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No inducement of profit and no instruction from clients ever can justify departure from this ideal.

In the interpretation of this obligation, REALTORS® can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule, "Whatsoever ye would that others should do to you, do ye even so to them."

Accepting this standard as their own, REALTORS® pledge to observe its spirit in all of their activities whether conducted personally, through associates or others, or via technological means, and to conduct their business in accordance with the tenets set forth below. (Amended 1/07)

## Duties to Clients and Customers

### Article 1

When representing a buyer, seller, landlord, tenant, or other client as an agent, REALTORS® pledge themselves to protect and promote the interests of their client. This obligation to the client is primary, but it does not relieve REALTORS® of their obligation to treat all parties honestly. When serving a buyer, seller, landlord, tenant or other party in a non-agency capacity, REALTORS® remain obligated to treat all parties honestly. (Amended 1/01)

#### • Standard of Practice 1-1

REALTORS®, when acting as principals in a real estate transaction, remain obligated by the duties imposed by the Code of Ethics. (Amended 1/93)

#### • Standard of Practice 1-2

The duties imposed by the Code of Ethics encompass all real estate-related activities and transactions whether conducted in person, electronically, or through any other means.

The duties the Code of Ethics imposes are applicable whether REALTORS® are acting as agents or in legally recognized non-agency capacities except that any duty imposed exclusively on agents by law or regulation shall not be imposed by this Code of Ethics on REALTORS® acting in non-agency capacities.

As used in this Code of Ethics, "client" means the person(s) or entity(ies) with whom a REALTOR® or a REALTOR®'s firm has an agency or legally recognized non-agency relationship; "customer" means a party to a real estate transaction who receives information, services, or benefits but has no contractual relationship with the REALTOR® or the REALTOR®'s firm; "prospect" means a purchaser, seller, tenant, or landlord who is not subject to a representation relationship with the REALTOR® or REALTOR®'s firm; "agent" means a real estate licensee (including brokers and sales associates) acting in an agency relationship as defined by state law or regulation; and "broker" means a real estate licensee (including brokers and sales associates) acting as an agent or in a legally recognized non-agency capacity. (Adopted 1/95, Amended 1/07)

#### • Standard of Practice 1-3

REALTORS®, in attempting to secure a listing, shall not deliberately mislead the owner as to market value.

**Standard of Practice 1-10**

REALTORS® shall, consistent with the terms and conditions of their real estate license and their property management agreement, competently manage the property of clients with due regard for the rights, safety and health of tenants and others lawfully on the premises. (Adopted 1/95, Amended 1/00)

**Standard of Practice 1-11**

REALTORS® who are employed to maintain or manage a client's property shall exercise due diligence and make reasonable efforts to protect it against reasonably foreseeable contingencies and losses. (Adopted 1/95)

**Standard of Practice 1-12**

When entering into listing contracts, REALTORS® must advise sellers/landlords of:

**Standard of Practice 1-13**

When entering into buyer/tenant agreements, REALTORS® must advise potential clients of:

- 1) the REALTORS®'s company policies regarding cooperation and the amount(s) of any compensation that will be offered to subagents, buyer/tenant agents, and/or brokers acting in legally recognized non-agency capacities;
- 2) the fact that buyer/tenant agents or brokers, even if compensated by listing brokers, or by sellers/landlords may represent the interests of buyers/tenants; and
- 3) any potential for listing brokers to act as disclosed dual agents, e.g., buyer/tenant agents. (Adopted 1/93, Renumbered 1/98, Amended 1/03)

**Standard of Practice 1-14**

Fees for preparing appraisals or other valuations shall not be contingent upon the amount of the appraisal or valuation. (Adopted 1/02)

**Standard of Practice 1-15**

REALTORS® in response to inquiries from buyers or cooperating brokers shall, with the sellers' approval, disclose the existence of offers on the property. Where disclosure is authorized, REALTORS® shall also disclose, if asked, whether offers were obtained by the listing licensee, another licensee in the listing firm, or by a cooperating broker. (Adopted 1/03, Amended 1/09)

**Standard of Practice 1-16**

REALTORS® shall not access or use, or permit or enable others to access or use, listed or managed property on terms or conditions other than those authorized by the owner or seller. (Adopted 1/12)

**Article 2**

REALTORS® shall avoid exaggeration, misrepresentation, or concealment of pertinent facts relating to the property or the transaction. REALTORS® shall not, however, be obligated to discover latent defects in the property, to advise on matters outside the scope of their real estate license, or to disclose facts which are confidential under the scope of agency or non-agency relationships as defined by state law. (Amended 1/00)

**Standard of Practice 1-6**

REALTORS®, when seeking to become a buyer/tenant representative, shall not mislead buyers or tenants as to savings or other benefits that might be realized through use of the REALTOR®'s services. (Amended 1/93)

**Standard of Practice 1-5**

REALTORS® may represent the seller/landlord and buyer/tenant in the same transaction only after full disclosure to and with informed consent of both parties. (Adopted 1/93)

**Standard of Practice 1-6**

REALTORS® shall submit offers and counter-offers objectively and as quickly as possible. (Adopted 1/93, Amended 1/95)

**Standard of Practice 1-7**

When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide, as soon as practical, a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease. (Amended 1/20)

**Standard of Practice 1-8**

REALTORS®, acting as agents or brokers of buyers/tenants, shall submit to buyers/tenants all offers and counter-offers until acceptance but have no obligation to continue to show properties to their clients after an offer has been accepted unless otherwise agreed in writing. Upon the written request of the listing broker who submits a counter-offer to the buyer's/broker, the buyer's/broker shall provide, as soon as practical, a written affirmation to the listing broker stating that the counter-offer has been submitted to the buyers/tenants, or a written notification that the buyers/tenants have waived the obligation to have the counter-offer presented. REALTORS®, acting as agents or brokers of buyers/tenants, shall recommend that buyers/tenants obtain the advice of legal counsel if there is a question as to whether a pre-existing contract has been terminated. (Adopted 1/93, Amended 1/22)

**Standard of Practice 1-9**

The obligation of REALTORS® to preserve confidential information (as defined by state law) provided by their clients in the course of any agency relationship or non-agency relationship recognized by law continues after termination of agency relationships or any non-agency relationships recognized by law. REALTORS® shall not knowingly, during or following the termination of professional relationships with their clients: 1) reveal confidential information of clients; or 2) use confidential information of clients to the disadvantage of clients; or 3) use confidential information of clients for the REALTORS®'s advantage or the advantage of third parties unless:

**Standard of Practice 1-9**

clients consent after full disclosure; or

**Standard of Practice 1-9**

REALTORS® are required by court order; or

**Standard of Practice 1-9**

it is the intention of a client to commit a crime and the information is necessary to prevent the crime; or

**Standard of Practice 1-9**

it is necessary to defend a REALTOR® or the REALTOR®'s employees or associates against an accusation of wrongful conduct.

**Standard of Practice 1-9**

Information concerning latent material defects is not considered confidential information under this Code of Ethics. (Adopted 1/93, Amended 1/01)

- **Standard of Practice 2-1**  
REALTORS® shall only be obligated to discover and disclose adverse factors reasonably apparent to someone with expertise in those areas required by their real estate licensing authority. Article 2 does not impose upon the REALTOR® the obligation of expertise in other professional or technical disciplines. (Amended 1/96)
- **Standard of Practice 2-2**  
(Renumbered as Standard of Practice 1-12 1/98)
- **Standard of Practice 2-3**  
(Renumbered as Standard of Practice 1-13 1/98)
- **Standard of Practice 2-4**  
REALTORS® shall not be parties to the naming of a false consideration in any document, unless it be the naming of an obviously nominal consideration.
- **Standard of Practice 2-5**  
Factors defined as “non-material” by law or regulation or which are expressly referenced in law or regulation as not being subject to disclosure are considered not “pertinent” for purposes of Article 2. (Adopted 1/93)

## Article 3

REALTORS® shall cooperate with other brokers except when cooperation is not in the client’s best interest. The obligation to cooperate does not include the obligation to share commissions, fees, or to otherwise compensate another broker. (Amended 1/95)

- **Standard of Practice 3-1**  
REALTORS®, acting as exclusive agents or brokers of sellers/landlords, establish the terms and conditions of offers to cooperate. Unless expressly indicated in offers to cooperate, cooperating brokers may not assume that the offer of cooperation includes an offer of compensation. Terms of compensation, if any, shall be ascertained by cooperating brokers before beginning efforts to accept the offer of cooperation. (Amended 1/99)
- **Standard of Practice 3-2**  
Any change in compensation offered for cooperative services must be communicated to the other REALTOR® prior to the time that REALTOR® submits an offer to purchase/lease the property. After a REALTOR® has submitted an offer to purchase or lease property, the listing broker may not attempt to unilaterally modify the offered compensation with respect to that cooperative transaction. (Amended 1/14)
- **Standard of Practice 3-3**  
Standard of Practice 3-2 does not preclude the listing broker and cooperating broker from entering into an agreement to change cooperative compensation. (Adopted 1/94)
- **Standard of Practice 3-4**  
REALTORS®, acting as listing brokers, have an affirmative obligation to disclose the existence of dual or variable rate commission arrangements (i.e., listings where one amount of commission is payable if the listing broker’s firm is the procuring cause of sale/lease and a different amount of commission is payable if the sale/lease results through the efforts of the seller/landlord or a cooperating broker). The listing broker shall, as soon as practical, disclose the existence of such arrangements to potential cooperating brokers and shall, in response to inquiries from cooperating brokers, disclose the differential that would result in a cooperative transaction or in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease. (Amended 1/02)
- **Standard of Practice 3-5**  
It is the obligation of subagents to promptly disclose all pertinent facts to the principal’s agent prior to as well as after a purchase or lease agreement is executed. (Amended 1/93)

- **Standard of Practice 3-6**  
REALTORS® shall disclose the existence of accepted offers, including offers with unresolved contingencies, to any broker seeking cooperation. (Adopted 5/86, Amended 1/04)
- **Standard of Practice 3-7**  
When seeking information from another REALTOR® concerning property under a management or listing agreement, REALTORS® shall disclose their REALTOR® status and whether their interest is personal or on behalf of a client and, if on behalf of a client, their relationship with the client. (Amended 1/11)
- **Standard of Practice 3-8**  
REALTORS® shall not misrepresent the availability of access to show or inspect a listed property. (Amended 11/87)
- **Standard of Practice 3-9**  
REALTORS® shall not provide access to listed property on terms other than those established by the owner or the seller. (Adopted 1/10, Amended 1/23)
- **Standard of Practice 3-10**  
The duty to cooperate established in Article 3 relates to the obligation to share information on listed property, and to make property available to other brokers for showing to prospective purchasers/tenants when it is in the best interests of sellers/landlords. (Adopted 1/11)
- **Standard of Practice 3-11**  
REALTORS® may not refuse to cooperate on the basis of a broker’s race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Adopted 1/20, Amended 1/23)

## Article 4

REALTORS® shall not acquire an interest in or buy or present offers from themselves, any member of their immediate families, their firms or any member thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner’s agent or broker. In selling property they own, or in which they have any interest, REALTORS® shall reveal their ownership or interest in writing to the purchaser or the purchaser’s representative. (Amended 1/00)

- **Standard of Practice 4-1**  
For the protection of all parties, the disclosures required by Article 4 shall be in writing and provided by REALTORS® prior to the signing of any contract. (Adopted 2/86)

## Article 5

REALTORS® shall not undertake to provide professional services concerning a property or its value where they have a present or contemplated interest unless such interest is specifically disclosed to all affected parties.

## Article 6

REALTORS® shall not accept any commission, rebate, or profit on expenditures made for their client, without the client’s knowledge and consent.

When recommending real estate products or services (e.g., homeowner’s insurance, warranty programs, mortgage financing, title insurance, etc.), REALTORS® shall disclose to the client or customer to whom the recommendation is made any financial benefits or fees, other than real estate referral fees, the REALTOR® or REALTOR®’s firm may receive as a direct result of such recommendation. (Amended 1/99)

- **Standard of Practice 6-1**  
REALTORS® shall not recommend or suggest to a client or a customer the use of services of another organization or business entity in which they have a direct interest without disclosing such interest at the time of the recommendation or suggestion. (Amended 5/88)

## Article 7

In a transaction, REALTORS® shall not accept compensation from more than one party, even if permitted by law, without disclosure

to all parties and the informed consent of the REALTOR®'s client or clients. (Amended 1/93)

## Article 8

REALTOR®s shall keep in a special account in an appropriate financial institution, separated from their own funds, monies coming into their possession in trust for other persons, such as escrows, trust funds, clients' monies, and other like items.

## Article 9

REALTOR®, for the protection of all parties, shall assure whenever possible that all agreements related to real estate transactions including, but not limited to, listing and representation agreements, purchase contracts, and leases are in writing in clear and understandable language expressing the specific terms, conditions, obligations and commitments of the parties. A copy of each agreement shall be furnished to each party to such agreements upon their signing or initialing. (Amended 1/04)

**Standard of Practice 9-1**  
For the protection of all parties, REALTOR® shall use reasonable care to ensure that documents pertaining to the purchase, sale, or lease of real estate are kept current through the use of written extensions or amendments. (Amended 1/93)

**Standard of Practice 9-2**  
When assisting a client or customer in establishing a contractual relationship (e.g., listing and representation agreements, purchase agreements, leases, etc.) electronically, REALTOR® shall make reasonable efforts to explain the nature and disclose the specific terms of the contractual relationship being established prior to it being agreed to by a contracting party. (Adopted 1/07)

## Duties to the Public

## Article 10

REALTOR® shall not deny equal professional services to any person for reasons of race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. REALTOR® shall not be parties to any plan or agreement to discriminate against a person or persons on the basis of race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Amended 1/23)

REALTOR®, in their real estate employment practices, shall not discriminate against any person or persons on the basis of race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Amended 1/23)

When involved in the sale or lease of a residence, REALTOR® shall not volunteer information regarding the racial, religious or ethnic composition of any neighborhood nor shall they engage in any activity which may result in panic selling, however, REALTOR® may provide other demographic information. (Adopted 1/94, Amended 1/06)

### Standard of Practice 10-1

When not involved in the sale or lease of a residence, REALTOR® may provide demographic information related to a property, transaction or professional assignment to a party if such demographic information is (a) deemed by the REALTOR® to be needed to assist with or complete, in a manner consistent with Article 10, a real estate transaction or professional assignment and (b) is obtained or derived from a recognized, reliable, independent, and impartial source. The source of such information and any additions, deletions, modifications, interpretations, or other changes shall be disclosed in reasonable detail. (Adopted 1/05, Renumbered 1/06)

### Standard of Practice 10-2

When not involved in the sale or lease of a residence, REALTOR® shall not print, display or circulate any statement or advertisement with respect to selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Adopted 1/94, Amended 1/06)

### Standard of Practice 10-3

REALTOR®s shall not print, display or circulate any statement or advertisement with respect to selling or renting of a property that indicates any preference, limitations or discrimination based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Adopted 1/94, Amended 1/06)

on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Adopted 1/94, Renumbered 1/05 and 1/06, Amended 1/23)

### Standard of Practice 10-4

As used in Article 10 "real estate employment practices" relates to employees and independent contractors providing real estate-related services and the administrative and clerical staff directly supporting those individuals. (Adopted 1/00, Renumbered 1/05 and 1/06)

### Standard of Practice 10-5

REALTOR® must not use harassing speech, hate speech, epithets, or slurs based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity. (Adopted and effective November 13, 2020, Amended 1/23)

## Article 11

The services which REALTOR® provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage; specifically, residential real estate brokerage, real property management, commercial and industrial real estate brokerage, land brokerage, real estate appraisal, real estate counseling, real estate syndication, real estate auction, and international real estate.

**Standard of Practice 11-1**  
When REALTOR® prepare opinions of real property value or price they must:  
1) be knowledgeable about the type of property being valued, have access to the information and resources necessary to formulate an accurate opinion, and  
2) be familiar with the area where the subject property is located  
unless lack of any of these is disclosed to the party requesting the opinion in advance.  
When an opinion of value or price is prepared other than in pursuit of a listing or to assist a potential purchaser in formulating a purchase offer, the opinion shall include the following unless the party requesting the opinion requires a specific type of report or different data set:  
1) identification of the subject property  
2) date prepared  
3) defined value or price  
4) limiting conditions, including statements of purposes(s) and intended user(s)  
5) any present or contemplated interest, including the possibility of representing the seller/landlord or buyers/tenants  
6) basis for the opinion, including applicable market data  
7) if the opinion is not an appraisal, a statement to that effect  
8) disclosure of whether and when a physical inspection of the property's exterior was conducted  
9) disclosure of whether and when a physical inspection of the property's interior was conducted  
10) disclosure of whether the REALTOR® has any conflicts of interest (Amended 1/14)

### Standard of Practice 11-2

The obligations of the Code of Ethics in respect of real estate disciplines other than appraisal shall be interpreted and applied in accordance with the standards of competence and practice which

clients and the public reasonably require to protect their rights and interests considering the complexity of the transaction, the availability of expert assistance, and, where the REALTOR® is an agent or subagent, the obligations of a fiduciary. (Adopted 1/95)

• **Standard of Practice 11-3**

When REALTORS® provide consultative services to clients which involve advice or counsel for a fee (not a commission), such advice shall be rendered in an objective manner and the fee shall not be contingent on the substance of the advice or counsel given. If brokerage or transaction services are to be provided in addition to consultative services, a separate compensation may be paid with prior agreement between the client and REALTOR®. (Adopted 1/96)

• **Standard of Practice 11-4**

The competency required by Article 11 relates to services contracted for between REALTORS® and their clients or customers; the duties expressly imposed by the Code of Ethics; and the duties imposed by law or regulation. (Adopted 1/02)

## Article 12

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional. (Amended 1/08)

• **Standard of Practice 12-1**

REALTORS® must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the REALTOR® will receive no financial compensation from any source for those services. (Amended 1/22)

• **Standard of Practice 12-2**

(Deleted 1/20)

• **Standard of Practice 12-3**

The offering of premiums, prizes, merchandise discounts or other inducements to list, sell, purchase, or lease is not, in itself, unethical even if receipt of the benefit is contingent on listing, selling, purchasing, or leasing through the REALTOR® making the offer. However, REALTORS® must exercise care and candor in any such advertising or other public or private representations so that any party interested in receiving or otherwise benefiting from the REALTOR®'s offer will have clear, thorough, advance understanding of all the terms and conditions of the offer. The offering of any inducements to do business is subject to the limitations and restrictions of state law and the ethical obligations established by any applicable Standard of Practice. (Amended 1/95)

• **Standard of Practice 12-4**

REALTORS® shall not offer for sale/lease or advertise property without authority. When acting as listing brokers or as subagents, REALTORS® shall not quote a price different from that agreed upon with the seller/landlord. (Amended 1/93)

• **Standard of Practice 12-5**

REALTORS® shall not advertise nor permit any person employed by or affiliated with them to advertise real estate services or listed property in any medium (e.g., electronically, print, radio, television, etc.) without disclosing the name of that REALTOR®'s firm in a reasonable and readily apparent manner either in the advertisement or in electronic advertising via a link to a display with all required disclosures. (Adopted 11/86, Amended 1/16)

• **Standard of Practice 12-6**

REALTORS®, when advertising unlisted real property for sale/lease in which they have an ownership interest, shall disclose their status as both owners/landlords and as REALTORS® or real estate licensees. (Amended 1/93)

• **Standard of Practice 12-7**

Only REALTORS® who participated in the transaction as the listing broker or cooperating broker (selling broker) may claim to have "sold" the property. Prior to closing, a cooperating broker may post a "sold" sign only with the consent of the listing broker. (Amended 1/96)

• **Standard of Practice 12-8**

The obligation to present a true picture in representations to the public includes information presented, provided, or displayed on REALTORS®' websites. REALTORS® shall use reasonable efforts to ensure that information on their websites is current. When it becomes apparent that information on a REALTOR®'s website is no longer current or accurate, REALTORS® shall promptly take corrective action. (Adopted 1/07)

• **Standard of Practice 12-9**

REALTOR® firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of REALTORS® and non-member licensees affiliated with a REALTOR® firm shall disclose the firm's name and that REALTOR®'s or non-member licensee's state(s) of licensure in a reasonable and readily apparent manner. (Adopted 1/07)

• **Standard of Practice 12-10**

REALTORS®' obligation to present a true picture in their advertising and representations to the public includes Internet content, images, and the URLs and domain names they use, and prohibits REALTORS® from:

- 1) engaging in deceptive or unauthorized framing of real estate brokerage websites;
- 2) manipulating (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;
- 3) deceptively using metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic; or
- 4) presenting content developed by others without either attribution or without permission; or
- 5) otherwise misleading consumers, including use of misleading images. (Adopted 1/07, Amended 1/18)

• **Standard of Practice 12-11**

REALTORS® intending to share or sell consumer information gathered via the Internet shall disclose that possibility in a reasonable and readily apparent manner. (Adopted 1/07)

• **Standard of Practice 12-12**

REALTORS® shall not:

- 1) use URLs or domain names that present less than a true picture, or
- 2) register URLs or domain names which, if used, would present less than a true picture. (Adopted 1/08)

• **Standard of Practice 12-13**

The obligation to present a true picture in advertising, marketing, and representations allows REALTORS® to use and display only professional designations, certifications, and other credentials to which they are legitimately entitled. (Adopted 1/08)

## Article 13

REALTORS® shall not engage in activities that constitute the unauthorized practice of law and shall recommend that legal counsel be obtained when the interest of any party to the transaction requires it.

## Article 14

If charged with unethical practice or asked to present evidence or to cooperate in any other way, in any professional standards proceeding or investigation, REALTORS® shall place all pertinent facts before the proper tribunals of the Member Board or affiliated institute, society, or council in which membership is held and shall take no action to disrupt or obstruct such processes. (Amended 1/99)

- **Standard of Practice 14-1** REALTORS® shall not be subject to disciplinary proceedings in more than one Board of REALTORS® or affiliated institute, society, or council in which they hold membership with respect to alleged violations of the Code of Ethics relating to the same transaction or event. (Amended 1/95)
- **Standard of Practice 14-2** REALTORS® shall not make any unauthorized disclosure or dissemination of the allegations, findings, or decision developed in connection with an ethics hearing or appeal or in connection with an arbitration hearing or procedural review. (Amended 1/92)
- **Standard of Practice 14-3** REALTORS® shall not obstruct the Board's investigative or professional standards proceedings by instituting or threatening to institute actions for libel, slander, or defamation against any party to a professional standards proceeding or their witnesses based on the filing of an arbitration request, an ethics complaint, or testimony given before any tribunal. (Adopted 11/87, Amended 1/99)
- **Standard of Practice 14-4** REALTORS® shall not intentionally impede the Board's investigative or disciplinary proceedings by filing multiple ethics complaints based on the same event or transaction. (Adopted 11/88)

## Duties to REALTORS®

- ### Article 15
- REALTORS® shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices. (Amended 1/12)
  - **Standard of Practice 15-1** REALTORS® shall not knowingly or recklessly file false or unfounded ethics complaints. (Adopted 1/00)
  - **Standard of Practice 15-2** The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to not knowingly or recklessly publish, repeat, retransmit, or republish false or misleading statements made by others. This duty applies whether false or misleading statements are repeated in person, in writing, by technological means (e.g., the Internet), or by any other means. (Adopted 1/07, Amended 1/12)
  - **Standard of Practice 15-3** The obligation to refrain from making false or misleading statements about other real estate professionals, their businesses, and their business practices includes the duty to publish a clarification about or to remove statements made by others on electronic media the REALTOR® controls once the REALTOR® knows the statement is false or misleading. (Adopted 1/10, Amended 1/12)

- ### Article 16
- REALTORS® shall not engage in any practice or take any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with clients. (Amended 1/04)
  - **Standard of Practice 16-1** Article 16 is not intended to prohibit aggressive or innovative business practices which are otherwise ethical and does not prohibit disagreements with other REALTORS® involving commission, fees, compensation or other forms of payment or expenses. (Adopted 1/93, Amended 1/95)
  - **Standard of Practice 16-2** Article 16 does not preclude REALTORS® from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have

- **Standard of Practice 16-3** Article 16 does not preclude REALTORS® from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other REALTORS® to whom such offers to provide services may be made. (Amended 1/04)
- **Standard of Practice 16-4** REALTORS® shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the REALTOR®, refuses to disclose the expiration date and nature of such listing, i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the REALTOR® may contact the owner to secure such information and may discuss the terms upon which the REALTOR® might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. (Amended 1/94)
- **Standard of Practice 16-5** REALTORS® shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by a REALTOR®, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the REALTOR® may contact the buyer/tenant to secure such information and may discuss the terms upon which the REALTOR® might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement. (Adopted 1/94, Amended 1/98)
- **Standard of Practice 16-6** When REALTORS® are contacted by the client of another REALTOR® regarding the creation of an exclusive relationship to provide the same type of service, and REALTORS® have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98)
- **Standard of Practice 16-7** The fact that a prospect has retained a REALTOR® as an exclusive representative or exclusive broker in one or more past transactions does not preclude other REALTORS® from seeking such prospect's future business. (Amended 1/04)

- **Standard of Practice 16-8** entered into agency agreements or other exclusive relationships with another REALTOR®. A general telephone canvass, general mailing or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group is deemed "general" for purposes of this standard. (Amended 1/04)
- Article 16 is intended to recognize as unethical two basic types of solicitations:
  - First, telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another REALTOR® and
  - Second, mail or other forms of written solicitations of prospects whose properties are exclusively listed with another REALTOR® when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, "for sale" or "for rent" signs, or other sources of information required by Article 3 and Multiple Listing Service rules to be made available to other REALTORS® under offers of subagency or cooperation. (Amended 1/04)
- **Standard of Practice 16-9** Article 16 does not preclude REALTORS® from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a Multiple Listing Service or any other offer of cooperation may not be used to target clients of other REALTORS® to whom such offers to provide services may be made. (Amended 1/04)
- **Standard of Practice 16-10** REALTORS® shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the REALTOR®, refuses to disclose the expiration date and nature of such listing, i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the REALTOR® may contact the owner to secure such information and may discuss the terms upon which the REALTOR® might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. (Amended 1/94)
- **Standard of Practice 16-11** REALTORS® shall not solicit buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by a REALTOR®, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the REALTOR® may contact the buyer/tenant to secure such information and may discuss the terms upon which the REALTOR® might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement. (Adopted 1/94, Amended 1/98)
- **Standard of Practice 16-12** When REALTORS® are contacted by the client of another REALTOR® regarding the creation of an exclusive relationship to provide the same type of service, and REALTORS® have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement. (Amended 1/98)
- **Standard of Practice 16-13** The fact that a prospect has retained a REALTOR® as an exclusive representative or exclusive broker in one or more past transactions does not preclude other REALTORS® from seeking such prospect's future business. (Amended 1/04)

- **Standard of Practice 16-8**

The fact that an exclusive agreement has been entered into with a REALTOR® shall not preclude or inhibit any other REALTOR® from entering into a similar agreement after the expiration of the prior agreement. (Amended 1/98)

- **Standard of Practice 16-9**

REALTORS®, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service. (Amended 1/04)

- **Standard of Practice 16-10**

REALTORS®, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease. (Amended 1/04)

- **Standard of Practice 16-11**

On unlisted property, REALTORS® acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. (Amended 1/04)

REALTORS® shall make any request for anticipated compensation from the seller/landlord at first contact. (Amended 1/98)

- **Standard of Practice 16-12**

REALTORS®, acting as representatives or brokers of sellers/landlords or as subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement. (Amended 1/04)

- **Standard of Practice 16-13**

All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, REALTORS® shall ask prospects whether they are a party to any exclusive representation agreement. REALTORS® shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects. (Adopted 1/93, Amended 1/04)

- **Standard of Practice 16-14**

REALTORS® are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent. (Amended 1/98)

- **Standard of Practice 16-15**

In cooperative transactions REALTORS® shall compensate cooperating REALTORS® (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other REALTORS® without the prior express knowledge and consent of the cooperating broker.

- **Standard of Practice 16-16**

REALTORS®, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers nor make the submission of an executed offer to purchase/lease

contingent on the listing broker's agreement to modify the offer of compensation. (Amended 1/04)

- **Standard of Practice 16-17**

REALTORS®, acting as subagents or as buyer/tenant representatives or brokers, shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker. (Amended 1/04)

- **Standard of Practice 16-18**

REALTORS® shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers. (Amended 1/02)

- **Standard of Practice 16-19**

Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord. (Amended 1/93)

- **Standard of Practice 16-20**

REALTORS®, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude REALTORS® (principals) from establishing agreements with their associated licensees governing assignability of exclusive agreements. (Adopted 1/98, Amended 1/10)

## Article 17

In the event of contractual disputes or specific non-contractual disputes as defined in Standard of Practice 17-4 between REALTORS® (principals) associated with different firms, arising out of their relationship as REALTORS®, the REALTORS® shall mediate the dispute if the Board requires its members to mediate. If the dispute is not resolved through mediation, or if mediation is not required, REALTORS® shall submit the dispute to arbitration in accordance with the policies of the Board rather than litigate the matter.

In the event clients of REALTORS® wish to mediate or arbitrate contractual disputes arising out of real estate transactions, REALTORS® shall mediate or arbitrate those disputes in accordance with the policies of the Board, provided the clients agree to be bound by any resulting agreement or award.

The obligation to participate in mediation and arbitration contemplated by this Article includes the obligation of REALTORS® (principals) to cause their firms to mediate and arbitrate and be bound by any resulting agreement or award. (Amended 1/12)

- **Standard of Practice 17-1**

The filing of litigation and refusal to withdraw from it by REALTORS® in an arbitrable matter constitutes a refusal to arbitrate. (Adopted 2/86)

- **Standard of Practice 17-2**

Article 17 does not require REALTORS® to mediate in those circumstances when all parties to the dispute advise the Board in writing that they choose not to mediate through the Board's facilities. The fact that all parties decline to participate in mediation does not relieve REALTORS® of the duty to arbitrate.

Article 17 does not require REALTORS® to arbitrate in those circumstances when all parties to the dispute advise the Board in writing that they choose not to arbitrate before the Board. (Amended 1/12)

- **Standard of Practice 17-3**

REALTORS®, when acting solely as principals in a real estate transaction, are not obligated to arbitrate disputes with other REALTORS® absent a specific written agreement to the contrary. (Adopted 1/96)

- **Standard of Practice 17-4**

Specific non-contractual disputes that are subject to arbitration pursuant to Article 17 are:





with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97)

4) Where two or more listing brokers claim entitlement to compensation pursuant to open listings with a seller or landlord who agrees to participate in arbitration (or who requests arbitration) and who agrees to be bound by the decision. In cases where one of the listing brokers has been compensated by the seller or landlord, the other listing broker, as complainant, may name the first listing broker as respondent and arbitration may proceed between the brokers. (Adopted 1/97)

5) Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, claims to be the procuring cause of sale or lease. In such cases arbitration shall be between the listing broker and the buyer or tenant representative and the amount in dispute is limited to the amount of the reduction of commission to which the listing broker agreed. (Adopted 1/05)

• **Standard of Practice 17-5**  
The obligation to arbitrate established in Article 17 includes disputes between REALTORS® (principals) in different states in instances where, absent an established inter-association arbitration agreement, the REALTOR® (principal) requesting arbitration agrees to submit to the jurisdiction of, travel to, participate in, and be bound by any resulting award rendered in arbitration conducted by the respondent(s) REALTOR®'s association, in instances where the respondent(s) REALTOR®'s association determines that an arbitrable issue exists. (Adopted 1/07)

**Explanatory Notes**  
The reader should be aware of the following policies which have been approved by the Board of Directors of the National Association:

In filing a charge of an alleged violation of the Code of Ethics by a REALTOR®, the charge must read as an alleged violation of one or more Articles of the Code. Standards of Practice may be cited in support of the charge.

The Standards of Practice serve to clarify the ethical obligations imposed by the various Articles and supplement, and do not substitute for, the Case Interpretations in Interpretations of the Code of Ethics.

Modifications to existing Standards of Practice and additional new Standards of Practice are approved from time to time. Readers are cautioned to ensure that the most recent publications are utilized.

- 1) Where a listing broker has compensated a cooperating broker and another cooperating broker subsequently claims to be the procuring cause of the sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. When arbitration occurs between two (or more) cooperating brokers and where the listing broker is not a party, the amount in dispute and the amount of any potential resulting award is limited to the amount paid to the respondent by the listing broker and any amount credited or paid to a party to the transaction at the direction of the respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97, Amended 1/07)
- 2) Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. When arbitration occurs between two (or more) cooperating brokers and where the listing broker is not a party, the amount in dispute and the amount of any potential resulting award is limited to the amount paid to the respondent by the seller or landlord and any amount credited or paid to a party to the transaction at the direction of the respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97, Amended 1/07)
- 3) Where a buyer or tenant representative is compensated by the buyer or tenant and, as a result, the listing broker reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction. (Adopted 1/97, Amended 1/07)

# CODE OF ETHICS

NATIONAL ASSOCIATION OF REALTORS®



## Preamble

Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. REALTORS® should recognize that the interests of the nation and its citizens require the highest and best use of the land and the widest distribution of land ownership. They require the creation of adequate housing, the building of functioning cities, the development of productive industries and farms, and the preservation of a healthful environment.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and a patriotic duty to which REALTORS® should dedicate themselves, and for which they should be diligent in preparing themselves. REALTORS®, therefore, are zealous to maintain and improve the standards of their calling and share with their fellow REALTORS® a common responsibility for its integrity and honor...

The term REALTOR® has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No inducement of profit and no instruction from clients ever can justify departure from this ideal.

In the interpretation of this obligation, REALTORS® can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule:

**"Whatsoever ye would that others should do to you, do ye even so to them."**

Accepting this standard as their own, REALTORS® pledge to observe its spirit in all of their activities and to conduct their business in accordance with the tenets set forth below.

### Basic Principles of the Code of Ethics

1. Protect and promote your client's interests, but be honest with all parties.
2. Avoid exaggeration, misrepresentation, and concealment of pertinent facts. Do not reveal facts that are confidential under the scope of your agency relationship.
3. Cooperate with other real estate professionals to advance your client's best interests.
4. When buying or selling, make your position in the transaction or interest known.
5. Disclose present or contemplated interest in any property to all parties.
6. Avoid side deals without your client's informed consent.
7. Accept compensation from only one party, except with full disclosure and informed consent.
8. Keep the funds of clients and customers in escrow.
9. Assure, whenever possible, that transactional details are in writing.
10. Provide equal service to all clients and customers.
11. Be knowledgeable and competent in the fields of practice in which you ordinarily engage. Obtain assistance or disclose lack of experience if necessary.
12. Communicate honestly and present a true picture in your advertising, marketing and other public representations.
13. Do not engage in the unauthorized practice of law.
14. Be a willing participant in Code enforcement procedures.
15. Ensure that your comments about other real estate professionals are truthful, and not misleading.
16. Respect the exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with their clients.
17. Arbitrate and mediate contractual and specific non-contractual disputes with other REALTORS® and with your clients.

For full text, refer to:  
Code of Ethics and Standards of Practice of  
the NATIONAL ASSOCIATION OF REALTORS®  
1-800-874-6500

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(01/21 BFC)

Code of Ethics  
NATIONAL ASSOCIATION OF REALTORS®

# REALTORS® Pledge of Performance and Service

arbitration  
ethics  
integrity  
standards  
mediation  
cooperation  
conduct  
education  
dispute resolution  
professional commitment  
awareness  
service  
understanding  
grievance  
decisions  
procedures  
appeals  
values  
information  
enforcement

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Item 166-290P  
(01/17)



# REALTORS®' Pledge of Performance and Service

The NATIONAL ASSOCIATION OF REALTORS® adopted the *Code of Ethics* in 1913, following the professions of medicine, law, and engineering.

REALTORS® are real estate professionals who have chosen to join the National Association and abide by its strict *Code of Ethics*.

What does this mean to you? It means that any REALTOR® with whom you work has voluntarily agreed to abide by a *Code of Ethics*, based on professionalism and protection of the public.

REALTORS® are subject to disciplinary action and sanctions if they violate the duties imposed by the *Code of Ethics*.

The *Code of Ethics* is a detailed document that spells out the professional responsibilities of every REALTOR®.

Do not hesitate to ask a REALTOR® for a copy of the *Code*, including the Standards of Practice. The *Code* is your assurance of dealing with a professional who has your best interests in mind.

The *Code of Ethics* consists of seventeen Articles and related Standards of Practice. The basic principles of the *Code* are summarized here.

Please note that the following is not a substitute for the *Code*, but simply a general overview of the *Code*'s key principles. For additional information about the *Code of Ethics* and its enforcement, speak with a REALTOR® or contact the local association of REALTORS® nearest you.

## Duties to Clients and Customers

**Article 1**  
REALTORS® protect and promote their clients' interests while treating all parties honestly.

**Article 2**  
REALTORS® refrain from exaggeration, misrepresentation, or concealment of pertinent facts related to property or transactions.

**Article 3**  
REALTORS® cooperate with other real estate professionals to advance their clients' best interests.

**Article 4**  
When buying or selling on their own account or for their families or firms, REALTORS® make their true position or interest known.

**Article 5**  
REALTORS® do not provide professional services where they have any present or contemplated interest in property without disclosing that interest to all affected parties.

**Article 6**  
REALTORS® disclose any fee or financial benefit they may receive from recommending related real estate products or services.

**Article 7**  
REALTORS® accept compensation from only one party, except where they make full disclosure to all parties and receive informed consent from their client.

**Article 8**  
REALTORS® keep the funds of clients and customers in a separate escrow account.

**Article 9**  
REALTORS® make sure that details of agreements are spelled out in writing whenever possible and that parties receive copies.

## Duties to the Public

**Article 10**  
REALTORS® give equal professional service to all clients and customer irrespective of race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity. REALTORS® do not discriminate in their employment practices.

**Article 11**  
REALTORS® are knowledgeable and competent in the fields of practice in which they engage or they get assistance from a knowledgeable professional, or disclose any lack of expertise to their client.

**Article 12**  
REALTORS® are honest and truthful in their communications and present a true picture in their advertising, marketing, and in other public representations.

**Article 13**  
REALTORS® do not engage in the unauthorized practice of law.

**Article 14**  
REALTORS® willingly participate in ethics investigations and enforcement actions.

## Duties to REALTORS®

**Article 15**  
REALTORS® make only truthful, not misleading, comments about other real estate professionals.

**Article 16**  
REALTORS® respect the exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with their clients.

**Article 17**  
REALTORS® arbitrate and mediate financial disagreements with other REALTORS® and with their clients.

## Ethics Complaint/Arbitration Request Checklist

- Contact the respondent's local board/association for the appropriate forms.
  - Ethics** — Complete the ethics complaint form and provide a written explanation that includes the facts on which the alleged violation(s) is based, cite the appropriate Article(s) and include any other appropriate documentation. A complainant may allege a violation of any Article regardless of which category the Article is located under.
  - Arbitration** — Complete the arbitration request form, attach the details of the dispute, and enclose the appropriate deposit along with whatever documentation that may help to substantiate your position.
  - The ethics complaint or arbitration request will then be sent to the grievance committee for review.
  - The grievance committee may, if deemed appropriate, send a copy of the ethics complaint and/or arbitration request to the respondent for a written response.
  - The grievance committee, which functions much like a grand jury, will then review the ethics complaint and/or arbitration request (and response, if any).
  - If the grievance committee refers the ethics complaint or arbitration request for a hearing, the parties will be advised of the referral. The respondent will be requested to submit a written response if one has not already been filed.
  - If the grievance committee determines that a hearing is **not warranted**, the parties will be advised that the matter has been dismissed and notified of the opportunity to appeal the grievance committee's dismissal to the board of directors.
  - If the grievance committee determines that a hearing is **warranted**, the parties will be advised of the date, time, and place of the hearing subsequent to having an opportunity to challenge any of the hearing panelists for cause.
  - During the hearing, the parties have an opportunity to present their positions. Parties may exercise their right to bring witnesses and/or attorneys to the hearing. The standard of proof in an **ethics** complaint is clear, strong, and convincing evidence. The standard of proof that must be observed to prevail in an **arbitration** proceeding is a preponderance of the evidence (i.e., that evidence, when taken as a whole, is more convincing than the evidence offered in opposition).
  - The hearing panel's ethics decision or arbitration award is transmitted to the parties. Either party may file an **ethics** appeal or rehearing request with the president, but the complainant may only appeal on a procedural basis. The parties involved in an **arbitration** may appeal only on the basis that there was a procedural irregularity that materially worked to their detriment.
  - The board of directors, either on an ethics appeal or after the ethics appeal period has expired, renders its final decision, which will in turn be transmitted to the parties. Arbitration awards are considered final and binding subsequent to the expiration of the procedural review period.
- The information contained in this brochure has been summarized and provided for your use as a quick reference. For more information on Code of Ethics enforcement procedures or to review the complete Code of Ethics and Arbitration Manual, contact your local board staff.**

## Code of Ethics

NATIONAL ASSOCIATION OF REALTORS®

# Enforcement

It's just one of many services offered by your Association of REALTORS®

grievances  
values  
cooperation  
ethics  
enforcement  
mandatory  
education  
voluntary  
integrity  
awareness  
procedures  
complaint  
arbitration  
request  
understanding  
truth  
professional commitment  
decisions  
appeal

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 NATIONAL ASSOCIATION of REALTORS®

 NATIONAL ASSOCIATION of REALTORS®

## Code of Ethics Enforcement A Member Benefit

The single, most outstanding characteristic that sets REALTOR® apart from other real estate practitioners is the willingness to accept and abide by the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS®. The Code of Ethics, which was first adopted on July 29, 1913, is a living document, responsive in its content to changes in the law and industry. The Code has been revised many times through the years to reflect current developments in professional real estate practice. The term REALTOR® has come to represent competency, honesty, and high integrity. These qualities stem from voluntary adherence to an ideal of moral conduct in real estate business practices.

But even with the best of intentions, planning and preparation, occasional disagreements arise between REALTORS® and/or between REALTORS® and their clients or customers. As civil litigation becomes increasingly costly, time consuming, and burdensome, there has been a trend among private parties to settle disputes and conflicting claims through alternative means.

Your local board of REALTORS® offers its members and their clients and customers a vehicle to economically expedite ethics complaints and/or arbitration requests without going to court. If a monetary dispute arises from a real estate transaction or if you believe a REALTOR® may have acted in an unethical manner, seek a resolution through your local board of REALTORS®. Ethics complaints that are brought before the board give those parties involved an opportunity to be educated about the Code. In addition, REALTORS® are judged by their peers as opposed to other individuals who may be far less familiar with the practices and customs of the real estate industry.

## Code of Ethics Enforcement Frequently Asked Questions

### **What's the difference between an ethics complaint and arbitration request?**

An **ethics** complaint charges that a REALTOR® or REALTOR-ASSOCIATE® has violated an Article(s) of the Code of Ethics. An **arbitration** request involves a dispute over entitlement to a monetary transaction (e.g., a commission).

### **Who can file an ethics complaint?**

Any person, whether a member or not, having reason to believe that a member is in violation of any conduct subject to disciplinary action.

### **Who can file an arbitration request?**

A customer, client, or REALTOR® principal. A REALTOR® nonprincipal can also request arbitration with his current or former REALTOR® principal.

### **Is there a time limit?**

Yes, **ethics** complaints must be filed within one hundred eighty (180) days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence or within one hundred eighty (180) days after the conclusion of the transaction or event, whichever is later; Requests for **arbitration** must be filed within one hundred eighty (180) days after the closing of the transaction, if any, or within one hundred eighty (180) days after the facts constituting the arbitrable matter could have been known in the exercise of reasonable diligence, whichever is later.\*

### **Who should I give the complaint or request to?**

The Association Executive/Secretary of the board/association of REALTORS®.

### **What should be included with the ethics complaint or arbitration request?**

**Ethics** — An ethics complaint form must be completed and filed. In addition, a written statement of the facts (with appropriate documentation, if any) on which the complaint is based must also be included, dated, and signed by the complainant. The appropriate Article(s) as they pertain to the facts in the alleged violation must be cited in the complaint. **Arbitration** — An arbitration request form must be completed and submitted with details of the dispute and the deposit as set by the board (not to exceed \$500, which may be refundable if the requestor is found to be the prevailing party). In addition, include whatever documentation that may help to substantiate your position.

### **Are there certain Articles that can or can't be cited?**

Only Articles 1 through 17 may be the basis of a complaint. The Preamble is aspirational and establishes ideals that a REALTOR® should strive to attain. Because of its subjective nature, the Preamble may not be used as a basis for charges of alleged unethical conduct or as the basis for disciplinary action.

### **Can Standards of Practice be cited in an ethics complaint?**

No. Standards of Practice may be cited only in support of the Article(s) that was allegedly violated.

### **Are there issues or complaints that should not be brought before a board/association of REALTORS®?**

Yes. A charge of violating the law or State real estate regulations is not a matter that would be considered by the board/association of REALTORS®. Also, the board/association is not a court of law where criminal or civil issues are resolved.

### **Is submitting to arbitration mandatory?**

It depends on the circumstances. A REALTOR® may be obligated to arbitrate, or he/she may have a choice as to whether or not to voluntarily participate in an arbitration proceeding conducted by the board/association of REALTORS®.

### **When is arbitration mandatory/voluntary?**

**Mandatory** — When the dispute is between: 1) REALTORS® who are principal brokers\*\* in different firms; 2) clients and REALTOR® principals; **Voluntary** — When the dispute is between: 1) Members in the same firm; 2) a REALTOR®, who is a principal broker, and a non-member principal broker in another firm; 3) customers and REALTOR® principals.

\* If the board's informal dispute resolution processes (e.g., mediation) are invoked, the 180 day filing deadline is suspended.

\*\* "Principal Broker" means...A sole proprietor, partner, corporate officer, majority shareholder, or branch office manager of a real estate firm.

Do You Have  
a Complaint?

Problem with a REALTOR®  
but not sure where to turn?

Ready to take matters  
into your own hands?

Afraid of being buried  
under the paperwork?

Let your local board's  
Code of Ethics enforcement  
program point you  
in the right direction!

## **Before You File an Ethics Complaint**

### **Background**

Boards and associations of REALTORS® are responsible for enforcing the REALTORS® Code of Ethics. The Code of Ethics imposes duties above and in addition to those imposed by law or regulation which apply only to real estate professionals who choose to become REALTORS®.

Many difficulties between real estate professionals (whether REALTORS® or not) result from misunderstanding, miscommunication, or lack of adequate communication. If you have a problem with a real estate professional, you may want to speak with them or with a principal broker in the firm. Open, constructive discussion often resolves questions or differences, eliminating the need for further action.

If, after discussing matters with your real estate professional or a principal broker in that firm, you are still not satisfied, you may want to contact the local board or association of REALTORS®. Many boards and associations have informal dispute resolving processes available to consumers (e.g. ombudsmen, mediation, etc.).

If, after taking these steps, you still feel you have a grievance, you may want to consider filing an ethics complaint. You will want to keep in mind that . . .

- Only REALTORS® and REALTOR-ASSOCIATE®s are subject to the Code of Ethics of the National Association of REALTORS®.
- If the real estate professional (or their broker) you are dealing with is not a REALTOR®, your only recourse may be the state real estate licensing authority or the courts.
- Boards and associations of REALTORS® determine whether the Code of Ethics has been violated, not whether the law or real estate regulations have been broken. Those decisions can only be made by the licensing authorities or the courts.
- Boards of REALTORS® can discipline REALTORS® for violating the Code of Ethics. Typical forms of discipline include attendance at courses and seminars designed to increase REALTORS®' understanding of the ethical duties or other responsibilities of real estate professionals. REALTORS® may also be reprimanded, fined, or their membership can be suspended or terminated for serious or repeated violations. Boards and associations of REALTORS® cannot require REALTORS® to pay money to parties filing ethics complaints; cannot award "punitive damages" for violations of the Code of Ethics; and cannot suspend or revoke a real estate professional's license.
- The primary emphasis of discipline for ethical lapses is educational, to create a heightened awareness of and appreciation for the duties the Code imposes. At the same time, more severe forms of discipline, including fines and suspension and termination of membership may be imposed for serious or repeated violations.



## **Filing an ethics complaint**

The local board or association of REALTORS® can provide you with information on the procedures for filing an ethics complaint. Here are some general principles to keep in mind.

- Ethics complaints must be filed with the local board or association of REALTORS® within one hundred eighty (180) days from the time a complainant knew (or reasonably should have known) that potentially unethical conduct took place (unless the Board's informal dispute resolution processes are invoked in which case the filing deadline will momentarily be suspended).
- The REALTORS® Code of Ethics consists of seventeen (17) Articles. The duties imposed by many of the Articles are explained and illustrated through accompanying Standards of Practice or case interpretations.
- Your complaint should include a narrative description of the circumstances that lead you to believe the Code of Ethics may have been violated.
- Your complaint must cite one or more of the Articles of the Code of Ethics which may have been violated. Hearing panels decide whether the Articles expressly cited in complaints were violated - not whether Standards of Practice or case interpretations were violated.
- The local board or association of REALTORS®' Grievance Committee may provide technical assistance in preparing a complaint in proper form and with proper content.

## **Before the hearing**

- Your complaint will be reviewed by the local board or association's Grievance Committee. Their job is to review complaints to determine if the allegations made, if taken as true, might support a violation of the Article(s) cited in the complaint.
- If the Grievance Committee dismisses your complaint, it does not mean they don't believe you. Rather, it means that they do not feel that your allegations would support a hearing panel's conclusion that the Article(s) cited in your complaint had been violated. You may want to review your complaint to see if you cited an Article appropriate to your allegations.
- If the Grievance Committee forwards your complaint for hearing, that does not mean they have decided the Code of Ethics has been violated. Rather, it means they feel that if what you allege in your complaint is found to have occurred by the hearing panel, that panel may have reason to find that a violation of the Code of Ethics occurred.
- If your complaint is dismissed as not requiring a hearing, you can appeal that dismissal to the board of directors of the local board or association of REALTORS®.

## **Preparing for the hearing**

- Familiarize yourself with the hearing procedures that will be followed. In particular you will want to know about challenging potential panel members, your right to counsel, calling witnesses, and the burdens and standards of proof that apply.

- Complainants have the ultimate responsibility ("burden") of proving that the Code of Ethics has been violated. The standard of proof that must be met is "clear, strong and convincing," defined as, ". . . that measure or degree of proof which will produce a firm belief or conviction as to the allegations sought to be established." Consistent with American jurisprudence, respondents are considered innocent unless proven to have violated the Code of Ethics.
- Be sure that your witnesses and counsel will be available on the day of the hearing. Continuances are a privilege - not a right.
- Be sure you have all the documents and other evidence you need to present your case.
- Organize your presentation in advance. Know what you are going to say and be prepared to demonstrate what happened **and how you believe the Code of Ethics was violated.**

### **At the hearing**

- Appreciate that panel members are unpaid volunteers giving their time as an act of public service. Their objective is to be fair, unbiased, and impartial; to determine, based on the evidence and testimony presented to them, what actually occurred; and then to determine whether the facts as they find them support a finding that the Article(s) charged have been violated.
- Hearing panels cannot conclude that an Article of the Code has been violated unless that Article(s) is specifically cited in the complaint.
- Keep your presentation concise, factual, and to the point. Your task is to demonstrate what happened (or what should have happened but didn't), and how the facts support a violation of the Article(s) charged in the complaint.
- Hearing panels base their decisions on the evidence and testimony presented during the hearing. If you have information relevant to the issue(s) under consideration, be sure to bring it up during your presentation.
- Recognize that different people can witness the same event and have differing recollections about what they saw. The fact that a respondent or their witness recalls things differently doesn't mean they aren't telling the truth as they recall events. It is up to the hearing panel, in the findings of fact that will be part of their decision, to determine what actually happened.
- The hearing panel will pay careful attention to what you say and how you say it. An implausible account doesn't become more believable through repetition or, through volume.
- You are involved in an adversarial process that is, to some degree, unavoidably confrontational. Many violations of the Code of Ethics result from misunderstanding or lack of awareness of ethical duties by otherwise well-meaning, responsible real estate professionals. An ethics complaint has potential to be viewed as an attack on a respondent's integrity and professionalism. For the enforcement process to function properly, it is imperative for all parties, witnesses, and panel members to maintain appropriate decorum.

### **After the hearing**

- When you receive the hearing panel's decision, review it carefully.
- Findings of fact are the conclusions of impartial panel members based on their reasoned assessment of all of the evidence and testimony presented during the hearing. Findings of fact are not appealable.
- If you believe the hearing process was seriously flawed to the extent you were denied a full and fair hearing, there are appellate procedures that can be involved. The fact that a hearing panel found no violation is not appealable.
- Refer to the procedures used by the local board or association of REALTORS® for detailed information on the bases and time limits for appealing decisions or requesting a rehearing. Rehearings are generally granted only when newly discovered evidence comes to light (a) which could not reasonably have been discovered and produced at the original hearing and (b) which might have had a bearing on the hearing panel's decision. Appeals brought by ethics respondents must be based on (a) a perceived misapplication or misinterpretation of one or more Articles of the Code of Ethics, (b) a procedural deficiency or failure of due process, or (c) the nature or gravity of the discipline proposed by the hearing panel. Appeals brought by ethics complainants are limited to procedural deficiencies or failures of due process that may have prevented a full and fair hearing.

### **Conclusion**

- Many ethics complaints result from misunderstanding or a failure in communication. Before filing an ethics complaint, make reasonable efforts to communicate with your real estate professional or a principal broker in the firm. If these efforts are not fruitful, the local board or association of REALTORS® can give you the procedures and forms necessary to file an ethics complaint.

# REALTORS® and **UNAUTHC** Access to Properties

By Rebecca Carraher, Professional Standards Coordinator, Illinois REALTORS®



The most common complaint being filed through the Illinois REALTORS® Ethics Citation Program involves REALTORS® gaining or giving unauthorized access to properties. These types of violations of the Code of Ethics are addressed in Article 1, Standard of Practice 1-16 and Article 3, Standard of Practice 3-9.

Standard of Practice 1-16 states, “REALTORS® shall not access or use, or permit or enable others to access or use, listed or managed property on terms or conditions other than those authorized by the owner or seller.”

Standard of Practice 3-9 states, “REALTORS® shall not provide access to listed property on terms other than those established by the owner or the listing broker.”

- ▶ Anyone that enters a listed property needs authority from the seller *and* the listing broker
- ▶ Even if a property is unoccupied, do not enter without authorization
- ▶ Follow the showing instructions to receive permission to enter the property
- ▶ Get authorization in writing, if possible
- ▶ Retain a copy of the authorization to protect yourself if a complaint is filed
- ▶ Generally speaking, a buyer’s REALTOR® should not allow a buyer to enter a property unaccompanied
- ▶ Be responsible for everyone you allow to enter the property
- ▶ Follow the rules and regulations governing the use of the lockbox
- ▶ Allowing any unauthorized user

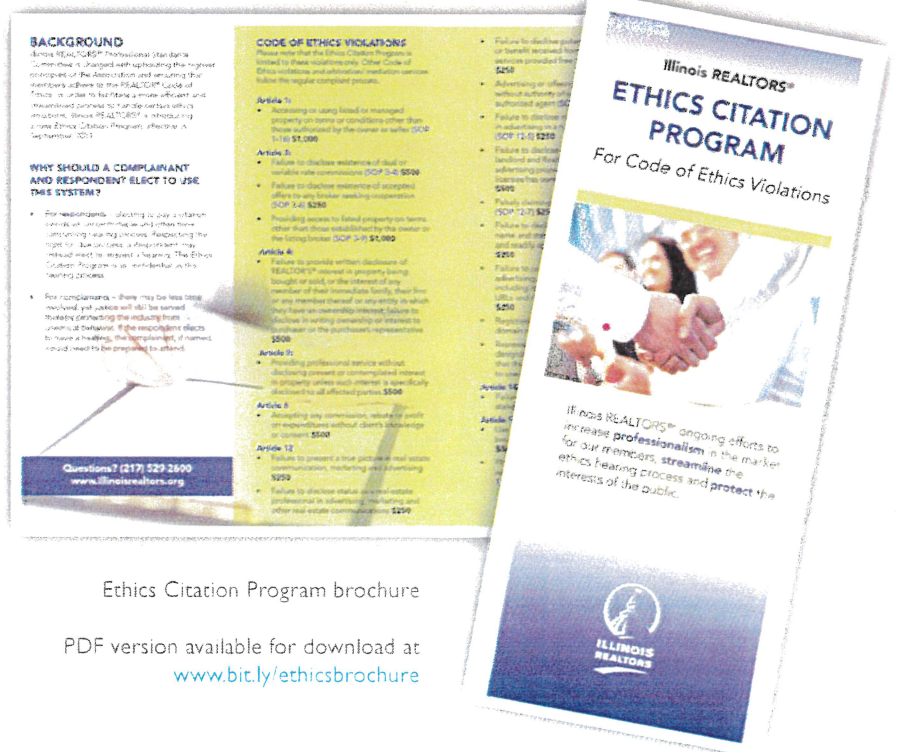
access to a lockbox, whether a member of the public or another broker, is a violation of lockbox rules

- ▶ Don’t remove keys from a lockbox and take them to the closing unless you have written permission and direction to do so
- ▶ The fine through the Illinois REALTORS® Ethics Citation Program for unauthorized access is \$1,000
- ▶ For more information on the Illinois REALTORS® Ethics Citation Program go to [www.IllinoisRealtors.org/Disputes](http://www.IllinoisRealtors.org/Disputes)

## At a Glance: Illinois REALTORS® Ethics Citation Program

### HOW IT WORKS:

1. If a filing is found to meet the program’s standards, a Citation Panel will review the case. If the Citation Panel believes a violation has occurred, a citation will be issued to the Respondent, along with a set fine.
2. The Respondent has the opportunity to pay the fine within 30 days or request a hearing before an Ethics Hearing Panel. Fines range from \$250 to \$1,000, depending on the nature and severity of the violation.
3. If a hearing is requested by the Respondent, the complaint will be sent to the Grievance Committee for review.



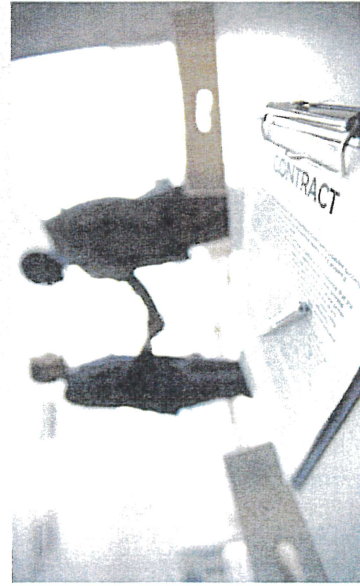
Ethics Citation Program brochure

PDF version available for download at [www.bit.ly/ethicsbrochure](http://www.bit.ly/ethicsbrochure)

Filing an ethics complaint against a REALTOR® is a time-consuming process. With the Ethics Citation Program, respondents can elect to avoid the lengthy hearing process when a REALTOR® or a member of the public files a complaint against them.

### HOW THE ETHICS CITATION PROGRAM WORKS

- A REALTOR® or a member of the public would file a complaint using the appropriate form. (Anonymous complaints are allowed.)
- If the Citation Panel determines that the Article(s) cited in the complaint are eligible for the Ethics Citation Program, and if there is sufficient evidence provided to prove a violation has occurred, the Respondent will be notified and given thirty (30) days to elect to pay the citation or request an ethics hearing.
- If the respondent agrees to the Ethics Citation Program, he/she would pay the standard pre-set fine associated with the Article(s) cited in the complaint.



### TO FILE A COMPLAINT:

Contact the Illinois Association of REALTORS® at 217/529-2600 or visit [www.illinoisrealtor.org](http://www.illinoisrealtor.org) to obtain a copy of the appropriate complaint forms.

Illinois Association of REALTORS®

## ETHICS CITATION PROGRAM

For Code of Ethics Violations



IAR's ongoing efforts to increase professionalism in the market for our members, streamline the ethics hearing process and protect the interests of the public.



Illinois Association of REALTORS®  
522 South 5th Street  
Springfield, Illinois 62701  
217/529-2600  
[illinoisrealtor.org](http://illinoisrealtor.org)



## BACKGROUND

IAR's Professional Standards Committee is charged with upholding the highest principles of the Association and ensuring that members adhere to the REALTOR® Code of Ethics. In order to facilitate a more efficient and streamlined process to handle certain ethics violations, IAR is introducing a new Ethics Citation Program, effective in September, 2014.

## WHY SHOULD A COMPLAINANT AND RESPONDENT ELECT TO USE THIS SYSTEM?

- For respondents – electing to pay a citation avoids an uncomfortable and often time-consuming hearing process. Respecting the right for due process, a Respondent may instead elect to request a hearing. The Ethics Citation Program is as confidential as the hearing process.
- For complainants – there may be less time involved, yet justice will still be served there-by protecting the industry from unethical behavior. If the respondent elects to have a hearing, the complainant, if named, would need to be prepared to attend.

## CODE OF ETHICS VIOLATIONS –

Please note that the Ethics Citation Program is limited to these violations only. Other Code of Ethics violations and arbitration/mediation services follow the regular complaint process.

### Article 1:

- Accessing or using listed or managed property on terms or conditions other than those authorized by the owner or seller (SOP 1-16) **\$1,000**

### Article 3:

- Failure to disclose existence of dual or variable rate commissions (SOP 3-4) **\$500**
- Failure to disclose existence of accepted offers to any broker seeking cooperation (SOP 3-6) **\$250**
- Providing access to listed property on terms other than those established by the owner or the listing broker (SOP 3-9) **\$1,000**

### Article 4:

- Failure to provide written disclosure of Realtor's® interest in property being bought or sold **\$500**

### Article 5:

- Providing professional service without disclosing interest in property **\$500**

### Article 6

- Accepting any commission, rebate or profit on expenditures without client's knowledge or consent **\$500**

### Article 12

- Failure to present a true picture in real estate communication, marketing and advertising **\$250**
- Failure to disclose status as a real estate professional in advertising, marketing and other real estate communications **\$250**
- Failure to disclose potential compensation or benefit received from a third party for services provided free to a client (SOP 12-2) **\$250**

- Advertising or offering to sell/lease property without authority of owner or owner's authorized agent (SOP 12-4) **\$500**
  - Failure to disclose name of real estate firm in advertising in a readily apparent manner (SOP 12-5) **\$250**
  - Failure to disclose status of both owner/landlord and Realtor® or licensee when advertising property in which Realtor® or licensee has ownership interest (SOP 12-6) **\$500**
  - Falsely claiming to have "sold" property (SOP 12-7) **\$250**
  - Failure to disclose on a website the firm's name and state of licensure in a reasonable and readily apparent manner (SOP 12-9) **\$250**
  - Failure to present a true picture in advertising and representations to the public including Internet content posted and the URLs and domain names used. (SOP 12-10) **\$250**
  - Registration or use of deceptive URL or domain name (SOP 12-12) **\$500**
  - Representing that the Realtor® has a designation, certification or other credential that the Realtor® is not legitimately entitled to use (SOP 12-13) **\$500**
- Article 14**
- Failure to cooperate in any professional standards proceeding or investigation **\$500**
- Article 16**
- Use of terms of an offer to modify listing broker's offer of compensation (SOP 16-16) **\$500**
  - Placement of for sale/lease sign on property without permission of seller/landlord (SOP 16-19) **\$250**

Questions? 217/529-2600  
[www.illinoisrealtor.org](http://www.illinoisrealtor.org)



## SUBMIT A GRIEVANCE TO EBOR

- Fill out the Ethics Complaint Form #E-1
- Letter detailing explaining complaint & resolution you are seeking
- Supporting Documentation
- Mail to: Egyptian Board of REALTORS®  
1306 N. Atchison Ave, Suite A  
Marion, IL 62959

**Form #E-1**

Board or State Association

Address

City

State

Zip

**Ethics Complaint**

To the Grievance Committee of the

Board or State Association

Filed \_\_\_\_\_, 20\_\_\_\_

Complainant(s)

Respondent(s)

Complainant(s) charge(s):

An alleged violation of Article(s) \_\_\_\_\_ of the Code of Ethics and/or other membership duty as set forth in the bylaws of the Board in \_\_\_\_\_ and alleges that the above charge(s)

Article, Section

(is/are) supported by the attached statement, which is signed and dated by the complainant(s) and which explains when the alleged violation(s) occurred and, if a different date, when the complainant(s) first knew about the alleged violations.

This complaint is true and correct to the best knowledge and belief of the undersigned and is filed within one hundred eighty (180) days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence or within one hundred eighty (180) days after the conclusion of the transaction, or event, whichever is later.

Date(s) alleged violation(s) took place: \_\_\_\_\_

Date(s) you became aware of the facts on which the alleged violation(s) (is/are) based: \_\_\_\_\_

I (we) declare that to the best of my (our) knowledge and belief, my (our) allegations in this complaint are true.

Are the circumstances giving rise to this ethics complaint involved in civil or criminal litigation or in any proceeding before the state real estate licensing authority or any other state or federal regulatory or administrative agency?

Yes  No

You may file an ethics complaint in any jurisdiction where a REALTOR® is a member or MLS participant. Note that the REALTORS® Code of Ethics, Standard of Practice 14-1 provides, in relevant part, "REALTORS® shall not be subject to disciplinary proceeding in more than one Board of REALTORS® . . . with respect to alleged violations of the Code of Ethics relating to the same transaction or event."

Have you filed, or do you intend to file, a similar or related complaint with another Association(s) of REALTORS®?

Yes  No

If so, name of other Association(s): \_\_\_\_\_ Date(s) filed: \_\_\_\_\_

I understand that should the Grievance Committee dismiss this ethics complaint in part or in total, that I have twenty (20) days from transmittal of the dismissal notice to appeal the dismissal to the Board of Directors.

Complainant(s):

\_\_\_\_\_  
Type/Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Type/Print Name

\_\_\_\_\_  
Signature

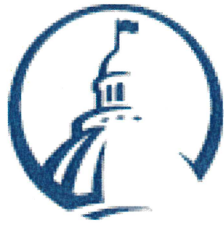
\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Email

(Revised 11/15)





**ILLINOIS  
REALTORS®**

## SUBMIT A GRIEVANCE TO ILLINOIS REALTORS®

- Fill out the Consumer Services Inquiry Form & Required Documents
- Letter detailing explaining complaint
- Supporting Documentation
- Mail to: Illinois Department of Financial and Professional Regulation – Division of Real Estate  
100 West Randolph Street, 9<sup>th</sup> Floor  
Chicago, Illinois 60601



# CONSUMER SERVICES INQUIRY FORM • Real Estate

ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION  
 Division of Real Estate  
 100 West Randolph Street, 9<sup>th</sup> Floor  
 Chicago, Illinois 60601

1. It is important that ALL information requested be provided.
2. Please type or print clearly in dark ink.
3. Please attach a letter explaining your complaint in detail to this form.
4. Please attach photocopies of any papers or documents involved. DO NOT SEND ORIGINALS.
5. Please read carefully all the information on page 2 of this form.

### TRANSACTION INFORMATION:

<b>COMPLAINANT: CONSUMER / LICENSEE (CIRCLE ONE)</b>			<b>Date of Transaction:</b>	
Date	Daytime Telephone Number (    )		Property Address	
Your Name(s)	Work Telephone Number (    )		City, State, Zip	
Your Current Address	FAX (    )		Seller's Name:	
			Seller's Phone No: (    )	
City	State	Zip Code	Seller's Attorney's Name:	
			Attorney's Phone No. (    )	
<b>COMPLAINT AGAINST: BROKER OR SALESPERSON (CIRCLE ONE)</b>				
Name of Real Estate Broker/Salesperson	Telephone Number (    )		Buyer's Name	
Name of Company if different	Company Telephone Number (    )		Buyer's Address	
Street Address	Email Address		Buyer's Phone Number (    )	
City	State	Zip Code	Buyer's Attorney's Name:	
			Attorney's Phone No. (    )	

Return completed form with documentation to: **Illinois Department of Financial and Professional Regulation**  
 Division of Real Estate  
 Attention: Real Estate Complaint  
 100 West Randolph Street, 9<sup>th</sup> Floor  
 Chicago, IL 60601

IL505-0471 (Rev 06/14)      FAX: 217-557-8471      TDD: 312-793-0291      Consumer Hotline: 312-793-8724

## REQUIRED DOCUMENTS

In Order to determine if your complaint is within the jurisdiction of this Agency:

Please complete this Form and attach the required Documents;

This will help us to better serve you.

---

### COMPLETE ALL STEPS:

- A) Complete this form
- B) Attach required documents  
(note: not all questions will apply to your complaint)
- C) MAIL or FAX with the completed Complaint Form

PLEASE READ and ANSWER ALL of the FOLLOWING ITEMS

The following questions must be answered prior to DBRE review.

- 1) A Copy of the representation (Advertisement and/or MLS sheet):  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 2) Was the respondent representing the seller or buyer in the transaction for the property involved?  
Seller \_\_\_\_\_ Buyer \_\_\_\_\_ How do you know this? \_\_\_\_\_  
Supporting Documents:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 3) Copy of Listing Agreement:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 4) Did the other party in the transaction sign a release for the earnest money?  
Yes \_\_\_\_\_ No \_\_\_\_\_ How do you know this? \_\_\_\_\_  
Supporting Documents:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 5) Copy of Offer (IF DID NOT GO TO CONTRACT):  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 6) Copy of the Contract with all riders to contract:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 7) Copy of the Settlement Statement (HUD – 1 Form):  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_

- 8) Copy of face and back of processed escrow money check:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 9) Copy of receipt for escrow money:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 10) Copy of Home Inspection report and who paid for the home inspection?  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 11) Did the other party in the transaction sign a release for the earnest money?  
Yes \_\_\_\_\_ No \_\_\_\_\_ How do you know this? \_\_\_\_\_  
Supporting Documents:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 12) Documentation of the damages/problem existing before the deal closed:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 13) Documentation that establish the respondent was aware of these damages before the deal closed:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 14) Documentation you were told what repairs would be made:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_
- 15) Documentation that the repairs were never completed as stated:  
Don't have \_\_\_\_\_ will get and send \_\_\_\_\_ ATTACHED \_\_\_\_\_