



## **Summary of Ethics Citation Program**

### **Citation Policy**

Missouri REALTORS® ("MR") adopted an Ethics Citation Policy (the "Citation Policy"), including a Schedule of Citable Offenses and Fines ("Citation Schedule"), effective 1/22/2016. A copy of the entire Citation Policy is available at <http://www.missourirealtor.org/riskmanagement/professionalstandards>. One benefit of this process (the "Citation Program") is that it may serve to avoid the hearing process, which is often time-consuming and confrontational for the parties involved.

The process works somewhat like a traffic ticket. There are set fines (and in some cases, education requirements) for certain violations of the National Association of REALTORS® ("NAR") Code of Ethics. A REALTOR® can either accept a citation (or challenge it and have his/her "day in court"). The current Citation Schedule is attached.

### **Filing a complaint under the Citation Policy**

- The Citation Program is limited to specific violations of the NAR Code of Ethics. Ethics complaints which include allegations outside the Articles and Standards of Practice listed on the Schedule, or which are deemed to be sufficiently egregious to warrant a hearing, will be handled through the regular hearing process.
- If you are a REALTOR® or member of the public, you will file a complaint in the customary manner, using the attached complaint forms (E-1 and MO E-1). The process is confidential, just like the regular hearing process, but it does not allow you to remain anonymous.
- As always, your complaint will first be reviewed by a panel of the MR Statewide Grievance Committee. If the Grievance Committee decides that the violation(s) alleged in a complaint make the case eligible for a hearing, it will be forwarded to the Citation Committee to determine its eligibility for the Citation Program. If it is, the Respondent will be issued a "Citation" and provided with a copy of your Complaint and all evidence submitted. You will also be notified that a Citation has been issued. The Respondent will then have twenty (20) days to either participate in the Citation Program (*i.e.*, accept the Citation), or request a full hearing on the alleged ethical violation(s).
- If the Respondent accepts the Citation (or fails to timely request a hearing) (s)he will be required to pay the Scheduled fine associated with each alleged violation, and attend any required education course. You will be notified that a Citation has been paid once MR has received payment.

- If the Respondent requests a hearing, you will need to be available to present your case before the MR Statewide Professional Standards Committee. You will receive notice from MR regarding the hearing date and procedures. If you refuse or are unable to participate in the hearing, the provisions of Section 21(f)(3) in the *NAR Code of Ethics and Arbitration Manual* shall apply.

## **Limitations on Citations Issued**

A REALTOR® is also limited in the number and type of Citations that (s)he may receive, according to the following rules:

- No more than two (2) Citations will be issued to a member within a consecutive twelve (12) month period, starting on the date the first complaint was filed, at the same association.
- No more than three (3) Citations will be issued to a member within a consecutive thirty-six (36) month period, starting on the date the first complaint was filed, at the same association.
- No additional Citation is permitted where the cumulative fine for Citations issued would be more than \$5,000 in any three (3) year period at the same association.
- If any of the above circumstances are present, then your Complaint will be referred for a hearing in the customary manner.

If you have questions about the Citation Program, email Kim Moriarity at [kim@morealtor.com](mailto:kim@morealtor.com) or call 573-445-8400, ext. 1180.

### **Return completed Complaint form to:**

Missouri REALTORS®  
Attn: Professional Standards  
2005 W. Broadway, Suite 210  
Columbia, MO 65203.

**Missouri REALTORS® Citation Policy**  
**Schedule of Citable Offenses & Fines (effective 1/22/16)**

	<b>Applicable Article and Standard of Practice</b>	<b>Fine<sup>1</sup></b>	<b>Ethics Training in addition to fine<sup>2</sup></b>
<b>Article 3</b>			
Failure to communicate a change in compensation for cooperative services prior to the time that REALTOR® submits an offer to purchase/lease the property	Article 3, supported by Standard of Practice 3-2	1st violation \$300 2nd violation \$900 3rd violation \$2700	2 <sup>nd</sup> and 3 <sup>rd</sup> violations only – required to attend a live Code of Ethics course that meets or exceeds the NAR Code of Ethics Training Requirement for New or Existing Members.
As a listing broker, attempting to unilaterally modify the offered compensation with respect to a cooperative transaction after a REALTOR® has submitted an offer to purchase or lease that property	Article 3, supported by Standard of Practice 3-2		
Failing to disclose existence of dual or variable rate commission arrangements	Article 3, supported by Standard of Practice 3-4		
Failure to disclose to cooperating brokers differential that would result in dual or variable rate commission arrangement if sale/lease results through efforts of seller/landlord	Article 3, supported by Standard of Practice 3-4		
Failing to disclose existence of accepted offers, including offers with unresolved contingencies, to cooperating brokers	Article 3, supported by Standard of Practice 3-6		
Misrepresenting the availability of access to show or inspect a listed property	Article 3, supported by Standard of Practice 3-8		
Providing access to listed property on terms other than those established by the owner or the listing broker	Article 3, supported by Standard of Practice 3-9		

<sup>1</sup> Fine Amounts specified equally apply to all violations of Articles and Standards of Practice referenced herein.

<sup>2</sup> Any specific course required (and time to complete the same) shall be as specified by the Citation Panel.

	<b>Applicable Article and Standard of Practice</b>	<b>Fine<sup>1</sup></b>	<b>Ethics Training in addition to fine<sup>2</sup></b>
<b>Article 4</b>			
Failing to disclose REALTOR®'s ownership or other interest in writing to the purchaser or their representative	Article 4 (second sentence)		
<b>Article 5</b>			
Providing professional services without disclosing REALTOR®'s present interest in property	Article 5 (limited to present interest, not contemplated)		
<b>Article 6</b>			
Accepting any commission, rebate, or profit on expenditures without client's knowledge or consent	Article 6 (first paragraph)		
<b>Article 12</b>			
Failing to present a true picture in real estate communications and advertising	Article 12		
Failing to disclose status as real estate professional in advertising and other representations	Article 12		
Failure to provide all terms governing availability of a "free" product or service in an advertisement or other representation	Article 12, supported by Standard of Practice 12-1		
Failure to disclose potential to obtain a benefit from third party when REALTOR® represents their services as "free" or without cost	Article 12, supported by Standard of Practice 12-2		
Advertising property for sale/lease without authority of owner or listing broker	Article 12, supported by Standard of Practice 12-4		
Failing to disclose name of firm in advertisement for listed property	Article 12, supported by Standard of Practice 12-5		
Failing to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership interest	Article 12, supported by Standard of Practice 12-6		

	<b>Applicable Article and Standard of Practice</b>	<b>Fine<sup>1</sup></b>	<b>Ethics Training in addition to fine<sup>2</sup></b>
Falsely claiming to have “sold” property	Article 12, supported by Standard of Practice 12-7		
Failure to take corrective action when it becomes apparent that information on a REALTOR®’s website is no longer current or accurate	Article 12, supported by second sentence of Standard of Practice 12-8		
Failure to disclose firm name and state of licensure on REALTOR® firm website	Article 12, supported by Standard of Practice 12-9		
Misleading consumers through deceptive framing, manipulating content, deceptively diverting internet traffic, or presenting other’s content without attribution or permission	Article 12, supported by Standard of Practice 12-10		
Registering or using of deceptive URL or domain name	Article 12, supported by Standard of Practice 12-12		
Representing that the REALTOR® has a designation, certification, or other credential they are not entitled to use	Article 12, supported by Standard of Practice 12-13		
<b>Article 14</b>			
Failing to cooperate in a professional standards proceeding or investigation in circumstances when cooperation has been demanded by the association and association has advised REALTOR® failure to cooperate could result in an allegation of a violation of Article 14	Article 14		
<b>Article 16</b>			
Conditioning submission of a buyer’s offer on additional compensation from a listing broker	Article 16, supported by Standard of Practice 16-16		
Placing for sale/lease sign on property without permission of seller/landlord	Article 16, supported by Standard of Practice 16-19		