

In matters of alleged unethical conduct Arkansas REALTORS® Association

Citation Policy

The Arkansas Realtors Association Board of Directors voted to participate in the Citation Policy and Citation Schedule under the rules and guidelines set forth by the National Association of Realtors and shall become effective January 1, 2016. This policy will allow for fines to be set for specific violations and allow the Respondent the opportunity accept and pay the fine and avoid a Formal Ethics Hearing.

To be eligible to qualify for the citation policy the violation must meet the following criteria:

1. It must contain a violation of Articles 1, 3, 4, 5, 6, 14 and 16. Provided the complaint does not also include articles which are not included in the Citation Policy.
2. The complaint must be filed within 180 days of the alleged event and must provide documentation of when the event occurred.
3. The Realtor receiving the complaint is limited to no more than 2 citations within a consecutive 12 month period, starting on the date the first complaint was filed.
4. The Realtor receiving the complaint shall have no more than 3 citations issued over a 36 month period, starting on the date the first complaint was filed.
5. No additional citations are permitted where the cumulative fine for the citations issued would be more than \$2400 in any 3 year period.

The ARA staff liaison will select a pool of individuals from the Professional Standards Committee who have a high level of experience in hearing professional standards cases to serve on the Citation Panel.

There will be a panel of 3 from this pool who will review various complaints to determine eligibility for the citation program.

The panel shall meet as necessary, and may consider one or multiple cases at a time.

All information learned by Participants involved in the Citation Policy agree to adhere to NAR Code of Ethics and Arbitration manual by keeping all information confidential.

Initial Review by Grievance Committee and Citation Panel:

1. When the Grievance Committee receives a written ethics complaint, it will review the complaint consistent with sections 19 and 20 of the current NAR Code of Ethics and Arbitration Manual. The Grievance Committee may add or delete articles or respondents at this stage in the proceedings.

2. If the Grievance Committee determines that the complaint should be forwarded for a hearing, the Grievance committee will first forward the complaint to the Associations Citation Panel to determine if it is a citable offense.
3. If the complaint includes only allegations of violations included in the Citation Schedule, the Citation Panel will issue a citation consistent with the Citation Schedule listed below.
4. In the event the members of the Panel determine the conduct described in the complaint is sufficiently egregious to warrant a hearing rather than a citation, the complaint shall be referred to the Professional Standards Committee for a hearing consistent with the policies and procedures set forth in the Code of Ethics and Arbitration Manual for ethics hearings.

Issuance of Citations

Citations will be given to Respondent. A copy of the citation will also be sent to the Realtor principal of the respondent's office. If the respondent changes firms before or after the complaint is filed but before the citation is issued, both the former and current Realtor principal will receive a copy of the citation.

(Notice is deemed given, served, or filed when handed to a party, mailed to a party, or sent to a party via email.)

Staff will prepare a written summary of the complaint that will be included with the citation to give to the respondent sufficient information to understand the basis of the citation.

A copy of this Citation Policy shall be included in the packet so that the Respondent understands his options and obligations regarding the Citation Policy adopted by the ARA.

Options of the Respondent

The respondent will have 15 days from the transmission of the citation to elect to accept the citation and timely abide by the sanctions outlined in the citation or to request a full hearing on the complaint.

1. If the Respondent accepts the citation, or does not request a hearing within the 15 days of transmission, this shall be deemed to be a final resolution of the complaint, which shall not be appealable or subject to any further review.
2. If the respondent accepts the citation, payment must be received by the association no later than 15 days after the date of acceptance or time period to request a hearing has elapsed.
3. The case will be deemed to be closed upon receipt of payment, and notice will be provided to the complainant that a citation has been issued and paid. The notice will include the amount paid as well as any additional education that was required by the Citation Panel. It will not include any information regarding multiple offenses as that information is deemed confidential.

Failure to pay the citation within 15 days after the acceptance or after the time period to request a hearing has expired will result in the automatic suspension of membership until the citation has been paid.

If the respondent requests a hearing within the time specified, the complaint shall be referred for a hearing. The complainant who initially filed the complaint shall be given the option to proceed as the complainant for the purposes of the hearing, and will be afforded all due process rights provided for in the Code of Ethics and Arbitration Manual. Should the complainant be a member of the public who refuses or is unable to participate in the hearing, or should the complainant be a Realtor member who refuses or is unable to participate in the hearing, the provisions of Section 21(f)(3) in the Nar Code of Ethics and Arbitration Manual shall apply.

Citation Schedule

The fine will be the same whether one article has been cited or whether several Articles (under the citation program) have been cited on the complaint (i.e., there will be no increase in fine because more than one article has been cited.

First offense-\$400

Second Offense- \$800

Third Offense-\$1200

Panel Members have at their discretion to also require that:

Respondent complete additional education along with the citation with the following requirements _____ (i.e. Ethics class, Buyer Agency class etc...) and shall be completed within _____ days of the citation. Failure to complete education requirement within the allotted time will result in the automatic suspension of membership privileges.

Limitations of the Citation Policy (Verbatim NAR)

1. The fact that a respondent has previously been issued a citation for any violation-whether it was or not paid-shall not be admissible in any ethics or arbitration hearing, including a hearing to consider a complaint where the respondent rejected a citation and requested a hearing. A hearing panel may consider citations previously issued to the respondent for the purpose of determining appropriate discipline as provided in section 3 below.
2. Citations will not be considered in any publication of violations should such rules be adopted by the association.
3. Where a hearing panel finds a violation of the Code of Ethics after a hearing, it may consider past citations in determining an appropriate sanction only if the citation was issued for failure to disclose a dual or variable rate commission under Standard of Practice 3-4, that citation could

not be considered if a hearing panel later found a violation of Article 3 on some other grounds. Hearing panels will not be informed of past citations for other violations.

4. Association staff will track the number of citations issued, the number of citations paid and the violations for which citations were issued. This information may be provided in the aggregate to the Board of Directors, but will not include details about the complaints, nor identify the complainants or respondents.