

2016 KCRAR Citation Program
Approved by KCRAR Board of Directors on May 21, 2015

Purpose of the Citation Program: The Citation Program is an optional Professional Standards Program approved by the National Association of REALTORS® (NAR) to assist Local Associations in streamlining the Professional Standards Process on specific approved Articles of the NAR Code of Ethics.

List of Approved NAR Code of Ethics Articles included in the Citation Schedule adopted by the KCRAR Board of Directors for the KCRAR Citation Program:

1. Article 1, supported by SOP 1-16 – Accessing or using, or allowing others to access or use, a property managed or listed on terms other than those authorized by the owner or seller
2. Article 3, supported by SOP 3-2 – Failure to communicate a change in compensation for cooperative services prior to the time that REALTOR® submits an offer to purchase/lease the property
3. Article 3, supported by SOP 3-2 – 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
4. Article 3, supported by SOP 3-4 – Failing to disclose existence of dual or variable rate commission arrangements
5. Article 3, supported by SOP 3-8 – Misrepresenting the availability of access to show or inspect a listed policy
6. Article 3, supported by SOP 3-9 – Providing access to listed property on terms other than those established by the owner or the seller
7. Article 4 – second sentence – Failing to disclose REALTOR®'s ownership or other interest in writing to the purchaser or their representative
8. Article 5 (limited to present interest, not contemplated) – Providing professional services without disclosing REALTOR®'s present interest in property
9. Article 6 (first paragraph) – Accepting any commission, rebate, or profit on expenditures without client's knowledge or consent
10. Article 6 (second paragraph) – Failure to disclose to a client or customer REALTOR®'s financial benefits or fees received as a direct result of recommending real estate products or services
11. Article 6 supported by SOP 6-1 – Failure to disclose REALTOR®'s direct interest in an organization or business entity when recommending to a client or customer that they use the services of that organization or business entity
12. Article 12 – Failure to present a true picture in real estate communications and advertising
13. Article 12 – Failure to disclose status as real estate professional in advertising and other representations
14. Article 12, supported by SOP 12-4 – Advertising property for sale/lease without authority of owner or listing broker
15. Article 12, supported by SOP 12-5 – Failing to disclose name of firm in advertisement for listing property
16. Article 12, supported by SOP 12-6 – Failing to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership
17. Article 12, supported by SOP 12-7 – Falsely claiming to have "sold" property

18. Article 12, supported by SOP 12-10 – Misleading consumers through deceptive framing, manipulating content, deceptively diverting internet traffic, or attribution or permission
19. Article 12, supported by SOP 12-13 – Representing that the REALTOR® has a designation, certification, or other credential they are not entitled to use
20. Article 16, supported by SOP 16-16 – Conditioning submission of a buyer's offer on additional compensation from a listing broker
21. Article 16, supported by SOP 16-19 – Placing for sale/lease sign on property without permission of seller/landlord

Fines/penalties adopted by the KCRAR Board of Directors for the Citation Program if Member found in violation:

- Only one fine per complaint regardless of the number of SOPs cited
- \$250 fine for first offense, to be paid within 30 days of citation date
- \$500 fine for second offense on previously cited Articles or SOPs, to be paid within 30 days of citation date. Additionally, Respondent will be required to complete a "live" Code of Ethics Course
- \$1,000 fine for third offense on previously cited Articles or SOPs, to be paid within 30 days of citation date. Additionally, Respondent will be required to complete a "live" Code of Ethics Course
- NAR Policy regarding repeated violations is: a) No more than 2 citations will be issued to a member within a consecutive 12 month period, starting on the date the first complaint was filed, at the same association; b) no more than 3 citations will be issued to a member within a consecutive 36 month period, starting on the date the first complaint was filed, at the same association; c) No additional citations are permitted where the cumulative fine for the citations issued would be more than \$5,000 in any 3 year period at the same association; and d) With the adoption of the escalating fine schedule for repeat citations the Citation Panel may only consider the past citations for the particular conduct alleged in the complaint.

Additional Information pertaining to the Citation Program:

- Complaints will go directly to the Citation Panel first, and then if appealed or found to be egregious, sent to the Grievance Committee
- KCRAR adopted the policy to not accept anonymous complaints relating to the Citation Program
- Respondent will have the right to appeal the citation; which will then result in a full Professional Standards Ethic Hearing.
- To submit a complaint to be considered by the Citation Panel – Complainant would complete the normal Ethic Complainant Form E-1 located on the KCRAR Website at the following link and return to KCRAR attention Debbie Strange:
<http://www.kcrar.com/code-of-ethics-and-complaints>

Staff Liaison for Program:

Debbie Strange, e-PRO®, RCE,
KCRAR Executive Assistant/Professional Standards Manager
11150 Overbrook Rd., Leawood, KS 66211
913-266-5925 (Direct #)