

## **Virginia REALTORS® Citation Policy**

1. The Complaint is forwarded to the Grievance Committee. The Grievance Committee will review the Complaint and decide whether conduct is subject to citation:
  - A. Assuming the allegations on the face of the complaint are true, is there a potential violation of the Code of Ethics?
  - B. Assuming there is a potential violation of the Code of Ethics, is the conduct the type that is prohibited by the Citation Schedule that has been adopted by the association, i.e. a citable offense?
    - 1) If a citable offense then the Complaint and the attached citation is sent to violator, with copy to his Designated Realtor
    - 2) If there are allegations of more than one violation of the Code of Ethics and not all are citable offenses, then this Citation System is not applicable and the Grievance Committee will proceed in accordance with Section 20 of the NAR *Code of Ethics and Arbitration Manual*
  - C. If conduct is not eligible for citation, but possible violation of the Code of Ethics is alleged the matter will be sent forward for an ethics hearing according to Section 20 of the NAR *Code of Ethics and Arbitration Manual*.
  - D. If no possible violation is alleged, the Complaint will be dismissed according to the NAR *Code of Ethics and Arbitration Manual*.
2. In the event the Grievance Committee found the conduct to be a citable offense, the violator has ten (10) days upon receipt of the citation to elect one of the following options:
  - A. Comply with the citation:
    - 1) Pay the assessed fine pursuant to the schedule of fines is established in advance by the Association and attached hereto. (Citation Schedule)
    - 2) In the event that the Grievance Committee requires the violator attend an Ethics Class, the violator must complete the required Ethics Class within the time frame set forth.
    - 3) In the event that the Grievance Committee requires both the payment of a fine and attendance at an Ethics Class, the Grievance Committee may, at its option, allow the fine to be reimbursed in full, or in part, upon completion of the required Ethics Class within the time frame set forth.
  - B. Contest the citation and elect to proceed to a hearing in accordance with the NAR *Code of Ethics and Arbitration Manual*. At the option of the Association, if the violator elects to proceed to a hearing then the Complaint is returned to the Grievance Committee for further scrutiny and possible amendment according to the procedures set for by the NAR *Code of Ethics and Arbitration Manual*.

3. The citation will be kept in the violator's local association file only for purposes of keeping track of the number of citations within a three (3) year period and shall not be used to possibly increase discipline at a future, unrelated ethics hearing. Only three (3) citations in a three (3) year period may be issued to the same violator. When the number of citation limit is reached, no further citation can be issued to that violator and all alleged violations must go through the procedures established by the NAR *Code of Ethics and Arbitration Manual*.
4. Failure to respond to the citation within ten (10) days of receipt will result in a warning letter that the matter will be forwarded for a hearing if no response is received within the following ten (10) days.
5. Failure to respond to the citation with twenty (20) days from the date of citation automatically results in an ethics hearing in accordance with the NAR *Code of Ethics and Arbitration Manual* with all its allowable sanctions.
6. Citations:
  - A. Amount of fine for citable offense:
    - 1) Fines may not exceed maximum allowable by the NAR *Code of Ethics and Arbitration Manual*.
    - 2) The Association may adopt, at its option, graduated fines for multiple violations. NAR recommends the use of graduated fines. The Association is encouraged to review Appendix VII to Part Four NAR *Code of Ethics and Arbitration Manual*.
    - 3) The Association may elect to mandate ethics training as an alternative to paying the fine.
    - 4) The Association must review the Citation Schedule annually to ensure continued compliance with the sanction guidelines established by the NAR *Code of Ethics and Arbitration Manual*.

## **Appendix A – Citation Schedule**

### **Code of Ethics**

<b>Article 1</b>		
	Failure to disclose dual representation and obtain written informed consent from both parties	\$_500__
<b>Article 3</b>		
	Failure to disclosure existence of a dual or variable rate commission	\$_400__
	Failure to disclose existence of other contracts to cooperating brokers	\$_250__
<b>Article 4</b>		
	Failure to disclose Realtor’s interest in a property being bought or sold	\$_300__
<b>Article 5</b>		
	Providing professional services without disclosing interest in the property	\$_300__
<b>Article 6</b>		
	Accepting any commission, rebate or profit on expenditures without client’s knowledge or consent	\$_400__
<b>Article 9</b>		
	Failure to fill out all necessary forms fully and completely	\$_200__
	Failure to obtain necessary signatures on forms	\$_400__
<b>Article 12</b>		
	Failure to present a true picture in real estate communications and advertising	\$_250__
	Failure to disclose professional status in advertising or other real estate communications	\$_150__
	Advertisement offering to sell/lease property without the authority of the owner or the listing broker	\$_500__
	Failure to disclose name of firm in advertisement for listed property	\$_150__
	Claiming to have “sold” a property when not the listing broker or cooperating broker	\$_250__
<b>Article 14</b>		
	Failure to cooperate in any professional standards proceeding	\$_500__
<b>Article 16</b>		
	Use terms of an offer to modify listing broker’s offer of compensation	\$_400__
	Placement of for sale sign/lease on property without permission of landlord/seller	\$_200__

### Regional Rules and Regulations for Lockbox Systems

<b>Policy 3</b>		
	Use of lockbox to gain unauthorized access to a property	\$ 500__
<b>Policy 5</b>		
	Attaching PIN to card	\$ 450__
	Sharing PIN with another person	\$ 450__
	Lending card or property key to another person	\$ 500__
	Duplicating card or property key	\$ 500__
<b>Policy 10</b>		
	Using lockbox to enter a property while not holding a current license	\$ 500__
<b>Policy 17</b>		
	Publication or distribution of Call Before Showing codes	\$ 450__
	Failure to remove lockbox within 48 hours of settlement	\$ 250__

## Appendix B – Citation Policy Decision Tree



