



**SOUTHLAND REGIONAL**  
**ASSOCIATION OF REALTORS® , INC.**

# **SRAR PROFESSIONAL STANDARDS PROGRAMS GUIDE**

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## Advertising Citation Policy

- (1) Beginning August 1, 2009, the Association will process certain less serious Advertising violations on a "Citation" basis. A "Citation" is a written notice to a member or MLS participant that the Grievance Committee has determined that they are in violation of a specified advertising rule, and proposing that the violation may be satisfied by a \$250 fine for a first violation, a \$500 fine for a second, or a \$750 fine for a third.
- (2) The Citation policy will be in affect indefinitely or until decided otherwise by the Board of Directors.
- (3) The violations which are subject to a Citation are as follows:
  - Failure to present a true picture in real estate communications and advertising. Failure to disclose professional status in advertising and other representations. Failure to disclose compensation from 3rd party for services provided free to a client.
  - Advertisement offering to sell/lease property without authority of owner or listing broker.
  - Failure to disclose name of firm in advertisement for listed property.
  - Failure to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership interest.
  - Falsely claiming to have "sold" property.
  - Registration or use of deceptive URL or domain name.
  - Violations of MLS Rules 12.7, 12.8, 12.9, 12.10, 12.11, 12.19, 12.20
- (4) The above violations apply to both REALTORS® and non-member participants in the MLS.
- (5) Upon receipt of a Citation, the REALTOR®/MLS Participant has 10 days from the date of the Citation to indicate his or her acceptance of the above recommended discipline. If the recommendation contained in the Citation is refused, or if there is not response within 10 days, then the complaint shall be referred back to the Grievance Committee, who may, if the evidence warrants it, amend the complaint and add new or different charges. The file will then be handled as in the case of any other Complaint pursuant to the Professional Standards Rules.
- (6) Upon acceptance of the recommended discipline, and the payment of the fine, if that is recommended, the matter will be considered closed.
- (7) If more than three Citations are issued to a REALTOR®/MLS Participant during any three-year period, whether accepted or not, any subsequent complaint will be processed as in the case of any other ethical complaint. A record of accepted Citations will be maintained by the Association solely for purposes of tracking the number of Citations during said three-year period, and will not become part of the REALTOR®/MLS Participant's permanent file.
- (8) If a Citation is accepted, there can be no appeal.  
In the event of any disagreement concerning the Citation rules, or their implementation, the Association may refer to the CAR Citation policy for guidance.
- (9) Beginning August 1, 2009, the Association will process certain less serious Advertising violations on a "Citation" basis. A "Citation" is a written notice to a member or MLS participant that the Grievance Committee has determined that they are in violation of a specified advertising rule, and proposing that the violation may be satisfied by a \$250 fine for a first violation, a \$500 fine for a second, or a \$750 fine for a third.

- (10) The Citation policy will be in affect indefinitely or until decided otherwise by the Board of Directors.
- (11) The violations which are subject to a Citation are as follows:  
Failure to present a true picture in real estate communications and advertising. Failure to disclose professional status in advertising and other representations. Failure to disclose compensation from 3rd party for services provided free to a client.

## NOTICE OF ANONYMOUS COMPLAINTS

### California Code of Ethics & Arbitration Manual Section 24. Action of the Grievance Committee

(i) **Anonymous Complaints.** *An Association's Board of Directors may decide whether or not to accept anonymous complaints. If an Association does accept anonymous complaints, a Subcommittee of the Grievance Committee shall review and may investigate an anonymous complaint and 1) dismiss the complaint as unworthy of further consideration; 2) notify the respondent of the complaint and give an opportunity to correct; 3) refer the complaint to the Professional Standards Committee for hearing; or 4) issue an ethics citation (according to model citation schedule below). If the Subcommittee, on behalf of the Grievance Committee, refers the matter for hearing, the Grievance Committee shall be the complainant and one of the members of the Subcommittee shall represent the Grievance Committee at the hearing.*

The complainant has the option to file an Ethics Complaint without any name acknowledged, as that of author, contributor, or the like with the understanding that the complainant must comply with all other requirements compiling your complaint packet and the preparation for a Disciplinary Hearing. By choosing this type of complaint you understand and agree that your name is withheld and a Grievance Committee Member will be chosen to move forward with the complaint if the Grievance Committee so decides that the complainant has met their burden of proof.

When an anonymous complaint is received, the Grievance Chair assigns it to three impartial members of the Subcommittee. These Subcommittee members have the ability to investigate a complaint before making their decision and are given authority to act for the Grievance Committee. In order to send a complaint to hearing "you must be able to touch it, hear it, and see it."

Under circumstances where evidence is sufficient to support the anonymity of the Complainant, the Grievance Committee will consider assuming a substitutionary role on behalf of the Complainant. The request for anonymity will be considered after a full review of all documentation and full cooperation of the Complainant.

If the anonymous complaint is forwarded to a formal hearing, you will not be required to attend, testify, and present your case unless the Professional Standards Department receives notice of your full participation in the complaint process and to replace named complainant (Grievance Committee Member).

## Model Citation Schedule (Revised 2024)

<input type="checkbox"/> <b>Article 1:</b> Failure on the part of a listing broker to provide written affirmation that an offer was presented, or written notification that the seller/landlord has waived the obligation to have the offer presented, upon written request of a cooperating broker submitting an offer	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> <b>Article 3:</b> Attempt to change offer of compensation after being made aware of a signed offer	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> Failure to disclose existence of dual or variable rate commission.	
<input type="checkbox"/> Failure to disclose existence of accepted offers to cooperating brokers.	
<input type="checkbox"/> <b>Article 6:</b> Accepting any commission, rebate or profit on expenditures without client's knowledge or consent.	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> <b>Article 12:</b> Failure to present a true picture in real estate communications and advertising.	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> Failure to disclose professional status in advertising and other representations.	
<input type="checkbox"/> Failure to disclose compensation from 3 <sup>rd</sup> party for services provided free to a client.	
<input type="checkbox"/> Failure to make reasonable efforts to ensure that information on web sites is current and correct.	
<input type="checkbox"/> Failure to display name of firm and state of licensure in a reasonable and apparent manner.	

<input type="checkbox"/> Failure to present a true picture in advertising and representations to the public, including misleading images, internet content, URLs and domain names.	
<input type="checkbox"/> Failure to disclose intent to share or sell consumer information gathered via internet.	
<input type="checkbox"/> Using or registering domain name or URL that presents less than a true picture.	
<input type="checkbox"/> Using a professional designation, certification or other credential to which they are not legitimately entitled.	
<input type="checkbox"/> Failure to disclose status as both owner/landlord and REALTOR® or licensee when advertising property in which REALTOR® has ownership interest.	
<input type="checkbox"/> Falsely claiming to have "sold" property.	
<input type="checkbox"/> Registration or use of deceptive URL or domain name.	
<input type="checkbox"/> <b>Article 14:</b> Failure to cooperate in any professional standards proceeding or investigation.	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> <b>Article 16:</b> Use of terms of an offer to modify listing broker's offer of compensation.	1 <sup>st</sup> - Warning letter 2 <sup>nd</sup> - \$500 3 <sup>rd</sup> - \$750 4 <sup>th</sup> - \$2500
<input type="checkbox"/> Placement of for sale/lease sign on property without permission of seller/landlord.	

**Note: The Association may adopt all or some of the above citations; however, no additional citations may be added.**

**The Association, at its option, may impose an escalating fine schedule for repeat citations and also may impose a training requirement as an alternative to payment of a fine for any of the citable offenses adopted.**

**The amount of fine for any citation is at the option of the Association, but may not exceed the maximum fine allowed by NAR for violation of the Code of Ethics.**

## HOW TO OBTAIN THE ASSISTANCE FROM AN ETHICS ADVOCATE

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### **The Ethics Advocate (EA):**

Any party may be represented by legal counsel, by a REALTOR®, or by both at any ethics hearing, including reviews. Ethics Advocates (EAs) are appointed members of the Professional Standards Committee, comprised of REALTORS®, specially trained to assist parties during the disciplinary process. EAs do not attend any hearings.

**PLEASE NOTE: THE EA IS NOT AN ATTORNEY AND IS NOT ALLOWED TO PRACTICE LAW.**

### **How An Ethics Advocate May Assist:**

The EA may help a Complainant or Respondent (the “Requesting Party”) at all stages of the process. The EA can help in the preparation of complaints and responses, including the narrative and the exhibits, in preparing for the hearing, and assisting with the hearing procedures. The EA can also advise the Requesting Party regarding the merits of the Complaint or Response.

When the Requesting Party has chosen to use an EA, the Requesting Party must agree in writing to hold the Association and the EA harmless and waive any claim of liability against the Association or the EA for the conduct of the EA in assisting them.

### **How a Complainant Can Obtain Assistance from an Ethics Advocate:**

The Complainant may request the assistance of an EA by submitting a Request for Ethics Advocate packet (Forms D-23, D-23A and D-23B) to the Association along with a short narrative describing the nature of their complaint. Thereafter, the most appropriate EA will be selected.

### **How a Respondent Can Obtain Assistance from an Ethics Advocate:**

When the Respondent is notified that a Complaint has been filed against them, they will also be provided with the Ethics Advocate packet (Forms D-23, D-23A and D-23B). If the Respondent would like to obtain an EA’s assistance, the Respondent submits Form D-23, Form D-23A, and Form D-23B to the Association. Thereafter, the most appropriate EA will be selected. The Respondent has fifteen calendar days to file a written Response to the Complaint so it will be necessary to act quickly to obtain an EA to allow the EA time to assist the Respondent in drafting his or her Response. If the Respondent files a Response without the EA’s assistance, the EA can still help the Respondent prepare for the hearing and/or assist in understanding and complying with the hearing procedures.



## **Ombudsman Procedures/availability**

### Basic Policy:

These Ombudsman procedures, which have been adopted by the Southland Regional Association of Realtors (SRAR), are intended to provide enhanced communications and initial problem solving for complaints at the Association level.

The SRAR is charged with the responsibility of receiving and resolving complaints. This obligation is carried out by the Association through its Grievance Committee and Professional Standards Committee. Many “complaints” received by the Association do not expressly allege violations of the specific Articles of the Code of Ethics, and many do not detail conduct related to the Code. Some “complaints” are actually transactional, technical or procedural questions readily responded to by Ombudsmen.

It is the belief of the SRAR that many complaints might be averted with enhanced communications and initial problem solving capacity available in this program. These Ombudsman procedures, which have been adopted by the Association, are intended to provide that capacity.

### Role of the Ombudsman:

The Ombudsman’s role is primarily one of communication and conciliation, not adjudication. Ombudsmen do not determine whether ethics violations have occurred or who is entitled to a commission; rather they anticipate, identify and resolve misunderstandings and disagreements before they develop into arbitration disputes and possible charges of unethical conduct.

### Qualifications and Criteria for an Ombudsman:

The Association will require that before a Member can be designated as an “Ombudsman” that he or she must have certain minimum standards of experience in the Code of Ethics, Professional Standards procedures and will have knowledge of State real estate law and regulations, and the current standards of real estate practice.

### Scope of Ombudsman Services:

The Association has considerable latitude in determining how and when Ombudsmen will be utilized. For example, Ombudsmen can field and respond to a wide variety of inquiries and complaints, including general questions about real estate practice, transaction details, ethical practice and enforcement issues. Ombudsmen can also receive and respond to questions and complaints about members, can contact members to inform them that a client or customer has raised a question or issue; and can contact members to obtain information necessary to provide an informed response. When a request for Ombudsman Service is made by agents within the same firm or between agents of different firms in regards to commission disputes, the Responsible Broker and/or designated office manager shall be notified and shall approve the use of an Ombudsman.

In cases where an Ombudsman believes that a failure of communication is the basis for a questions or complaint, the Ombudsman can arrange a meeting of the parties to facilitate a mutually acceptable resolution. Where a written ethics/arbitration complaint in the appropriate form is received, it can be initially referred to the Ombudsman who will attempt to resolve the matter, except that complaints alleging violations of the public trust (as defined in Article IV,

Section 2 of the NAR Bylaws) may not be referred to an ombudsman.

In the event the Ombudsman concludes that a potential violation of the public trust may have occurred, the Ombudsman Process shall be immediately terminated, and the parties shall be advised of this right to pursue a formal complaint; to pursue a complaint with any appropriate governmental or regulatory body; to pursue litigation; or to pursue any other available remedy.

*Right to Decline Ombudsman Services:*

Persons filing complaints, or inquiring about the process for filing complaints, will be advised that Ombudsman services are available to attempt to informally resolve their complaint. Such persons will also be advised that they may decline Ombudsman services and can have their complaint considered at a formal hearing.

*Resolution of complaints:*

If a matter complained of is resolved to the mutual satisfaction of all parties through the efforts of an Ombudsman, the formal complaint brought initially (if any) will be dismissed.

*Failure to comply with agreed upon resolution:*

Failure or refusal of a member to comply with the terms of a mutually agreed on resolution shall entitle the complaining party to resubmit the original complaint, or, where a formal complaint in the appropriate form had not been filed, to file a complaint. The time the matter was originally brought to the Board or Association's attention will be considered the commencement date for purposes of determining whether a complaint is timely filed.

*Referrals to the Grievance Committee or to state regulatory bodies:*

Ombudsmen cannot refer concerns they have regarding the conduct of any party utilizing their services to the Grievance Committee, to the state real estate licensing authority, or to any other regulatory body. The prohibition is intended to ensure full participation impartiality and avoid the possible appearance of bias. Ombudsmen are, however, authorized to refer concerns that the public trust may have been violated to the Grievance Committee.

*Confidentiality:*

The Ombudsman Process is a form of "mediation" under California law, and accordingly all comments, conversations and written documents prepared for the Ombudsman Process are deemed confidential, to the same extent as in an arbitration mediation.