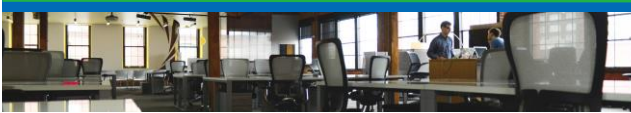


# PROFESSIONAL STANDARDS



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## Who determines the Standard of Professionalism?



NAR ADOPTED THE CODE OF ETHICS IN 1913.

REALTORS® must complete mandatory Code of Ethics training once every three (3) years.

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## What Is An Ethics Violation?



An Ethics Violation occurs when a REALTOR® has been found in violation of one or more Articles of the Code of Ethics.

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# What do I do if I believe someone has violated the Code of Ethics?

## The Real Estate Agent must be a REALTOR®:

As a best practice, talk to your broker to determine the best course of action.

Mediation and Ombudsman services are available.



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## Ombudsman

Local and State Association Ombudsman Services (nar.realtor)

- THE OMBUDSMAN PROCESS IS AN OPTION AVAILABLE TO RESOLVE DISPUTES.
- THE PRIMARY ROLE OF THE OMBUDSMAN IS COMMUNICATION AND CONCILIATION.
- OMBUDSMEN DO NOT DETERMINE WHETHER ETHICS VIOLATIONS HAVE OCCURRED OR WHO IS ENTITLED TO WHAT AMOUNT OF MONEY, RATHER THEY ANTICIPATE, IDENTIFY, AND RESOLVE MISUNDERSTANDINGS AND DISAGREEMENTS BEFORE MATTERS RIPEN INTO DISPUTES AND POSSIBLE CHARGES OF UNETHICAL CONDUCT.
- TRAINED OMBUDSMAN ARE AVAILABLE THROUGH YOUR LOCAL BOARD OR THE STATE ASSOCIATION.

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## To File an Ethics Complaint

- The respondent must be a REALTOR®
- Complaint must cite one or more of the 17 Articles of the Code of Ethics that you believe were violated. (2023 Code of Ethics & Standards of Practice (nar.realtor))
- Must be filed within 180 days from the time the unethical conduct took place.
- The complaint should include a narrative description of the circumstances that lead you to believe the Code of Ethics was violated.
- The Local Board Grievance Committee may provide technical assistance in filling the form out correctly.

See the brochure "Before You File an Ethics Complaint" at nar.realtor for detailed information.

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# Grievance Committee

- The Grievance Committee receives ethics complaints and arbitration requests to determine if, taken as true on their face, a hearing is warranted. The Grievance Committee makes only such preliminary evaluation as is necessary to make these decisions.
- While the Grievance Committee has meetings, it does not hold hearings, does not decide whether members have violated the Code of Ethics, does not dismiss ethics complaints because of lack of evidence, and does not settle Arbitration requests.
- The Grievance Committee does not mediate or arbitrate business disputes.
- The Grievance Committee will hold regularly scheduled meetings and/or review complaints not later than forty-five (45) days after receipt of the complaint.

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## The Purpose of The Grievance Committee is:

THE GRIEVANCE COMMITTEE DOESN'T INVESTIGATE.

THEIR FUNCTION IS TO READ THE COMPLAINT, DETERMINE IF IT IS TIMELY FILED, PROPER ARTICLES ARE CITED, AND IF IT WARRANTS A HEARING.

UNDER NO CIRCUMSTANCES SHALL THE GRIEVANCE COMMITTEE DISCUSS THE COMPLAINT WITH ANYONE EXCEPT THE COMMITTEE'S MEMBERS DURING THE MEETING.



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## Grievance Committee Results

- IF YOUR COMPLAINT IS DISMISSED AS NOT REQUIRING A HEARING, YOU CAN APPEAL THE DISMISSAL TO THE LOCAL BOARD OF DIRECTORS.
- IF THE GRIEVANCE COMMITTEE FORWARDS YOUR COMPLAINT FOR HEARING, THAT DOES NOT MEAN THEY HAVE DECIDED THE CODE OF ETHICS WAS VIOLATED. IT MEANS THEY FEEL A VIOLATION MAY HAVE OCCURRED.



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# ARBITRATION

This process is between REALTOR® principals, and is usually a dispute over compensation.

Only one party wins, the other party walks away with nothing.



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# MEDIATION:

- Mediation is less confrontational than a hearing.
- Costs less.
- Items discussed during the mediation process are not allowed to be discussed outside mediation.
- Encourages disputing parties to work amicably together
- Resolves the majority of disputes between REALTORS® that would otherwise require a hearing.



- Mediation is NAR's preferred method of dispute resolution and is required as a member benefit.
- In mediation, both parties meet with an independent mediator, and try to come to a resolution of the issue.
- If mediation is not successful, you can go to a hearing.

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# The Hearing

- YOU WILL PRESENT YOUR CASE.
- THE RESPONDENT WILL PRESENT THEIR CASE.
- THE HEARING PANEL MAY ASK QUESTIONS TO ALL PARTIES.
- EACH PARTY CAN ASK QUESTIONS OF EACH OTHER.
- THE HEARING PANEL WILL DELIBERATE AFTER HEARING FROM EACH PARTY AND MAKE A DECISION.
- THE DECISION OF THE HEARING PANEL MAY BE APPEALED IN CERTAIN CIRCUMSTANCES.



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# References

**NAR's Code of Ethics and Arbitration Manual includes the Code, Standards of Practice, and Case Interpretations.**

You can access the entire Manual here:  
<https://nar.realtor/code-of-ethics-and-arbitration-manual>

- ceam-2023-manual-2022-12-27.pdf (nar.realtor)
- Ethics Complaints, Arbitration Requests, and Related Information (nar.realtor)
- Code of Ethics and Professional Standards (nar.realtor)
- ceam-2023-manual-2022-12-27.pdf (nar.realtor)
- (Page 39 (site page 58), Section 18 – Function)
- Complaints and Arbitration - Mississippi REALTORS® (msrealtors.org)
- The Code of Ethics (nar.realtor)
- 2023 Code of Ethics & Standards of Practice (nar.realtor)
- Mediation (nar.realtor)
- National Association of REALTORS® Mediation Initiative, 2000-2001
- Local and State Association Ombudsman Services (nar.realtor)
- Part Ten, Section 43 – Arbitrable Issues (nar.realtor)
- Brochure: 'Before You File an Ethics Complaint' (nar.realtor)
- Before You File an Ethics Complaint (nar.realtor)

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