



To Whom It May Concern:

Please find enclosed a copy of the Disciplinary Complaint Form should you believe that an alleged violation of the REALTOR® Code of Ethics may be involved in the situation you have encountered. The disciplinary complaint forms are used in filing a complaint against a REALTOR® Member of the Association.

The obligation of the Puerto Rico Association of REALTORS® is to process ethics complaints filed by interested complainants. We are required to act as a neutral third party. We cannot investigate conduct no matter how intolerable the situation or file complaints on our own behalf.

If you wish to file a complaint, please use the attached complaint form to identify the Code of Ethics' specific Article(s), not Standards of Practice, that you believe were violated by the REALTOR®. Attach your statement supporting the allegations and mark the statement "Exhibit 1." Both the Complaint Form and the attached statement must be signed and dated by you. I have enclosed a copy of the REALTOR® Code of Ethics to assist you in making that determination.

Upon receipt of your written complaint (please type or print legibly), it will be referred to our Grievance Committee for evaluation. The Grievance Committee has no authority to impose any penalties on any party. Its purpose is to determine if the alleged actions warrant a formal hearing. If such determination is made, the case will then be referred to our Professional Standards Panel for a formal hearing. In this case, you would be asked to appear to give sworn testimony. You may have any witnesses you feel appropriate and you have the option of being represented by legal counsel. The Respondent has the same options. If an ethics violation is confirmed by the hearing panel, the Respondent would be subject to penalties involving membership in this Association of REALTORS®. Penalties can range from a letter of warning to expulsion from the Association, depending upon the severity of the ethics violation. The findings of the hearing body are subject to review and approval by the Board of Directors of the Puerto Rico Board of REALTORS®.

Please ensure that your statement of facts in your complaint is as accurate and complete as possible because this is the information on which the Grievance Committee will base its recommendations.

Sincerely,



Elena Delgado

Administrator, Professional Standards

Puerto Rico Association of

REALTORS® *Enclosures*

BEFORE YOU FILE AN ETHICS COMPLAINT

Background

Boards and associations of REALTORS® are responsible for enforcing the REALTORS® Code of Ethics. The Code of Ethics imposes duties above and in addition to those imposed by law or regulation which apply only to real estate professionals who choose to become REALTORS®.

Many difficulties between real estate professionals (whether REALTORS® or not) result from misunderstanding, miscommunication, or lack of adequate communication. If you have a problem with a real estate professional, you may want to speak with them or with a principal broker in the firm. Open, constructive discussion often resolves questions or differences, eliminating the need for further action.

If, after discussing matters with your real estate professional or a principal broker in that firm, you are still not satisfied, you may want to contact the local board or association of REALTORS®. Many boards and associations have informal dispute resolving processes available to consumers (e.g. ombudsmen, mediation, etc.).

If, after taking these steps, you still feel you have a grievance, you may want to consider filing an ethics complaint. You will want to keep in mind that...

- Only REALTORS® and REALTOR-ASSOCIATE®s are subject to the Code of Ethics of the National Association of REALTORS®.
- If the real estate professional (or their broker) you are dealing with is not a REALTOR®, your only recourse may be the state real state licensing authority or the courts.
- Boards and associations of REALTORS® determine whether the Code of Ethics has been violated, not whether the law or real estate regulations have been broken. Those decisions can only be made by the licensing authorities or the courts.
- Boards of REALTORS® can discipline REALTORS® for violating the Code of Ethics. Typical forms of discipline include attendance at courses and seminars designed to increase REALTORS® understanding of the ethical duties or other responsibilities of real estate professionals. REALTORS® may also be reprimanded, fined, or their membership can be suspended or terminated for serious or repeated violations. Boards and associations of REALTORS® cannot require REALTORS® to pay money to parties filing ethics complaints; cannot award "punitive damages" for violations of the Code of Ethics; and cannot suspend or revoke a real estate professional's license.
- The primary emphasis of discipline for ethical lapses is educational, to create a heightened awareness of and appreciation for the duties the Code imposes. At the same time, more severe forms of discipline, including fines and suspension and termination of membership may be imposed for serious or repeated violations.

Filing An Ethics Complaint

The local board or association of REALTORS® can provide you with information on the procedures for filing an ethics complaint. Here are some general principles to keep in mind.

- Ethics complaints must be filed with the local board or association of REALTORS® within one hundred eighty (180) days from the time a complainant knew (or reasonably should have known) that potentially unethical conduct took place.
- The REALTORS® Code of Ethics consists of seventeen (17) Articles. The duties imposed by many of the Articles are explained and illustrated through accompanying Standards of Practice or case interpretations.
- Your complaint should include a narrative description of the circumstances that lead you to believe the Code of Ethics may have been violated.
- Your complaint must cite one or more of the Articles of the Code of Ethics which may have been violated. Hearing panels decide whether the Articles expressly cited in complaints were violated - not whether Standards of Practice or case interpretations were violated.
- The local board or association of REALTORS® Grievance Committee may provide technical assistance in preparing a complaint in proper form and with proper content.

Before the Hearing

- Your complaint will be reviewed by the local board or association's Grievance Committee. Their job is to review complaints to determine if the allegations made, if taken as true, might support a violation of the Article(s) cited in the complaint.
- If the Grievance Committee dismisses your complaint, it does not mean they don't believe you. Rather, it means that they do not feel that your allegations would support a hearing panel's conclusion that the Article(s) cited in your complaint had been violated. You may want to review your complaint to see if you cited an Article appropriate to your allegations.
- If the Grievance Committee forwards your complaint for hearing, that does not mean they have decided the Code of Ethics has been violated. Rather, it means they feel that if what you allege in your complaint is found to have occurred by the hearing panel, that panel may have reason to find that a violation of the Code of Ethics occurred.
- If your complaint is dismissed as not requiring a hearing, you can appeal that dismissal to the board of directors of the local board or association of REALTORS®.

Preparing for the Hearing

- Familiarize yourself with the hearing procedures that will be followed. In particular you will want to know about challenging potential panel members, your right to counsel, calling witnesses, and the burdens and standards of proof that apply.
- Complainants have the ultimate responsibility ("burden") of proving that the Code of Ethics has been violated. The standard of proof that must be met is "clear, strong and convincing," defined as, ". . . that measure or degree of proof which will produce a firm belief or conviction as to the allegations sought to be established." Consistent with American jurisprudence, respondents are considered innocent unless proven to have violated the Code of Ethics.
- Be sure that your witnesses and counsel will be available on the day of the hearing. Continuances are a privilege - not a right.
- Be sure you have all the documents and other evidence you need to present your case.
- Organize your presentation in advance. Know what you are going to say and be prepared to demonstrate what happened **and how you believe the Code of Ethics was violated**.

At the Hearing

- Appreciate that panel members are unpaid volunteers giving their time as an act of public service. Their objective is to be fair, unbiased, and impartial; to determine, based on the evidence and testimony presented to them, what actually occurred; and then to determine whether the facts as they find them support a finding that the Article(s) charged have been violated.
- Hearing panels cannot conclude that an Article of the Code has been violated unless that Article(s) is specifically cited in the complaint.
- Keep your presentation concise, factual, and to the point. Your task is to demonstrate what happened (or what should have happened but didn't), and how the facts support a violation of the Article(s) charged in the complaint.
- Hearing panels base their decisions on the evidence and testimony presented during the hearing. If you have information relevant to the issue(s) under consideration, be sure to bring it up during your presentation.
- Recognize that different people can witness the same event and have differing recollections about what they saw. The fact that a respondent or their witness recalls things differently doesn't mean they aren't telling the truth as they recall events. It is up to the hearing panel, in the findings of fact that will be part of their decision, to determine what actually happened.
- The hearing panel will pay careful attention to what you say and how you say it. An implausible account doesn't become more believable through repetition or, through volume.

- You are involved in an adversarial process that is, to some degree, unavoidably confrontational. Many violations of the Code of Ethics result from misunderstanding or lack of awareness of ethical duties by otherwise well-meaning, responsible real estate professionals. An ethics complaint has potential to be viewed as an attack on a respondent's integrity and professionalism. For the enforcement process to function properly, it is imperative for all parties, witnesses, and panel members to maintain appropriate decorum.

After the Hearing

- When you receive the hearing panel's decision, review it carefully.
- Findings of fact are the conclusions of impartial panel members based on their reasoned assessment of all of the evidence and testimony presented during the hearing. Findings of fact are not appealable.
- If you believe the hearing process was seriously flawed to the extent you were denied a full and fair hearing, there are appellate procedures that can be involved. The fact that a hearing panel found no violation is not appealable.
- Refer to the procedures used by the local board or association of REALTORS® for detailed information on the bases and time limits for appealing decisions. Appeals brought by ethics respondents must be based on (a) a perceived misapplication or misinterpretation of one or more Articles of the Code of Ethics, (b) a procedural deficiency or failure of due process, or (c) the nature or gravity of the discipline proposed by the hearing panel. Appeals brought by ethics complainants are limited to procedural deficiencies or failures of due process that may have prevented a full and fair hearing.

Conclusion

- Many ethics complaints result from misunderstanding or a failure in communication. Before filing an ethics complaint, make reasonable efforts to communicate with your real estate professional or a principal broker in the firm. If these efforts are not fruitful, the local board or association of REALTORS® can give you the procedures and forms necessary to file an ethics complaint.

**DISCIPLINARY COMPLAINT
PUERTO RICO ASSOCIATION OF REALTORS®**

For Association Use Only Case No. _____ Complaint Received: _____, 20____

1. I (we), the undersigned complainant(s), hereby allege that the following persons have engaged in conduct subject to disciplinary action by the Association:

RESPONDENT(S):

(1) _____
Name (Type or Print)

Firm _____

Street Address _____

City, State, Zip _____

(2) _____
Name (Type or Print)

Firm _____

Street Address _____

City, State, Zip _____

RESPONDENT(S):

(3) _____
Name of Manager (Type or Print)

Firm _____

Street Address _____

City, State, Zip _____

(4) _____
Name (Type or Print)

Firm _____

Street Address _____

City, State, Zip _____

2. The above named respondent (s) have violated the following:

Code of Ethics violations:

- Article 1: REALTORS® owe a fiduciary duty to their clients.
- Article 2: REALTORS® must avoid concealment of pertinent facts.
- Article 3: REALTORS® must cooperate with other brokers.
- Article 4: REALTORS® must disclose any interest they have in a property they are buying or selling.
- Article 5: REALTORS® must disclose any contemplated interest they have in property for which they are providing professional services.
- Article 6: REALTORS® cannot accept profit on expenditures made for their client or recommendations to their client without disclosure.
- Article 7: REALTORS® must disclose and obtain consent to accept compensation from more than one party.
- Article 8: REALTORS® must keep a trust account for clients' funds.

- Article 9: REALTORS® must insure that all agreements are in writing and clear.
- Article 10: REALTORS® must not discriminate in their business on the basis of race, color, religion, sex, handicap, familial status or native origin.
- Article 11: REALTORS® must provide competent service.
- Article 12: REALTORS® must be honest in their real estate communications and present a true picture in advertising.
- Article 13: REALTORS® must not engage in the unauthorized practice of law.
- Article 14: REALTORS® must cooperate in professional standards proceedings.
- Article 15: REALTORS® must not knowingly lie about competitors.
- Article 16: REALTORS® must not interfere with the exclusive representation agreements of other REALTORS®.
- Article 17; REALTORS® must arbitrate contractual disputes and certain non-contractual disputes arising out of the real estate business.
- Section(s) _____ of the MLS Rules and Regulations
- Other membership duty as set forth in the bylaws of the Association (specify):

3. The facts and circumstances supporting the above allegation(s) are detailed in the attached statement marked "Exhibit 1," which is hereby incorporated by reference and made part of this complaint.

4. I am informed that the named respondent (s) are current REALTOR® members of the Association and/or participants/subscribers in the MLS or that the property at issue is located within the jurisdiction of this Association.

5. Date of knowledge of alleged misconduct is _____. This complaint must be filed within 180 calendar days after the facts constituting alleged misconduct could have been known in the exercise of reasonable diligence.

6. Are the circumstances giving rise to this complaint, or the respondents in this case, involved in a civil or criminal proceeding or in any proceeding before a governmental agency?
 YES _____ NO _____ If you answered yes, please attach a written statement of explanation.


7. Have you filed, or do you plan to file a similar or related complaint with another Association of REALTORS®?
 YES _____ NO _____ If you answered yes, please attach a written statement of explanation.

8. I understand there will be a recording of any full disciplinary hearing. I understand that the recording is subject to the rules of confidentiality and is made solely for the purpose of a Review by the Association Board of Directors, if one is requested.

9. I will be represented by an attorney, whose name address and telephone number are:

10. I agree to abide by the rules and procedures used by this Association to conduct disciplinary hearings.

Under the penalties of perjury, I declare that to the best of my knowledge and belief my allegations in this complaint are true and correct.

Dated: _____ at _____, 

COMPLAINANT(S):

COMPLAINANT(S):

Puerto Rico

Puerto Rico

(1) _____
Signature

(3) _____
Signature

Name (Type or Print)

Name (Type or Print)

Firm

Firm

Street Address

Street Address

City, State, Zip

City, State, Zip

Phone email

Phone email

(2) _____
Signature

(4) _____
Signature

Name (Type or Print)

Name (Type or Print)

Firm

Firm

Street Address

Street Address

City, State, Zip

City, State, Zip

Phone email

Phone email