



Northwest Vermont
REALTOR® Association

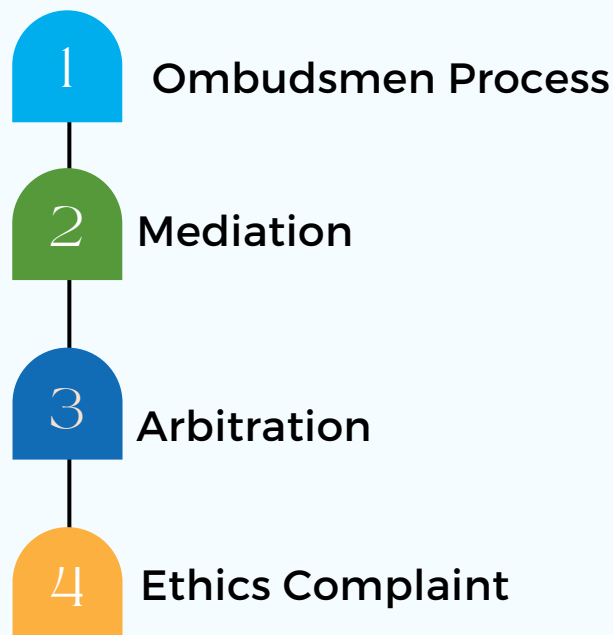
Professional Standards and Dispute Resolution for REALTORS®

Conflicts and complaints can arise throughout the real estate transaction, both between agents and between consumers and their agents.

Dispute resolution resources are a benefit of your REALTOR® membership. Because the Code of Ethics only applies to REALTORS®, and not all real estate licensees, the Association manages enforcement of the Code through a set of resolution processes. Associations also have resources meant to settle disputes regarding commission and other transaction details.

When an issue arises, be sure to speak with the real estate professional in question, or a principal broker in the firm before launching an official complaint process. Open, constructive discussion often resolves small questions or differences for further action. Many complaints do not expressly allege violations of the Code of Ethics or pertain to transactional, technical, and procedural questions, and thus cannot be routed through traditional REALTOR® Association Complaint Resolution processes.

REALTOR® Associations have four channels through which conflicts can be resolved. These methods are used to mitigate disputes between consumers and their REALTORS® as well as between REALTOR® members, and they are administered by the Association's Grievance and Professional Standards Committees.



1 Ombudsmen Process

This is the most informal process available to resolve complaints. An ombudsman is “an official appointed to investigate complaints against public authorities, government departments, and institutions, or the people who work for them.” REALTOR® Association Ombudsmen are skilled communicators with special training to serve as a middle ground between parties. Ombudsmen respond to general questions regarding real estate practices, transaction details, ethical practices, and enforcement issues.

HOW IT WORKS:

- If you have a complaint against a REALTOR®, Association staff will assemble information about the complaint and send to an Ombudsman.
- The Ombudsman will connect with the complainant and respondent and attempt to resolve the complaint.
- If effective, no further steps will be necessary.
- If the Ombudsman is not able to resolve the complaint, the complainant will receive information about how to proceed with a more formal professional standards complaint.

2 Mediation

In instances where a dispute cannot be resolved through ombudsmen services, the complainant will be advised to submit a written request for Arbitration to the Association. As an alternative to the binding decision produced by an Arbitration hearing, mediation is a structured negotiation facilitated by a neutral officer who assists the complainant and respondent in reaching a mutually agreeable settlement. These settlements are voluntary and confidential.

HOW IT WORKS:

- Arbitration Request filed and mediation offered (if not offered before request was filed).
- Parties recommend mediation officers from a list provided by the Association; Association chooses mediation officer acceptable to both parties.
- Mediation session is conducted. Either party can leave the mediation process at any time.
- Once settlement is reached, both parties sign an agreement. This agreement cannot be the subject of later arbitration.

3

Arbitration

Arbitration requests involve disputes over monetary transactions and are separate from ethical violations. Arbitration hearings produce binding legal agreements resulting in a reward or solution and must be filed within 180 days of the closing of the transaction.

HOW IT WORKS:

- Arbitration request filed.
- Grievance Committee reviews request to determine arbitrability.
- If deemed arbitrable, case is forwarded the Professional Standards Committee for an arbitration hearing.
- Arbitration hearing held and decision made by the arbitrators.

4

Ethics Complaint

If you believe a REALTOR® has violated one or more of the 17 Articles of the Code of Ethics, you can file an ethics complaint alleging such. Ethics complaints can be filed by anyone, whether they are a member of the Association or not, provided the complaint is filed within 180 days of the alleged infraction. REALTOR® Members are subject to disciplinary action if they are found to have violated the Code of Ethics.

HOW IT WORKS:

- Ethics complaint is submitted to the Association, comprised of a narrative description of the circumstances that lead to the potential Code violation and identification of which Article has been violated.
- Complaint reviewed by the Grievance Committee to determine if allegations could constitute a Code violation.
- If so, Professional Standards Committee will hold an Ethics Hearing.
- A Hearing Panel will evaluate evidence and make a decision about the potential Code violation and, if applicable, disciplinary action.
- The decision can be appealed based on misapplication of the Code, procedural deficiency, or the gravity of discipline assigned by the hearing panel.

All dispute resolution processes are currently being administered by the state association, VAR. If you have any questions pertaining to Professional Standards and Dispute Resolution, please reach out to NVRA CEO, Troi Bachmann.