

**Portland Metropolitan Association of REALTORS®**  
**SUGGESTED GUIDELINES FOR DISCIPLINARY ACTION**

The purpose of these guidelines is to establish a common base of understanding so that different hearing panels, in handing down disciplinary action, will know what is deemed to be reasonable by the Committee as a whole. For a full reference regarding the specifics of disciplinary action that may be imposed, refer to Section 14. Nature of Discipline, of the NAR Code of Ethics and Arbitration Manual.

The following are Suggested Guidelines for imposing disciplinary action.

- A. **“Letter of Warning”** (with copy to be placed in member’s file and warning that future similar conduct could result in more severe sanction).
  - 1. Not aware of the violation.
  - 2. First time offender.
  - 3. No one harmed by the violation.
  
- B. **“Letter of Reprimand”** (with copy to be placed in member’s file and advising that the letter is to be construed as an official reprimand).
  - 1. Violator was aware of the violation.
  - 2. May be used in conjunction with any other sanction.
  
- C. **“Education”** (view NAR Code of Ethics videotapes and/or complete Ethics test).
  - 1. When the violation occurred due to a lack of knowledge.
  - 2. May be used in conjunction with a fine, or any other sanction.
  
- D. **“Fines”**
  - 1. Violator was aware of the violation.
  - 2. May be used by itself or in conjunction with Education, Suspension of Membership or Expulsion of Membership.

up to \$500	1 violation
up to \$1000	2 violations
up to \$5000	3 or more violations

Note: \$5000 is the maximum fine that may be assessed regardless of the number of Articles of the Code of Ethics that a member is determined to have violated. It is noted that a “reasonable and appropriate” fine may vary up to \$5000, and should relate to the gravity of the offense and objective of the proposed sanction. If the NAR maximum is increased, the above will also increase.

- E. **“Probation”** May be used in conjunction with a Fine, Suspension of Membership, or Expulsion of Membership. Probation must be not less than 30 days and no more than 1 year. “Probation” means that another form of discipline recommended by the

Hearing Panel will be held in abeyance for a period of time not to exceed 1 year. If there are subsequent violations during probation, the suspended discipline could be imposed. If there are no violations during probation, then all sanctions will be considered fulfilled. (Section 1, n)

- F. **“Suspension”** Violation of 1 or more Articles and repeated violation of the same Articles. Must be not less than 30 days and no more than 1 year, with automatic reinstatement at the end of the suspension period. Suspension of membership may include denial of MLS privileges.
- G. **“Expulsion”** Flagrant violation of one or more Articles or repeated violations. May be 1 year and no more than 3 years. Reinstatement is subject to re-application to the Association. Expulsion may include denial of MLS privileges.
- H. **“Suspension or Termination of MLS”**  
Suspension may be not less than 30 days and no more than 1 year.  
Termination may be 1 year and no more than 3 years.
- I. **“Administrative Processing Fee”** Respondents found in violation of the Code of Ethics will be assessed an administrative processing fee of \$250.00. The \$250.00 processing fee is in addition to and is not part of any sanction that may be imposed.

The above are far from being “hard and fast” rules but are guidelines trying to cover a wide range of violations of the Code. In handing down disciplinary action, the panel must consider the following:

1. Violator’s record regarding past violations of the Code, especially the same article.
2. Will the disciplinary action have the desired effect of preventing further violation of not only the same Article, but the Code of Ethics in general?
3. Will the disciplinary action educate the violator?

***The goal of the Professional Standards Committee is to ensure due process and recommend appropriate education when deemed necessary.***