

**TITLE 605. OKLAHOMA REAL ESTATE COMMISSION
CHAPTER 10. REQUIREMENTS, STANDARDS, AND PROCEDURES**

RULEMAKING ACTION:

PERMAMENT final adoption

RULES:

Subchapter 3. Education and Examination Requirements

605:10-3-4 [AMENDED]

605:10-3-5 [AMENDED]

605:10-3-7 [AMENDED]

Subchapter 7. Licensing Procedures and Options

605:10-7-2 [AMENDED]

605:10-7-8.3 [AMENDED]

605:10-7-8.4 [AMENDED]

605:10-7-11 [AMENDED]

Subchapter 9. Broker's Operational Procedures

605:10-9-3 [AMENDED]

605:10-9-3.2 [AMENDED]

605:10-9-5 [AMENDED]

Subchapter 11. Associate's Licensing Procedures

605:10-11-2 [AMENDED]

Subchapter 17. Causes for Investigation; Hearing Process;
Prohibited Acts; Discipline

605:10-17-4 [AMENDED]

605:10-17-6 [AMENDED]

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n/a

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The amendments to Subchapter 3 clarify the application approval process, provide corrections to updated statutes, clarify the examination process, clarify the process for voided examinations, and extend post-licensure completion from 6 months to one year.

The amendments to Subchapter 7 modify the reinstatement period of a revoked license, remove an unnecessary definition of LLC under a partnership section, remove irrelevant licensure group fees, and modify the process to register payment of commission entities.

The amendments to Subchapter 9 remove unnecessary group rate fees and modifies the trade name registration process, remove unnecessary change of address fees, and provide clarity regarding team name registration in order to deter misleading advertising through team names.

The amendments to Subchapter 11 clarify the transferring of an associate process and remove unnecessary change of address and group related fees.

The amendments to Subchapter 17 provide clarification that all beneficial and familial disclosures must be made in writing and provides an option for brokerages with a revoked or suspended license to destroy the license certificates instead of only offering for the certificates to be mailed to the Commission.

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PURSUANT TO THE ACTIONS DESCRIBED HEREIN, THE FOLLOWING RULES ARE CONSIDERED FINALLY ADOPTED AS SET FORTH IN 75 O.S., SECTIONS 250.3(7) AND 308(E), WITH AN EFFECTIVE DATE OF NOVEMBER 1, 2023:

SUBCHAPTER 3. EDUCATION AND EXAMINATION REQUIREMENTS

605:10-3-4. Broker applicant; experience

(a) No individual shall be licensed as a real estate broker unless in addition to the other requirements in the Code, he or she has served two (2) active years, or its equivalent, as a licensed real estate sales associate and/or broker associate, with and under the instructions and guidance of a licensed real estate broker of this state or any other state at least twenty-four (24) months within the five (5) year period immediately prior to the filing of his or her application for license as a real estate broker in Oklahoma. Additionally, no individual shall be licensed as a real estate broker unless he or she can provide documentation verifying ten real estate transactions as defined in Section ~~858-354~~ 858-303 of the Code within the past five years, or the equivalent thereof, as determined by the Commission. Such documentation shall be demonstrated on forms developed by the Commission.

(b) An application submitted for the purpose of seeking a license to function as a real estate broker shall not be accepted for filing by the Commission unless such applicant has completed the two (2) year licensure requirement on or before the date such application is submitted.

605:10-3-5. Examinations

(a) Applicant must appear in person. When an application for examination has been submitted to the Commission, the applicant shall be required to appear in person, at a time and place to be designated by the Commission, and answer questions based on the required subject matter as prescribed elsewhere in the rules of this Chapter. ~~On and after August 1, 2001, each broker examination fee shall be Seventy five Dollars (\$75.00) and each provisional sales associate/sales associate examination fee shall be Sixty Dollars (\$60.00).~~ All examination fees shall be established by the Commission in conjunction with any examination vendor selected by the Commission. Examination fees shall be published on the Commission website.

(b) **Special Accommodations.** In cases where special accommodations are necessary under the requirements of the Americans with Disabilities Act, applicants must notify the examination supplier in advance by submitting a written request, ~~on a form prescribed by the Commission,~~ describing the disability and necessary accommodations.

(c) **Failure to pass examination.** If an applicant fails to pass the examination prescribed by the Commission, the Commission may permit subsequent examinations upon receipt of a new examination fee for each examination to be attempted.

(d) **Applicant request to view failed examination.** An applicant who fails the examination has the option of reviewing their missed questions at the end of their examination. An applicant may challenge the validity of any question(s) they identify as incorrectly graded. A challenge to a question that pertains to the Oklahoma law portion of the examination will be sent to the Commission by the examination supplier. A challenge to a question that pertains to the national portion will fall under the review policy of the examination supplier. In either case, both the examination supplier and/or the Commission shall have five (5) business days in which to review and issue a response to the applicant. Applicants will be allowed up to one (1) hour to review their exam and the applicant will not be allowed to test on the same day they review a failed examination. No notes, pencils, or electronic devices will be allowed during a review nor will they be allowed to leave the examination area with the examination questions.

(e) **Application valid for one year.** The original examination application shall be valid for one (1) year from date of filing. After such date, an applicant must complete a new original application form.

(f) **Passing percentile of examination.** A score of seventy-five percent (75%) or more shall be considered a passing grade on the broker examination. A score of seventy percent (70%) or more shall be considered a passing grade on the provisional sales associate/sales associate examination.

(g) **Validity period of examination results.** The results of an examination wherein an applicant scored a passing grade shall be valid for one (1) year from the date of such examination.

(h) **Disciplinary examination fee.** A fee shall be charged for an examination which is directed by Order of the Commission as disciplinary action.

(i) **Examination voided.** A licensee or instructor applicant caught cheating during the course of a real estate examination shall:

(1) immediately forfeit the examination and receive a failing score,

~~(2) be given a failing score,~~

~~(3) (2) be disqualified from retaking the examination for one year, and~~

~~(4) (3) must re-apply as an original applicant for any future application submitted after the one year ban~~

~~(4) be applicants impacted by this section are allowed to file an appeal with the Commission under Rule 605:10-1-3.~~

605:10-3-7. Provisional sales associate post-license education requirement

(a) **Purpose.** The purpose of the provisional sales associate post-license education requirement is to provide an educational program through which real estate provisional sales associate licensees can become more competent, knowledgeable and perfect their ability to engage in real estate activities for which they are licensed. Such activities involve facts and concepts which licensees must be knowledgeable in order to safely and confidently conduct real estate negotiations and transactions in the public's best interest.

(b) **Goals.** The goals of the provisional sales associate post-license education requirements are:

- (1) To provide newly licensed individuals with the opportunity to obtain current information and knowledge to enable them to conduct real estate negotiations and transactions in a legal and professional manner in order to better protect public interest.
- (2) To assure that licensees are provided with relevant information pertaining to practices which directly relate to real estate business.
- (3) To assure that the provisional sales associate is provided with information regarding new and/or changing laws and regulations which affect the real estate business.
- (4) To assure that the consumers interest is protected from unknowledgeable licensees.

(c) **Objectives.** The objectives of post-license education are to:

- (1) Assist newly licensed individuals by having available a practical educational program wherein the information attained can be put into practice.
- (2) To help licensees expand and enhance their knowledge and expertise so as to continually be effective, competent, and ethical as they practice real estate.
- (3) To encourage licensees to gain additional education for specialization in particular areas of real estate.

(d) **Subject content.** On and after July 1, 1993, a provisional sales associate shall be required to successfully complete prior to the first license expiration date, forty-five (45) clock hours of post-license education or its equivalent as determined by the Commission. Such course of study shall be referred to as the Provisional Post-license Course of Real Estate, Part II of II and shall encompass the following areas of study:

- (1) Real Estate Marketplace
- (2) Marketing Real Estate
- (3) Personal Marketing
- (4) The Qualifying Process
- (5) Prospecting and Negotiating
- (6) Financing Real Estate, Investments and Exchanges
- (7) Financial Documents
- (8) Duty to Account
- (9) Title Search
- (10) Risk Management
- (11) At least three (3) clock hours of Broker Relationships with Parties to a Transaction
- (12) Property Management
- (13) At least three (3) clock hours of Laws and Regulations Affecting Real Estate Practice, including Code and Rules
- (14) Disciplinary Action
- (15) At least three (3) clock hours of Contracts and Forms.
- (16) At least three (3) clock hours of Professional Conduct and Ethics
- (17) At least three (3) clock hours of Fair Housing.

(e) **Equivalent course content.** The Commission may approve and/or accept any offering or combination of offerings which consists of forty-five (45) clock hours or more or its equivalent as determined by the

Commission provided by an entity which meets the purposes, goals and objectives of the provisional sales associate post-license education requirement.

(f) Offerings.

(1) The Commission may accept the following offerings as proof of meeting the post-license education requirement:

(A) Any offering which is approved and presented by those entities enumerated in Title 59, O.S., subsection B, of 858-307.2 of the "Code."

(B) Any offering in real estate, or directly related area, approved and/or accepted by the real estate regulatory agency in another state; provided such offering is not excluded elsewhere in this Chapter.

(C) Any offering in real estate, or directly related area, not accepted in paragraphs (A) or (B) of this subsection, which can be determined by the Commission to be in compliance with the intent of the rules of this Chapter.

(2) The Commission has the authority to disapprove any offering which fails to meet the purposes, goals and objectives of this Section.

(g) Licensee responsible for notification to Commission. Each provisional sales associate shall be responsible to furnish evidence to the Commission of having successfully completed a Commission approved forty-five (45) clock hour post-license education course or its equivalent as determined by the Commission. Upon successful completion of the post-license education requirement, evidence must be submitted on or before license expiration and on a form approved by the Commission.

(h) Failure to complete post-license education requirement prior to license expiration. ~~A provisional sales associate who fails to complete the post-license education requirement within six (6) months from the date of issuance, shall be placed on inactive status until evidence of successful completion is submitted to the Commission.~~ A provisional sales associate who fails to complete the post-license education requirement prior to the first expiration date of the provisional sales associate license, shall not be entitled to renew such license.

(i) Evidence of completion. As evidence of having completed the education requirement, each provisional sales associate shall present one or more of the following as required by the Commission:

(1) A certificate, and/or documents, statements and forms, as may reasonably be required by the Commission, or

(2) A certified transcript; however, if such offering is taken as an accredited C.E.U. (Continuing Education Unit) a certificate may be accepted in lieu of the transcript.

(j) Attendance and successful completion required for in-class credit. To complete any in-class offering, a person must physically be present during all of the offering time and successfully complete all course requirements and an examination.

(k) Successful completion of materials and examination required for distance education credit. To complete a distance education offering, a person must successfully complete all course requirements to include all modules and an examination.

(l) Course limitations. The following course limitations shall apply:

(1) A provisional sales associate shall only be given credit for courses specifically approved by the Commission.

(2) Educational courses taken for disciplinary reasons do not count towards the normal post-license education requirement.

(m) Extension of time for completion of post-license course for provisional sales associate that has received orders for active military service. A provisional sales associate that has received orders for active military service may request an extension of time to complete the post-license education requirement if the request is received in writing prior to the expiration of the license. The request must be accompanied

by a copy of the military orders for active military service. The extension of time shall be one (1) year from the date of return from active military service. In conformance with §858-309, a licensee on active military service shall request an inactive status prior to each term for which the license is to be issued. If an extension is approved, a provisional sales associate shall be allowed to renew their license by requesting an inactive status in writing prior to each term for which the license is to be issued.

SUBCHAPTER 7. LICENSING PROCEDURES AND OPTIONS

605:10-7-2. License terms and fees; renewals; reinstatements

(a) **License term and fees.** Each original license issued under the Code shall be issued to expire at the end of the thirty-sixth (36) month including the month of issuance. Each original provisional sales associate license issued under the Code shall be issued to expire at the end of the twelfth (12th) month including the month of issuance. Fees are non-refundable and are as follows:

(1) For an original broker license and each subsequent license renewal, to include corporations, associations or partnerships, the fee shall be Two Hundred and Eighty Dollars (\$280.00).

(2) For an inactive original broker license and each subsequent inactive license renewal, with the exception of corporations, associations or partnerships, the fee shall be One Hundred and Sixty 40 605:10-7-11. Applicant Criminal History Dollars (\$160.00). In order to activate a license that was renewed inactive in the same license term, the licensee shall pay One Hundred and Sixty Five Dollars (\$165.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(3) For an original broker associate license and each subsequent license renewal, the fee shall be Two Hundred and Forty Five Dollars (\$245.00).

(4) For an inactive original broker associate license and each subsequent inactive license renewal, the fee shall be One Hundred and Fifty Dollars (\$150.00). In order to activate a license that was renewed inactive in the same license term, the licensee shall pay One Hundred and Fifty Five Dollars (\$155.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(5) For an active original sales associate license and each subsequent active license renewal the fee shall be Two Hundred Dollars (\$200.00).

(6) For an inactive original sales associate license and each subsequent inactive license renewal the fee shall be One Hundred and Twenty Five Dollars (\$125.00). In order to activate a sales associate license that was renewed inactive in the same license term, the licensee shall pay One Hundred and Thirty Five Dollars (\$135.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(7) For an original provisional sales associate license that is non-renewable the fee shall be Ninety Five Dollars (\$95.00).

(8) For an original branch office license and each subsequent license renewal the fee shall be One Hundred and Seventy Dollars (\$170.00).

(9) For each duplicate license or pocket card, where the original is lost or destroyed, and a written request is made, a fee of Seven Dollars and fifty cents (\$7.50) shall be charged.

(10) The Fifteen Dollar (\$15.00) Education and Recovery Fund fee, shall be added and payable with the license fee for an original license and for each subsequent license renewal. Exceptions to this rule are: 1) a provisional sales associate license fee shall be Five Dollars (\$5.00) for their twelve (12) month license term; and, 2) a branch office shall not pay the fee.

(b) **Terms cannot be altered.** Terms shall not be altered except for purposes of general reassignment of terms which might be necessitated for the purpose of maintaining an equitable staggered license term system.

(c) **Expiration date.** The actual expiration date of a license shall be midnight of the last day of the month of the designated license term. A person who allows their license to expire may be subject to a national criminal history record check, as defined by Section 150.9 of Title 74 of the Oklahoma Statutes.

(d) **Actual filing of license renewal.** A license shall lapse and terminate if a renewal application and required fees have not been filed with the Commission by midnight of the date on which the license is due to expire, except in the event that date falls on a Saturday, Sunday or holiday; in such a case, the next Commission working day shall be considered the due date. A renewal application and required fees are considered filed with the Commission on the date of the United States postal service postmark or the date personal delivery is made to the Commission office.

(e) **Reinstatement of license.** Any licensee whose license term has expired shall be considered for reinstatement of such license upon payment of an Eighty Dollar (\$80.00) reinstatement fee in addition to the license fee(s) for each delinquent license period(s). The following documents and fees must be submitted:

(1) **Lapsed less than one year.** In the case of a license lapsed less than one year:

- (A) License fee.
- (B) Reinstatement fee.
- (C) Documents as required by the Commission.

(2) **Lapsed more than one year but less than three years.** In the case of a license lapsed more than one year but less than three years:

- (A) License fee.
- (B) Reinstatement fee.
- (C) National criminal history check.
- (D) A completed reinstatement application.
- (E) Successful completion of the appropriate licensing examination.
- (F) A statement that the applicant has read a current License Code and Rules.
- (G) Documents as may be required by the Commission.

(3) **Lapsed more than three years.** If an application is submitted more than three (3) years subsequent to the most recent year of licensure, the applicant shall be regarded as an original applicant.

(f) **Reinstatement of a provisional sales associate license wherein post-license education was completed prior to license expiration date.** An applicant who successfully completed the post-license education requirement before their first license expiration date and failed to renew their license on or before such date shall be eligible to reinstate the license as a sales associate according to 605:10-7-2 (e), (1) through (3).

(g) **Reinstatement of a provisional sales associate license wherein post-license education was not completed prior to license expiration date.** An applicant who has not successfully completed the post-license education requirement prior to the first license expiration date shall not be eligible to reinstate such license and shall apply and qualify as an original applicant.

(h) **Reinstatement of revoked license.** An applicant may not apply for re-license or reinstatement of license for a minimum of ~~three (3)~~ five (5) years from the effective date of license revocation, except for an applicant whose license was automatically revoked pursuant to Sections 858-402 or 858-604 of Title 59, Oklahoma Statutes. Upon the passage of the ~~three (3)~~ five (5) year period, the applicant shall be required to comply with the requirements of an original applicant.

(i) **Reinstatement of an automatically revoked license.** An applicant who has had their license automatically revoked, pursuant to Section 858-402 or 858-604 of Title 59 of the Oklahoma Statutes, shall be required to comply with the requirements of (e) of this section. In addition, reinstatement will not be granted until all outstanding amounts due to the Commission have been paid in full.

(j) **Reinstatement of a surrendered or cancelled license.** A surrendered or cancelled license applicant may be reinstated provided the applicant has received approval for re-issuance from the Commission. The following forms and fees must be submitted:

(1) **Reinstatement with term of license still current.** A surrendered or cancelled license applicant whose license term is still current:

- (A) Reinstatement fee.
- (B) Re-issuance fee equal to the transfer of license fee.
- (C) Documents as may be required by the Commission.
- (D) Criminal history background check.

(2) **Reinstatement with term of license expired.** A surrendered or cancelled license applicant whose license term has expired shall be required to comply with the requirements of (e) of this section.

(3) **Reinstatement of provisional sales associate with term of license expired.** A surrendered or cancelled provisional sales associate whose license term has expired shall be required to comply with the following:

- (A) If a provisional sales associate completed the post-license requirement on or before the first license expiration date, the applicant shall be eligible to reinstate the license according to 605:10-7-2 (e), (1) through (2).
- (B) If a provisional sales associate did not complete the post-license requirement on or before the first license expiration date, the applicant shall be required to apply and qualify as an original applicant.

(k) **Continuing education requirement.** Each licensee with the exception of those as listed in Title 59, O.S., Section 858-307.2 (D) seeking renewal of a license must submit evidence that they have completed the continuing education requirements enumerated in Section 858-307.2 of Title 59. An applicant seeking active reinstatement of a lapsed license must submit evidence that all continuing education requirements have been completed for each term in which an active license is requested.

(l) **License expires after effective date of national criminal history check.**

(1) Any licensee who allows their license to expire for more than one (1) year shall be required to submit to a national criminal history check; however, such individual shall be allowed to proceed with reinstatement of such license pending receipt by the Commission of a completed background check, and fee as stated elsewhere in these rules for the background search. If, the Commission does not receive a completed application, background check, and fee within thirty (30) days from the date of request by the Commission, the license will be placed inactive and a hold placed on the license until receipt by the Commission of the aforementioned items. Thereafter, upon receipt by the Commission, the license may be reactivated so long as appropriate reactivation forms and fees, are received by the Commission.

(2) A provisional sales associate who completes the Provisional Post-License Course prior to their first license expiration date but fails to timely renew the license shall be eligible to apply under the requirement under the preceding paragraph. However, after a period of three (3) years from the date of the license expiration such applicant shall no longer be eligible to apply under this section.

(m) **Issuance of license from provisional sales associate to sales associate.** A provisional sales associate is required to furnish to the Commission evidence of successful completion of the Provisional Post-license Course of Real Estate, Part II of II education requirement as set forth in Section 858-302 of Title 59, of the

Oklahoma Statutes. Upon successful completion of the Provisional Post-license Course of Real Estate, Part II of II education requirement, the provisional sales associate must submit the appropriate document(s) to the Commission prior to the provisional sales associate's license expiration date for issuance of a renewable sales associate license. The Commission shall not issue the provisional sales associate a renewable sales associate license until the provisional sales associate has submitted evidence of successful completion of the forty-five (45) clock hour post-license course requirement and submitted all form(s) and fee(s) as required by the Commission.

(n) Active sales associate to inactive broker associate, or sales associate and/or broker associate to inactive broker license — no remaining credit to be given. In the event an active sales associate, within six (6) months of obtaining their original license, reinstatement or license renewal qualifies for an inactive broker associate license, the Commission shall not credit the difference in license fees. In the event an active sales associate or broker associate within six (6) months of obtaining their original license, reinstatement or license renewal qualifies for an inactive broker license, the Commission shall not credit the difference in the license fees.

(o) Licensee on active duty as a member of the Armed Forces of the United States.

(1) In accordance with Title 59, O.S., Section 4100.6 of the Post-Military Service Occupation, Education and Credentialing Act while a license holder is on active duty the license may be renewed without payment of the license and education and recovery fund fee and meeting the continuing education requirement. Such waiver shall be requested in writing to the Commission prior to license expiration along with evidence of the order for active duty. The license issued pursuant to this rule may be continued as long as the licensee is a member of the Armed Forces of the United States on active duty and for a period of at least one (1) year after discharge from active duty. Upon discharge from active duty and a request for license activation, the licensee shall submit to the Commission evidence of successful completion of the continuing education requirement for the current license renewal term.

(2) If a licensee on active duty does not request such a waiver in writing and the license expires, the applicant may, by written request provide the Commission documentation as required in subparagraph (1) of this subsection; however, no later than one (1) year after discharge from active duty.

(3) In the event a license expires during the events as noted herein, the Commission shall waive the criminal history background check and license examination.

(4) Member of the National Guard or reserve component of the armed forces. In accordance with Title 72, Chapter 1, Section 48.2 Extension and Renewal of Professional Licenses, any licensee whose license expires while on active duty as a member of the National Guard or reserve component of the armed forces shall be extended until no later than one (1) year after the member is discharged from active duty status. Upon the Commission receiving a copy of the official orders calling the member or reservist to active duty and official orders discharging the member or reservist from active duty all licensee fee and continuing education shall be waived for this time period as well as the criminal history background check and license examination.

(p) Reinstatement for corporation, association or partnership.

(1) A corporation, association or partnership that has lapsed for less than three (3) years that wishes to reinstate must submit:

(A) License fee(s).

(B) Reinstatement fee, forms and documents as required by the Commission.

(C) If the corporation or association has been lapsed for more than sixty (60) days, a current "Certification of Good Standing."

(2) Any corporation, association or partnership that has lapsed for more than three (3) years must submit an original application to be considered for licensure.

(q) **Reinstatement for branch offices.**

(1) A branch office that is lapsed for less than three (3) years that wishes to reinstate must submit:

(A) License fee(s).

(B) Reinstatement fee, forms and documents as required by the Commission

(2) Any branch office that has lapsed for more than three (3) years must submit an original application as a new branch office.

(r) **Specific license fees waived for low-income individuals.** In accordance with Title 59, Section 4003, any applicant who can present satisfactory evidence of being a low-income individual shall receive a one-time one-year waiver of the licensure fees as outlined in 605:10-7-2 (a). Such waiver shall be prorated for a multi-year license so that the applicant shall only receive a waiver for one year of the applicable license fees. For the purposes of this section, "low-income individual" means an individual who is enrolled in a state or federal public assistance program, or whose household adjusted gross income is below 140% of the federal poverty line or a higher threshold to be set by the executive branch department that oversees business regulation. Satisfactory evidence that the applicant is a low-income individual must be made upon forms provided by the Commission and must be presented upon application for original licensure.

605:10-7-8.3. Sole Proprietor licensing procedures

(a) **Sole Proprietor.** A sole proprietor is a broker that is the sole owner of a real estate business/firm. To qualify for a sole proprietorship, the firm shall not conduct business in the name of an entity, i.e., corporation, association (Limited Liability Company) or partnership and the business/firm shall not be owned by any other person or entity. To apply as a sole proprietor one must meet all requirements for a broker license and submit to the Commission the following:

(1) Completed sole proprietor broker application form(s) and fee(s) as required by the Commission.

(2) An associate release form if previously associated with a sponsoring broker.

(b) **Death, disability or retirement.** In the event of the death, disability or retirement of the sole proprietor, the sole proprietor firm shall cease business activities.

(c) **Broker responsible.** A sole proprietor broker is responsible for all acts of associates licensed with the firm.

(d) **Ceasing business activities.** When the sole proprietor discontinues a portion of the real estate activities or ceases all real estate activities, the sole proprietor is required to comply with the following:

(1) Immediately notify the Commission in writing.

(2) Comply with Section 605:10-13-1 (n).

~~(e) **Group change information.** Under certain circumstances as determined by the Commission, the Commission may place a cap of Seven Hundred Fifty Dollars (\$750.00) on group transactions requesting licenses to be issued. To qualify, such request must be received complete and require no further correspondence and/or documents except for the issuance of the licenses.~~

605:10-7-8.4. Corporations or Associations formed for the purpose of receiving compensation

Within the meaning of subsection 14 of Section 858-312 of the "Code" payment of a commission by a broker to a broker or an associate's corporation or association does not constitute a payment of a fee (commission) to an unlicensed person provided the corporation or association and the broker and/or associate abide by the following requirements:

(1) The corporation or association shall not perform any act requiring a real estate license and shall not hold itself out as engaged in such activity.

- (2) The licensee requesting registration with the Commission must have an active individual real estate license.
- (3) The managing broker must provide approval to the Commission of the broker or associate's corporation or association.
- (4) The licensee requesting registration with the Commission must be the majority stockholder and president of the corporation or majority member of the association.
- (5) Ownership of the broker or associate's corporation or association is limited to spouses and blood relatives.
- (6) The corporation or association shall not advertise or receive referral fees or commissions except from the broker.
- (7) The licensee requesting registration with the Commission must pay a ~~forty dollar (\$40.00)~~ fifty dollar (\$50.00) registration fee and make the following declarations to the Commission:
 - (A) A statement that the licensee requesting registration with the Commission is the majority stockholder and president of the corporation or majority member of the association.
 - (B) Names and relations of all officers/members and/or stockholders.
 - (C) Verification that the association or corporation is in good standing with the Oklahoma Secretary of State.
- (8) An individual broker or associate may only register one corporation or association for the purpose of receiving compensation.

605:10-7-11. Applicant criminal history

- (a) This section establishes the criteria utilized by the Commission in determining the effect of criminal history on applicant eligibility for real estate licensure and certification. This section applies to:
 - (1) All individuals seeking to obtain a real estate license;
 - (2) All individuals seeking an initial determination of their eligibility to obtain a real estate license.
- (b) The Commission shall maintain a list of ~~felony~~ crimes that disqualify an applicant from obtaining a real estate license ~~within ten (10) years of completion of the criminal sentence, including parole and probation.~~ in compliance with 59 O.S. § 858-301.1. The ~~felony~~ crimes included on the list substantially relate to the practice of real estate and pose a reasonable threat to public safety for the reasons stated below:
 - (1) Real Estate Licensees have unique access to residential homes and commercial buildings.
 - (2) Real Estate Licensees have daily contact with the public and individuals in the occupation.
 - (3) Real Estate Licensees play a vital role in assisting the public with substantial long-term financial obligations.
- (c) The Commission's list of disqualifying ~~felony~~ crimes is available on the Commission's website or upon request by contacting the Commission office.
- (d) Individuals may request an initial determination from the Commission regarding whether the individual's criminal history disqualifies that individual from obtaining a real estate license. Such request must be in writing and directed to the Oklahoma Real Estate Commission. The individual must submit a copy of their criminal history and any related documents and court records that specify the criminal history of the individual. A fifty dollar (\$50.00) fee shall accompany any request for initial determination. The fee shall be collected by the Commission prior to the determination.
- (e) Individuals may appeal the Commission's initial determination of disqualification by submitting a request in writing of the circumstances the individual would like the Commission to consider. The Commission may discuss the individual appeals at any scheduled meeting of the Commission. ~~The individual may be allowed to address the Commission during public comment by signing in at the beginning of the meeting at which the appeal may be on the agenda.~~

SUBCHAPTER 9. BROKER'S OPERATIONAL PROCEDURES

605:10-9-3. Trade names

Each licensed broker or entity must register in writing to the Commission all trade names used in connection with real estate activities prior to the trade name being advertised or displayed in any way. Further, each broker is to notify the Commission in writing of all deleted or unused trade names. The registration of each trade name must be accompanied by a ~~ten dollar (\$10.00)~~ twenty five dollar (\$25.00) registration fee.

605:10-9-3.2. Team registration and fees

- (a) The broker shall register each team within the brokerage with the Commission on a form prescribed by the Commission. The fee for each team name registration shall be \$100.00.
- (b) Each team name must be approved by the broker and must be unique and not registered to another real estate team within the State of Oklahoma, and must not be identical to any association, corporation or partnership licensed as a real estate entity by the Commission.
- (c) The broker shall not allow any team name identical to an associate's corporation or association formed for the purpose of receiving compensation.
- (d) Each team name must be registered to the Commission prior to the performance of any licensable activities by the team.
- (e) It shall be prohibited for a broker to register any team name that is not being used by a team within their brokerage.
- (f) The broker shall maintain and keep current a list of teams and their respective members, in writing, within the brokerage. Copies of this list shall be made available immediately to the Commission upon request.
- (g) The broker shall notify the Commission, in writing, of all deleted or unused team names.
- (h) Team members must maintain an active Oklahoma real estate license.
- (i) All registered team names shall contain the word "team" or "group".

605:10-9-5. Broker change of address or office telephone number

- (a) **Change of business address or office telephone number.** Any change of business address or office telephone number of a broker must be filed in the Commission office within ten (10) days of such change. Filed shall mean the date of the United States Postal Service postmark or the date personal delivery is made to the Commission office. ~~The broker shall return his or her certificate to the Commission along with those of all licensees in his or her association with a request for a change of address. Upon any request for a change of address there shall be paid a fee to the Commission of Forty Dollars (\$40.00) for each license to be changed.~~ No fee shall be charged for adding or deleting an office telephone number.
- ~~(b) **Group change of address.** Under certain circumstances as determined by the Commission, the Commission may place a cap of Seven Hundred Fifty Dollars (\$750.00) on group transactions requesting Licenses to be issued. To qualify, such request must be received complete and require no further correspondence and/or documents except for the issuance of the licenses.~~
- ~~(c) (b) **Change of home address.** A broker is required to notify the Commission of his or her current home address. Such change shall be filed in the Commission office within ten (10) days of such change. No fee is required to change the licensee's record; however, a fee of Forty Dollars (\$40.00) will be charged if the change requires a new license to be issued.~~

SUBCHAPTER 11. ASSOCIATE'S LICENSING PROCEDURES

605:10-11-2. Associate licenses

(a) **License issuance and change request.** Each associate license shall be issued electronically to each associate through the individual License Portal. Upon an associate leaving the association of the broker, the associate's license shall be updated electronically after receiving a release or transfer executed by the broker. Any change of association from one firm to another, or relocation from one office to another within a firm by an associate must be filed in the Commission office within ten (10) days. The associate's new broker shall be required to provide consent to sponsor the associate with the Commission. An associate requesting an association or office change shall be required to pay a fee of Forty Dollars (\$40.00).

(b) **Broker refusal to release associate.** In the event a broker refuses for any reason to release an associate, the associate shall notify the broker and Commission in writing of the disassociation, ~~and furnish the Commission a sworn statement that the notification has been sent to the broker.~~ Upon receipt by the Commission of the aforementioned statement, the Commission will provide one (1) additional email notice to the broker and shall release the licensee within two (2) business days.

~~(c) **Group change requests.** Under certain circumstances as determined by the Commission, the Commission may place a cap of Seven Hundred Fifty Dollars (\$750.00) on group transactions requesting licenses to be reissued. To qualify, the request must be received complete and require no further correspondence and/or documents except for the issuance of the licenses.~~

~~(d) **Associates transfer.** When an affiliated associate leaves a broker for whom the associate is acting, the broker shall make every attempt to notify the associate of the disassociation.~~

~~(e) **Active associate may continually act.** An active associate transferring from one broker to a new broker may continually act if the change is done in a timely manner and in compliance with the ten (10) day notification requirement and other applicable rules of this Chapter.~~

~~(f) **Compensation due a disassociated associate.** A previous broker may pay compensation due a disassociated associate directly to the associate and not be required to make the payment through the associate's new broker. However, any agreements between the associate and prior broker requiring further activities to be performed in connection with the compensation to be received, can only be performed with consent and acknowledgement of the new broker.~~

~~(g) **Change of home address.** An associate is required to notify the Commission office of his or her current home address. The change shall be filed in the Commission office within ten (10) days of change. No fee is required to change the licensee's records; however a fee of Forty Dollars (\$40.00) will be charged if the change requires a new license to be issued.~~

SUBCHAPTER 17. CAUSES FOR INVESTIGATION; HEARING PROCESS; PROHIBITED ACTS; DISCIPLINE

605:10-17-4. Prohibited dealings

Within the meaning of subsection 8 of Section 858-312 of the "Code," untrustworthy, improper, fraudulent or dishonest dealing shall include, but not be limited to, the following:

(1) The making of a brokerage service contract without a date of termination.

(2) Purchasing of property by a licensee for himself or herself or another entity in which the licensee has an interest as defined in 605:10-15-1 (c), if such property is listed with the broker or the broker's firm, without first making full written disclosure thereof and obtaining the approval of the owner, or the failure by the licensee to exert the licensee's best effort in order to later purchase or acquire the property for themselves or another entity in which they have an interest as defined in 605:10-15-1 (c).

(3) Purchasing of property by a licensee for himself or herself or another entity in which the licensee

has an interest as defined in 605:10-15-1(c) without first making a full written disclosure to all parties involved in the transaction.

~~(3)~~ ~~(4)~~ Repeated misrepresentations, even though not fraudulent, which occur as a result of the failure by the licensee to inform himself or herself of pertinent facts concerning property, as to which he or she is performing services.

~~(4)~~ ~~(5)~~ Procuring the signature(s) and dates of such signature(s) to a purchase offer or contract or to any lease or lease proposal which has no definite maximum purchase price or lease rental, or no method of payment, termination date, possession date or property description.

~~(5)~~ ~~(6)~~ The payment of any fees or amounts due the Commission with a check that is dishonored upon presentation to the bank on which the check is drawn.

~~(6)~~ ~~(7)~~ Lending a broker's license to an associate; permitting an associate to operate as a broker; or failure of a broker to properly supervise the activities of an associate. A broker permitting the use of the broker's license to enable an associate licensed with the broker to, in fact, establish and conduct a brokerage business wherein the broker's only interest is the receipt of a fee for the use of the broker's sponsorship.

~~(7)~~ ~~(8)~~ Failure to make known in writing to any purchaser any interest the licensee has in the property they are selling.

~~(8)~~ ~~(9)~~ Failure of the licensee to inform the buyer and seller in writing at the time the offer is presented that the buyer and seller will be expected to pay certain closing costs, brokerage service costs, and approximate amount of said costs.

~~(9)~~ ~~(10)~~ Failure, upon demand in writing, to respond to a complaint in writing, or to disclose any information within licensee's knowledge, or to produce any document, book or record in licensee's possession or under licensee's control that is real estate related and under the jurisdiction of the Real Estate Commission, for inspection to a member of the Commission staff or any other lawful representative of the Commission.

~~(10)~~ ~~(11)~~ Failure to reduce an offer to writing, when a proposed purchaser requests such offer to be submitted.

~~(11)~~ ~~(12)~~ Failure to submit all bona fide offers to an owner when such offers are received prior to the seller accepting an offer in writing.

~~(12)~~ ~~(13)~~ Any conduct in a real estate transaction which demonstrates bad faith or incompetency.

~~(13)~~ ~~(14)~~ Failure to act, in marketing the licensee's own property, with the same good faith as when acting in the capacity of a real estate licensee.

~~(14)~~ ~~(15)~~ An associate who does not possess the license of a broker or branch office broker as defined in the rules, but is intentionally acting in the capacity of a broker or branch office broker.

~~(15)~~ ~~(16)~~ Discouraging a party from obtaining an inspection on a property.

~~(16)~~ ~~(17)~~ Allowing access to, or control of, real property without the owner's authorization.

~~(17)~~ ~~(18)~~ Knowingly providing false or misleading information to the Commission during the course of an investigation.

~~(18)~~ ~~(19)~~ Interfering with an investigation by means of persuading, intimidating or threatening any party or witness, or tampering with or withholding evidence relating to the investigation.

~~(19)~~ ~~(20)~~ Knowingly cooperating with an unlicensed person or entity to perform licensed real estate activities as required by Title 59 O.S. Section 858-301.

~~(20)~~ ~~(21)~~ Failing to disclose in writing any known immediate family relationship to a party to the transaction for which the broker is providing brokerage services.

~~(21)~~ ~~(22)~~ Failure by a broker to ensure all persons performing real estate licensed activities under the broker are properly licensed.

~~(22)~~ ~~(23)~~ An associate shall not perform licensed activities outside their broker's supervision.

~~(23)~~ (24) Failing to maintain documents relating to a trust account or real estate transaction for the time period as required by Rule 605:10-13-1.

605:10-17-6. Requirements for suspended/revoked licensee

(a) A suspended/revoked licensee must destroy or return their license certificate and pocket identification card to the Commission office on or before the date the suspension/revocation becomes effective.

(b) When the suspension/revocation period becomes effective, the licensee shall comply with the following requirements:

(1) A suspended/revoked licensee shall not engage in any activity which requires a real estate license, as defined in Section 858-102.

(2) When a broker's license is suspended/revoked, associates under the suspended/revoked broker's supervision will automatically be placed "inactive" for the duration of the suspension/revocation period unless the licensee requests to be transferred to another broker.

(3) If the suspended/revoked broker has a branch office, the license for the branch office will be placed inactive unless otherwise ordered by the Commission; and all licensees associated with the branch office will automatically be placed "inactive" for the duration of the suspension/revocation period unless the licensee requests to be transferred to another broker.

(4) If a managing corporate broker of a corporation is suspended/revoked for an act which was on behalf of the corporation, the broker license of the corporation will be placed inactive unless otherwise ordered by the Commission; and all licensees associated with the corporation will automatically be placed "inactive" for the duration of the suspension/revocation period unless the licensee requests to be transferred to another broker.

(5) If the managing partner(s) of a partnership is suspended/revoked for an act which was ~~in~~ on behalf of the partnership, the broker license of the partnership will be placed inactive unless otherwise ordered by the Commission; and all licensees associated with the partnership will automatically be placed on "inactive" for the duration of the suspension/revocation period and the other broker will be placed "inactive" unless he or she requests his or her license to be transferred out of the partnership.

(6) If a managing broker member of an association is suspended/revoked for an act which was in behalf of the association, the broker license of the association will be placed inactive unless otherwise ordered by the Commission; and all licensees associated with the association will automatically be placed "inactive" for the duration of the suspension/revocation period unless the licensee requests to be transferred to another broker.

(7) A suspended/revoked licensee shall only receive compensation during the suspension/revocation period for acts which were performed during the period in which the licensee was actively licensed.

(8) Listings must be cancelled by a suspended/revoked broker between the time the Order of suspension/revocation is received and the effective date of suspension/revocation, as listings will be void on the date the suspension/revocation becomes effective.

(9) A suspended/revoked broker shall not assign listings to another broker without the written consent of the owner of the listed property.

(10) A suspended/revoked broker shall not advertise real estate in any manner, and must remove and discontinue all advertising.

(11) The telephone in a suspended/revoked broker's office shall not be answered in any manner to indicate the suspended/revoked broker is currently active in real estate.

(12) All pending contracts, items or monies placed with the suspended/revoked broker must be transferred to another responsible broker as approved by the Commission and in compliance with Section 605:10-13-1 (n.).

(13) A suspended/revoked licensee shall be required to comply with Section 605:10-13-1 (n) and provide the required information to the Commission prior to the effective date of suspension/revocation.

(14) A representative of the Commission shall visit the office of any suspended/revoked broker prior to the effective date of the suspension/revocation to insure compliance with the requirements of (1) through (13) of this subsection.