CHAPTER 10. REQUIREMENTS, STANDARDS, AND PROCEDURES

SUBCHAPTER 1. GENERAL PROVISIONS

605:10-1-2. Definitions

When used in this Chapter, masculine words shall include the feminine and neuter, and the singular includes the plural. The following words or terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

"Advertising" means all forms of representation, promotion and solicitation disseminated in any manner and by any means of communication, to include social networking, to consumers for any purpose related to licensed real estate activity.

"Bona fide offer" means an offer in writing.

"Branch office" means an extension of a broker's main office location and may be ~~normally is~~ located at a different location than the main office. ~~A branch office is operated as part of the same brokerage business as the main office and is not established or operated as a~~ separate brokerage or business. ~~A branch office shall not be owned by any person other than the applicable broker or entity.~~

"Branch broker" means a person who qualified for a broker license and who is designated by a managing broker ~~broker manager or proprietor broker~~ to direct and supervise a branch office on behalf of the broker in conformance with Section 858-310 of the Code. A branch broker is considered an associate of a managing broker~~broker manager or proprietor broker~~.

"Broker" means a sole proprietor, corporation, managing corporate broker of a corporation, association, managing broker member or manager of an association, partnership, or managing partners of a partnership and shall be one and the same as defined as a broker in Section 858-102 of the Code ~~and whom the Commission shall hold responsible for all actions of associates who are assigned to said broker~~.

"Broker Associate" means a person who holds an active Oklahoma real estate Broker Associate license and works under a Managing Broker, Branch Broker, or Broker Proprietor.

"Code" when used in the rules of this Chapter, means Title 59, Section 858-101 et seq, Oklahoma Statutes as adopted 1974 and amended.

"Entity" means association, corporation, limited liability company, and partnership.

"Filed" means the date of the United States postal service postmark or the date personal delivery is made to the Commission office.

"Firm" means a sole proprietor, corporation, limited liability company, association or partnership.

"Inactive status" means a period in which a licensee is prohibited from performing activities which require an active license.

"Managing Broker" means a person who holds an active Oklahoma real estate Managing Broker license and who directs and supervises a brokerage in conformance with the Code.

"Nonresident" means a person who is licensed to practice in this state, however, does not maintain a place of business in this state but maintains a place of business in another state and who periodically comes to this state to operate and perform real estate activities.

"Previously licensed applicant" means a person who has been licensed in another ~~state~~ jurisdiction and is applying for Oklahoma real estate licensure ~~desires to obtain a resident license in this state.~~

"Provisional sales associate" shall be synonymous in meaning with sales associate except where it is specifically addressed in Subchapters 3, 5 and 7 of this Chapter.

"Rents" or **"leases real estate"** as referenced in Title 59, Section 858-102, subparagraph 2, means the licensed activities provided by a broker through a property management agreement with a party for a fee, commission or other valuable consideration, or with the intention or expectation of receiving or collecting a fee, commission or other valuable consideration. Licensed property management activities may include, but shall not be limited to, showing real property for rent or lease; soliciting tenants and landlords; negotiating on behalf of the tenant or landlord; and complying with and maintaining the property in accordance with Title 41, Oklahoma Statutes, Non-Residential/Residential Landlord and Tenant Acts.

"Resident" means a person who is licensed in this state and operates from a place of business in this state.

"Sales associate" means a person who holds an active Oklahoma real estate sales associate license.

"Sole proprietor" means a broker who is the sole owner of a real estate business. This term shall be synonymous with Broker Proprietor.

"Team name" means a name used by a team as defined in Section 858-305 of the Code. All team names must be approved by the broker and must be registered with the Commission.

"Trade name" means the name a firm is to be known as and which is used in advertising by the firm to promote and generate publicity for the firm. A firm may or may not do business in the name under which their license is issued but must register with the Commission all trade names used by the firm.

"Wholesaler" means an individual or entity engaging in the business of securing, negotiating, or facilitating the sale of residential real estate for the purpose of transferring, assigning, or selling an equitable interest in the property, directly or indirectly, for financial profit pursuant to Sections 858-102 and 858-314 of the Code.

605:10-1-3. Appeal of administrative decisions; procedures

(a) Unless specifically provided for elsewhere in this Chapter, any adverse administrative action or decision rendered by the Commission, its staff on behalf of the Commission, or a third party contract vendor, may be appealed by the adversely affected party filing within thirty (30) days of notice of such action or decision, a written request for a hearing.

(b) Upon receipt of a request for any non-disciplinary hearing provided for in this Section, or any other rule of this Chapter, the Secretary-Treasurer shall schedule an administrative decision hearing before a Hearing Examiner, a selected panel of the Commission, or the Commission as a whole giving at least fifteen (15) days notice of such hearing. Such hearing shall be public except that upon motion, witnesses, other than the adversely affected appealing party, may be excluded from the hearing room when such witnesses are not testifying. A court reporter shall be present to record the proceedings ~~o~~on behalf of the Commission. Any person desiring a copy of the transcript of the proceedings may purchase such from the reporter.

(c) In the case of a proceeding conducted by the Commission as a whole or a panel of the Commission, the Chairman or his designee shall preside. Designated counsel shall advise the chair as to rulings upon the questions of admissibility of evidence, competence of witnesses and any other question of law where such ruling is required or requested.

(d) The appealing party may present his or her own evidence or may present such through his or her counsel. In order that the hearing will not be encumbered by evidence having no bearing on the issues, testimony by all witnesses will be limited to matters relevant to the issues involved.

(e) The order of procedure shall be as follows:

(1) Recitation of the administrative action or decision.
(2) Presentation of the adversely affected party's appeal.
(3) Questioning of the appealing party by the hearing panel or Hearing Examiner.
(4) Response by the Commission or Commission representatives detailing grounds for and basis for the administrative decision or action.
(5) Examination of witnesses by appealing party with cross-examination of such witnesses.
(6) Closing statements by the appealing party.

(f) If the case is heard by the Commission as a whole, the Commission shall deliberate and render its decision with confirmation of such decision in writing in the form of an Order distributed to all parties by mail.

(g) In the case of a hearing conducted by a Hearing Examiner or a panel of the Commission, following the hearing, the Hearing Examiner or attorney sitting as counsel to the panel of the Commission shall prepare a recommended Order to be considered by the Real Estate Commission as a whole at a future meeting. All parties will be furnished copies of the recommended Order and notified as to the date the recommendations will be considered by the Commission for adoption. At the same time, notice will be given also to the parties that written exceptions or requests to present oral exceptions or arguments, if any, should be submitted on or before a designated date pursuant to Section 311, Title 75, Oklahoma Statutes. Upon adoption of the recommended Order by the Commission as a whole, such Order shall be distributed to all parties.

SUBCHAPTER 3. EDUCATION AND EXAMINATION REQUIREMENTS

605:10-3-1. Prelicense education requirements

(a) **Subject Content.** Each applicant for licensure shall present with their application a certification showing successful completion of the applicable course of study approved by the Commission as follows:

(1) To qualify an applicant for examination and licensure as a provisional sales associate, the course shall consist of at least ninety (90) clock hours of instruction or its equivalent as determined by the Commission. In order for a provisional sales associate to obtain a sales associate license, the provisional sales associate must, following issuance of a provisional license, complete additional education as required in Section 858-302 of the Code. The pre-license course of study shall be referred to as the Basic Course of Real Estate, Part I of II and shall encompass the following areas of study:

(A) Real Estate Economics and Marketing
(B) Nature of Real Estate
(C) Rights and Interest in Real Estate
(D) Legal Descriptions
(E) Title Search, Encumbrances, and Land Use Control
(F) Transfer of Rights
(G) Service Contracts
(H) Estimating Transaction Expenses
(I) Value and Appraisal
(J) Marketing Activities
(K) Fair Housing Act
(L) Contract Law Overview
(M) Contract Law and Performance
(N) Offers and Purchase Contracts
(O) Financing Real Estate
(P) Closing a Transaction
(Q) Regulations Affecting Real Estate
(R) Disclosures and Environmental Issues
(S) Property Management and Leasing
(T) Risk Management
(U) Professional Standards of Conduct
(V) Law of Agency

(2) To qualify an applicant for examination and licensure as a broker or a broker associate, the course shall consist of at least ninety (90) clock hours of instruction or its equivalent as determined by the Commission. Such course of study shall be referred to as the Advanced Course in Real Estate and shall encompass the following areas of study:

(A) Laws and Rules Affecting Real Estate Practice
(B) Broker Supervision
(C) Establishing a Real Estate Office
(D) Professional Development
(E) Business, Financial, and Brokerage Management
(F) Oklahoma Broker Relationships
(G) Anti-Trust and Deceptive Trade
(H) Risk Management and Insurance
(I) Mandated Disclosures, Hazards, and Zoning
(J) Real Estate Financing
(K) Specialized Property Operations and Specialty Areas
(L) Trust Accounts and Trust Funds
(M) Advanced ~~Closing a Real Estate~~ Transactions; Complex Financing, Investments, and Closing Procedures
(N) Closing Statements
(O) Professional Standards of Conduct
(P) Property Ownership
(Q) Land Use Controls and Regulations
(R) Valuation and Market Analysis
(S) Law of Agency
(T) Contracts
(U) Transfer of Property
(V) Practice of Real Estate
(W) Real Estate Calculations, Practice Skills, and Case Studies

(b) **Entities allowed to seek approval.** The education courses required of this Section shall be satisfied by courses approved by the Commission and offered by an education provider approved by the Commission.

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

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

605:10-3-3. Proceedings upon application for a license

(a) **Qualified application.**

(1) **Approved application.** If the Commission is of the opinion that an applicant for licensure is qualified, the application may be approved. An approved application shall be valid for one (1) year.
(2) **Denial of application.** If, from the application filed, or from answers to inquiries, or from complaints or information received, or from investigation, it shall appear to the Commission the applicant is not qualified at any time before the initial license is issued, the Commission shall refuse to approve the application and shall give notice of that fact to the applicant within fifteen (15) days after its ruling, order or decision.
(b) **Appeal of denial of application.** Upon written request from the applicant, filed within thirty (30) days after receipt of such notice of denial, the Commission shall set the matter for hearing to be conducted within sixty (60) days after receipt of the applicant's request.
(c) **Applicant hearing.** The hearing shall be at the time and place as prescribed by the Commission. At least ten (10) days prior to the date set for hearing the Commission shall notify the applicant and other persons protesting, and shall set forth in a notice the reason or reasons why the Commission refused to accept or approve the application. The written notice of the hearing may be served by personal delivery to the applicant and protesters, or by mailing the same by registered or certified mail to the last known address of the applicant and/or protesters.
(d) **Hearing procedures.** The hearing procedure shall be that as outlined in 605:10-1-3 titled "Appeal of administrative decisions; procedures."

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, 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. 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 provider ~~supplier~~ in advance by submitting a written request, 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 provider~~supplier~~. A challenge to a question that pertains to the national portion will fall under the review policy of the examination provider~~supplier~~. In either case, both the examination provider ~~supplier and~~/or the Commission, as applicable, 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.** An ~~The original examination~~ application for Oklahoma real estate licensure shall be valid for one (1) year from date of filing. After such date, an applicant must complete a new ~~original~~ application for licensure ~~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) **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 disqualified from retaking the examination for one (1) year from the date of the incident, and
(3) must restart any ~~re-~~apply as an original applicant for any future application submitted after the ~~one year~~one-year ban
(4) applicants impacted by this section are allowed to file an appeal with the Commission under Rule 605:10-1-3.

605:10-3-6. Continuing education requirement
(a) **Definition.** Continuing education shall be defined as any real estate oriented education course or equivalent, hereinafter called offering(s) intended:
(1) To improve the knowledge of licensees.
(2) To keep licensees abreast of changing real estate practices and laws.
(3) To help licensees meet the statutory requirements for license renewal.
(b) **Purpose.** The purpose of continuing education is to provide an educational program through which real estate licensees can continually become more competent and remain qualified to engage in real estate activities for which they are licensed. Such activities involve facts and concepts about which licensees must be knowledgeable in order to safely and confidently conduct real estate negotiations and transactions in the public's best interest.
(c) **Goals.** The goals of continuing education are:
(1) To provide licensees with opportunity for obtaining necessary current information and knowledge which will 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 the licensees are provided with current information regarding new and/or changing laws and regulations which affect the real estate business.
(3) To ensure that the consumers interest is protected from unknowledgeable licensees.
(d) **Objectives.** The objectives of continued education are as follows:
(1) For licensees to expand and enhance their knowledge and expertise so as to be continually effective, competent, and ethical as they practice real estate.
(2) For licensees to review and update their knowledge of federal, state and local laws and regulations which affect real estate practices.
(e) **Credit for Prelicense Broker and Provisional Sales Associate Postlicense Courses.** Completion of an approved ninety (90) hour prelicense broker course or an approved forty-five (45) hour provisional sales associate postlicense course, or its respective equivalent as determined by the Commission shall satisfy the required thirty (30) hours of continuing education credit for a licensee. An individual segment of an approved Prelicense Broker course or an approved provisional sales associate postlicense course shall suffice for continuing education credit provided such individual segment has also been separately approved for continuing education credit.
~~**Entities allowed to seek approval.** The Commission may approve and/or accept any offering provided by an entity which meets the purposes, goals, and objectives of the continuing education requirement. The Commission may accept the following offerings as proof of meeting the continuing education requirement:~~
~~(1) Any offering which is approved and presented by those entities enumerated in paragraph B, of 858-307.2 of the "Code".~~
~~(2) 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.~~
~~(3) Any offering in real estate, or directly related area, not accepted in paragraphs (1) or (2) of this subsection, which the Commission determines to be in compliance with the rules of this Chapter.~~
~~(4) Completion of an approved ninety (90) hour prelicense broker course or an approved forty-five (45) hour provisional sales associate postlicense course, or its respective equivalent as determined by the Commission shall suffice for thirty (30) hours of continuing education credit for a licensee. An individual segment of an approved prelicense broker course or an approved provisional sales associate postlicense course shall suffice for continuing education credit provided such individual segment has also been separately approved for continuing education credit.~~
(f) **Ineligible courses.**
(1) The following offerings will not be considered by the Commission to meet continuing education requirements:
(A) General training or education not directly related to real estate or real estate practices.
(B) Offerings in mechanical office and business skills such as typing, speed reading, memory improvement, report writing, and personal motivation that is not directly related to real estate.
(C) Sales promotion or other meetings held in conjunction with the general real estate brokerage business.
(D) Meetings which are a normal part of in-house training.
(E) That portion of any offering devoted to breakfast, luncheon, dinner, or other refreshments.
(F) Prelicense general training and education to obtain a provisional sales associate or sales associate license or license examination refresher courses for provisional sales associate/sales associate or broker.
(2) The list in (1) of this subsection does not limit the Commission's authority to disapprove any offering which fails to meet the adopted purposes, goals and objectives.
(g) **Licensee responsible for notification to Commission.** Each licensee shall ultimately be responsible for furnishing evidence of successfully completing the continuing education requirements for license renewal, activation, or reinstatement, to the Commission as set forth elsewhere in this Chapter. Each licensee shall present to the Commission evidence of completion of a minimum of thirty (30) clock hours of continuing education offerings acceptable by the Commission. As evidence of completing the requirement, each licensee shall present:
(1) A certificate, and/or documents, statements and forms, as may reasonably be required by the Commission, or
(2) A certified transcript; provided, 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.
~~(h) **Attendance and successful completion required for credit.** To complete any offering, a person must physically be present in-class during all of the in-class offering time and successfully complete all course requirements.~~
~~(i) **Successful completion of materials and examination required for distance education credit.** To complete a distance education course offering, a person must successfully complete all course requirements to include all modules and an examination.~~
(h)~~(j)~~ **Course limitations.**
(1) A particular course offering may not be taken for continuing education credit more than once from the same entity and/or instructor during a renewal period.
(2) Educational courses taken for disciplinary reasons shall not count towards the normal continuing education requirements for licensees.
(i)~~(k)~~ **Required number of continuing education hours.** The required number of continuing education hours for a licensee shall be as follows:
(1) As a condition of a license activation or active reinstatement, a licensee shall provide evidence of completion of thirty (30) clock hours of Commission-approved education, or its equivalent as determined by the Commission, during the license term for which the licensee is being activated or reinstated. Hours completed during the preceding license term not applied to prior continuing education may be applied toward the thirty (30) clock hour requirements for license activation or active reinstatement. As a condition of reinstatement or activation for a license that lapsed or was renewed inactive in the previous license term, a licensee shall provide evidence of completion of thirty (30) clock hours of Commission-approved education required for their license type pursuant to paragraphs (2)-(3) below. The exemptions provided in Title 59, Section 858-307.2 of the Oklahoma Statutes shall apply to this section. ~~each licensee, with the exception of those exempt as set out in Title 59, 858-307.2, shall provide evidence of completion of thirty (30) clock hours of Commission approved subject matter, or its equivalent, as determined by the Commission. Such hours shall be taken in the same license term for which the license is to be issued, with the exception of a licensee whose hours were not used in the preceding license term. In that case, the hours taken in the preceding license term shall count towards an applicable license activation or active reinstatement.~~
(2) Each Sales Associate and Broker Associate ~~licensee~~ shall complete a total of thirty (30) clock hours of continuing education during each renewal period, consisting of ~~minimum of~~ at least thirteen (13) hours of required subject matter. The remaining seventeen (17) hours may consist of additional required subject matter or elective subject matter approved by the Commission. The required subject matter shall consist~~ing~~ of at least the following~~no less than~~
(A) Six~~six~~ (6) hours of Contracts and Forms,
(B) Three~~three~~ (3) hours in Professional Conduct, ~~and~~
(C) One~~one~~ (1) hour in Broker Relationships Act,
(D) One (1) hour in Fair Housing Act,
(E) One (1) hour in Code and Rules, and
(F) One (1) hour in Deed Theft.
~~The remaining seventeen (17) hours of required education may consist of elective subject matter as approved by the Commission.~~
~~(3) Any licensee may complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours in lieu of the required subject matter, except for required Contracts education.~~
(3)~~(4)~~ All Managing Brokers, Branch Brokers, and Broker Proprietors shall complete a total of thirty (30) clock hours of continuing education during each renewal period, consisting of at least twenty-two (22) hours of required subject matter. The remaining eight (8) hours may consist of additional required subject matter or elective subject matter approved by the Commission. The required subject matter shall consist of no less than; ~~be required to successfully complete the~~
(A) Fifteen (15) hour Renewal Broker in Charge Course ~~Broker in Charge course consisting of fifteen (15) clock hours,~~ or its equivalent, as approved by the Commission,
(B) ~~In addition, to satisfy the continuing education requirement of thirty (30) clock hours all Brokers shall complete at least six~~ Six (6) hours in ~~of~~Contracts and Forms, ~~education~~ and
(C) One~~one~~ (1) hour ~~of~~ in Deed Theft ~~education~~.
~~The remaining nine (9) clock hours of required education may consist of elective subject matter as approved by the Commission.~~
(4) A course required for another license type, or a course otherwise taken in addition to the licensee's required continuing education subject matter, may be used to satisfy elective subject matter credit, as determined by the Commission.
(5) The Renewal Broker in Charge Course. The "Broker in Charge: Renewal" shall consist of fifteen (15) clock hours and shall encompass the following areas of study:
(A) Advanced Transaction Oversight and Broker Involvement
(B) Advanced Accounting and Financial Oversight
(C) Advanced Business Operations, Management, and Problem Solving
(D) Advanced Risk Management, Security, and Complaint Prevention
(E) Specialized Practice and Competency Management: Commercial, Property Management, Development, Leasing, and Other Specialized Areas
(F) Case Studies: Common Supervision Issues and Violations in Complex Transactions
(G) Regulation Updates and Practice Changes
~~(5) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation must complete the following prior to their license being reinstated or reactivating:~~
~~(A) the Broker in Charge course;~~
~~(B) six (6) hours of Contracts and Forms education;~~
~~(C) nine (9) hours of elective courses~~

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~~ licensed provisional sales associate~~s 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 provisional sales associates ~~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 provisional sales associates ~~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) **Requirements.** 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 Economics, Marketplace, and Market Analysis
(2) Marketing Real Estate and Advertising Compliance
(3) Personal Marketing and Professional Development
(4) The Qualifying Process and Transaction Preparation
(5) Prospecting, Negotiation ~~and Negotiating~~ and Communication
(6) Financing Real Estate Transactions~~, Investments and Exchanges~~
(7) Financial Documents
(8) Earnest Money, Escrow, and Duty to Account
(9) Legal Descriptions, Encumbrances, and Title Search
(10) Risk Management and Recordkeeping
(11) At least three (3) clock hours of Broker Relationships with Parties to a Transaction
(12) Property Management and Leasing
(13) At least three (3) clock hours of Laws and Regulations Affecting Real Estate Practice, including Code and Rules
(14) Disciplinary Actions and Common Violations
(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 Act~~.~~
(18) Required Disclosures and Property Disclosures
(19) Zoning and Environmental Issues
(20) Home Inspections and Repair Negotiations
(21) Data Security and Ethical Use of Technology
(22) Licensee and Consumer Safety
(23) Transaction Management, Conflicts of Interest, and Buyer Due Diligence.

(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, not accepted in paragraph (A) of this subsection, which can be determined by the Commission to be in compliance with 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 successfully completing 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.

(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 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 credit.** To complete any offering, a person must physically be present in class during all of the in-class offering time, if any, and otherwise 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.~~

(j)~~(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.

(k)~~(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 Title 59, Section ~~8~~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.

605:10-3-8. Broker in Charge Course Requirements

(a) **Broker in Charge Course.** In order to qualify an applicant for examination and licensure as a Managing Broker, Branch Broker, or Broker Proprietor, the course shall consist of at least thirty (30) hours of instruction, or its equivalent as determined by the Commission. This course shall be administered in accordance with Title 59, Section 858-303. The "Broker in Charge: Fundamentals" course shall encompass the following areas of study:
(1) Real Estate Licensing Code and Rule Requirements
(2) Brokerage Operations and Requirements
(3) Broker Duties, Responsibilities, and Supervision
(4) Broker Policies, Risk Management, and Best Practices
(5) Transaction Oversight, Cooperation, and Contracts and Forms
(6) Disclosure and Advertising Compliance
(7) Trust Fund Accounts, Escrow, and Brokerage Financial Controls
(8) Property Management Supervision and Compliance
(9) Common Violations: Investigation and Corrective Compliance
(10) Fair Housing Act
(11) Deed, Title, and the Transfer and Recording of Title
(12) Managing a Brokerage: Brokerage Finance, Accounting, and Recordkeeping
(13) Closing, Disbursement, and Settlement Oversight

(b) **Course Curriculum and Outline.** An educator providing the Broker in Charge course shall use the course curriculum and outline approved by the Commission and made available on its website.

SUBCHAPTER 5. INSTRUCTOR AND ENTITY REQUIREMENTS AND STANDARDS

605:10-5-1. ~~Pre-license and post-license requirements~~Prelicense and Postlicense Requirements

(a) **Application and approval.** Any person or entity seeking to offer a pre-license or post-license course shall apply on Commission forms and submit all information the Commission requires, including the name, author, ~~ublisher~~publisher of the primary textbook, and a syllabus consistent with OAC 605:10-3-1 (pre-license) or OAC 605:10-3-7 (post-license). The application fee is Five Hundred Dollars ($500.00) for pre-license courses and Two Hundred Fifty Dollars ($250.00) for post-license courses. Each application for prelicense (including basic or advanced) or postlicense courses shall include a copy of each course's curriculum, including course objectives, a detailed outline of the course subject matter, timing, presentation slides, workbooks or other similar student materials, exams and/or quizzes with key answers, and any other materials as requested by the Commission.
(b) **Denials; fees; appeals.** Application fees are nonrefundable. A denial may be appealed by written request for hearing under OAC 605:10-1-3.
(c) **Course offering and provider updates.** Approval lapses if the approved course is not conducted within thirty-six (36) months; the provider must reapply as an original applicant. If the course is offered in the name of a business entity, the application shall include the names and addresses of all directors and officers. Approved entities shall promptly report any changes to previously submitted information.
(d) **Advertising.** A course shall not be advertised as approved before Commission approval is granted. A provider shall not advertise that a course or provider is endorsed or recommended by the Commission, but may state that a course has been approved by the Commission.
(e) **Instructor approvals.**
(1) **Application.** Instructor applicants shall submit the required application, a Two Hundred Dollar ($200.00) fee, and documentation necessary to verify citizenship or qualified status under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
(2) **Pre-license instructor.** An applicant shall demonstrate one of the following:
(A) a bachelor's degree with a major in real estate from an accredited college or university;
(B) a bachelor's degree from an accredited college or university and at least two (2) years of applicable active experience within the previous ten (10) years as a real estate broker or sales associate;
(C) an Oklahoma real estate broker or sales associate license with at least five (5) years of applicable active experience within the previous ten (10) years and proof of high-school education or GED equivalent; or
(D) an equivalent combination of education and applicable broker/sales associate experience, as determined by the Commission.
(E) An individual must, in addition to satisfying one (1) of the qualifications in paragraphs (A) through (D) of this subsection, also hold a real estate license or possess education, licensure, certification, or professional experience that demonstrates competency in the subject matter being taught, as determined by the Commission.
(3) **Pre-license instructor examination.** Final approval may be granted after the applicant pays the examination fee and achieves a score of at least eighty percent (80%) on the applicable examination. A passing score of at least eighty percent (80%) on the applicable license examination taken within thirty (30) days before filing the instructor application may satisfy this requirement.
(4) **Post-license instructor qualifications.** An applicant shall demonstrate one of the following:
(A) a bachelor's degree in a related field;
(B) a valid teaching credential or certificate authorizing instruction in an applicable field;
(C) five (5) years of full-time experience within the previous ten (10) years in a profession, trade, or technical occupation in the applicable field of instruction;
(D) an equivalent combination of education and/or experience in a related field, as determined by the Commission.
(E) An individual must, in addition to satisfying one (1) of the qualifications in paragraphs (A) through (D) of this subsection, also hold a real estate license or possess education, licensure, certification, or professional experience that demonstrates competency in the subject matter being taught, as determined by the Commission.

(f) **Instructor renewal.** Instructor approval expires thirty-six (36) months after issuance. To renew, an instructor shall submit a One Hundred Dollar ($100.00) fee, ~~and~~ evidence of completion of the Commission Update Class consisting of two (2) clock hours, and in addition ~~at the instructor's election,~~ either: (1) successfully complete an annual Instructor Development Workshop as provided by the Commission~~, (2) successfully complete a Code and Rule Update Class,~~ or (2)~~(3)~~ pass the applicable sales or broker examination with a score of at least eighty percent (80%). The Commission shall publish workshop and class dates on its website.
~~(g) **Guest instructors.** Guest instructors may be used if an approved instructor is present during the presentation. Guest instruction shall not exceed thirty percent (30%) of total course time.~~
(g)~~(h)~~ **Delivery, records, certificates, audits, reporting, and clock hours.**
(1) An approved instructor shall be present in the same room during all in-person instruction for students to receive credit.
(2) Providers shall maintain enrollment records and roll sheets, including hours completed by each student, for five (5) years.
(3) Each student who successfully completes an approved course shall receive a certificate of completion. The Commission will accept a certified transcript or a Commission-prescribed course completion certificate.
(4) A duly authorized designee of the Commission may audit any offering and inspect records at any time during the presentation or during reasonable office hours, or the provider may be required to furnish records to the Commission.
(5) No more than one (1) clock hour may be credited within any sixty (60) minute period, and no more than ten (10) minutes per hour may be used for breaks.

(h)~~(i)~~ **Facilities.** Classroom facilities shall provide adequate lighting, seating, and technology to meet student needs and must be free of distractions and noise.
(i)~~(j)~~ **Disciplinary action.** Through a Consent Order or after~~After~~ notice and hearing before the Commission or a Hearing Examiner, the Commission may withdraw or discipline a course, provider, director, and/or instructor for: suspension or revocation of a director's real estate license (in which case the course approval is automatically revoked)~~;~~, suspension or revocation of an instructor's real estate license; failure to comply with the License Code or this Chapter; falsification of records or applications; false or misleading advertising; or other improper conduct the Commission determines unacceptable as laid out in this Chapter.
(j)~~(k)~~ **Course renewal.** Course approval expires thirty-six (36) months after issuance. To renew, a provider shall submit all proposed course materials and the renewal fee of One Hundred Dollars ($100.00) for pre-license courses or Fifty Dollars ($50.00) for post-license courses.
(k)~~(l)~~ **Pre-license notices.** Each pre-license provider shall post or provide a notice that is easily observed by prospective enrollees and that includes at least the following language:
(1) "Applicants convicted of crimes referenced in 59 O.S. Sections 858-301.1 or ~~858-~~4000.1 may be ineligible to obtain an Oklahoma Real Estate License for a predetermined number of years. For clarification, please contact the Commission and/or review the cited sections of law as referenced herein. The Commission will allow the applicant to seek preapproval prior to enrolling in a pre-license course."
(2) "Applicants who are not lawful permanent residents or U.S. citizens should review their eligibility to obtain a real estate license on the Commission's website prior to enrolling in pre-license education."

605:10-5-2. Approval of a continuing education course

(a) **Approval and expiration of application.** An entity seeking to conduct an approved continuing education course shall make application for the approval or renewal of each course. Such approval or renewal shall expire at the end of the thirty-sixth ~~(36th)~~(36) month including the month of issuance.

(b) **Application form.**

(1) Entities seeking approval of a course shall submit an application on a form prescribed by the Commission along with a non-refundable fee of Twenty Five Dollars ($25.00) per course. Each application shall include, but is not limited to, the following information:

~~(1)~~(A) The name(s), address(es), and telephone number(s) of the sponsoring entity, the owner(s), and the coordinator/director responsible for the quality of the course.

~~(2)~~(B) The title(s) of the course or courses.

~~(3)~~(C) The number of hours in each course.

~~(4)~~(D) A copy of each course's curriculum, including comprehensive course objectives, a detailed outline of the course subject matter and instructor(s) for each course.

~~(5)~~(E) The method the entity will use to evaluate the course offering.

~~(6)~~(F) The procedure the entity will use to monitor attendance.

~~(7)~~(G) A personal resume indicating name(s) and qualifications of the instructor(s).

~~(8)~~(H) Any other relevant information useful in determining that the entity is presenting a course which will meet the definition, purposes, goals and objectives adopted by the Commission.

~~(9)~~(I) A statement attesting to the fact that in accepting approval as a continuing education entity, the entity will protect and promote the purposes, goals and objectives of continuing education as stated in the License Code and Rules.

(2) Offerings Eligible for Approval. The Commission may approve a continuing education offering provided by an entity which meets the purposes, goals, and objectives of the continuing education requirement. The Commission may approve the following offerings:

(A) Any offering which is approved and presented by those entities enumerated in paragraph B, of 858-307.2 of the "Code"; or

(B) Any offering in real estate, or a directly related area, not otherwise described in this subsection that the Commission determines to be in compliance with the rules of this Chapter.

(c) **Commission course approval notice.** The Commission shall within sixty (60) days after receipt of an application inform the entity as to whether the course has been approved, denied, or whether additional information is needed to determine the acceptability of the course.

(d) **Course renewal requirements.** Upon expiration of the time period, as stated in sub-paragraph (a) of this rule, an application for renewal of any course by an entity shall also be accompanied by a nonrefundable application fee of Twenty Five Dollars ($25.00) per course for a thirty-six (36) month period. Renewal applications shall be subject to the same requirements as original applications; however, the renewal application shall be submitted prior to expiration of the course(s).

(e) **Change of information notice requirement.** Whenever there is any change in a course, the entity shall notify the Commission prior to the effective date of the change. Such change shall not be considered approved until written notice is received from the Commission.

(f) **Advertising of course offering.** An entity advertising a course shall advertise only the number of course hours approved by the Commission for that course, ~~as being approved for continuing education credit shall state in such advertisement, "Approved by the Commission for (correct number) hours of continuing education credit." No entity sponsoring or conducting a course of study shall advertise the course as approved prior to the course receiving approval from the Commission.~~ Further, no entity sponsoring or conducting a course of study shall advertise that it is endorsed, recommended or accredited by the Commission.

(g) **Course requirements and limitations.**

(1) A course will not be approved by the Commission if its duration is less than one (1) clock hour or its equivalent as determined by the Commission.

(2) To meet the statutory requirement, a clock hour shall equal sixty (60) minutes, with no more than ten (10) minutes of each hour utilized for breaks.

(3) An entity conducting an approved continuing education course shall, within seven (7) days of the completion thereof, successfully submit to the Commission the list of name(s), license number(s) and other personal identifiers of those licensees who have successfully completed the course. The information shall be submitted to the Commission by way of electronic format as required by the Commission, along with other information which may reasonably be required.

(4) Each licensee successfully completing a course shall be furnished a completion certificate, prescribed or approved by the Commission.

(5) For continuing education courses offered as a package or combined into a single course offering, one (1) completion certificate may be issued for all courses completed, subject to Commission approval. If a licensee requests a separate certificate for each course, the provider shall issue a separate certificate for each course. ~~Each course shall be presented in a method that safely and properly presents the course.~~

(6) An approved instructor must be present in the classroom ~~same room during all in-class course instruction~~ for students to receive credit toward course completion. ~~If an instructor is presenting a Commission approved in-class course offering which is delivered to the licensees by way of electronic means to receiving sites other than where the instructor is presenting, the Commission may require that each receiving entity site have an in-class person monitoring the class in lieu of a Commission approved instructor.~~

(7) For an approved course delivered through electronic means, the Commission may require each receiving site to have a person present to monitor the course in lieu of a Commission approved instructor.

(h) **Recruitment disallowed.** A coordinator/director or instructor shall not allow an approved course or offering to be used to advertise or recruit for a real estate brokerage firm.

~~(1) A coordinator/director or instructor shall not allow the classroom to be used by anyone to advertise and/or recruit new affiliates for any firm. The coordinator/director shall cause the following statement to be posted in the classroom in such a manner as will be readable by all participants: "No recruiting for employment opportunities for any real estate brokerage firm is allowed in this class. Any recruiting on behalf of, or permitted by, the Instructor should be promptly reported to the Oklahoma Real Estate Commission."~~

~~(2) An instructor shall not wear any identification relating to a specific name or identity of a real estate firm, a group of companies or franchises while in the class or on the premises.~~

(i) **Instructor application and approval requirements:** An individual may, upon receipt of an application and evidence of education and/or experience, be considered for approval as an instructor for a three (3) year period including the month of approval. Each application and subsequent renewal must be accompanied by a nonrefundable One Hundred Dollar ($100.00) application fee. In order to qualify, an individual must possess proof of one (1) of the following:

(1) Possession of a bachelor's degree in a related field.

(2) Possession of a valid teaching credential or certificate from Oklahoma or another jurisdiction authorizing the holder to instruct in an applicable field of instruction.

(3) Five (5) years full-time experience out of the previous ten (10) years in a profession, trade, or technical occupation in the applicable field of instruction.

(4) An individual determined by the Commission to possess a combination of education and/or experience, in a field related to that in which the person is to instruct, which constitute an equivalent to one or more of the qualifications in (1), (2) or (3) of this subsection.

(5) For required subject matter courses: An individual must, in addition to satisfying one (1) of the qualifications in paragraphs (1) through (4) of this subsection, also hold a real estate license or possess education, licensure, certification, or professional experience that demonstrates competency in the subject matter being taught, as determined by the Commission.

(j) **Denied application; appeal.** If the Commission is of the opinion that a proposed continuing education offering does not qualify under the Code and/or Rules of the Commission, the Commission shall refuse to approve the offering and shall give notice of that fact to the party applying for approval within fifteen (15) days after its decision. Upon written request from the denied party, filed within thirty (30) days after receipt of the notice of denial, the Commission shall set the matter for hearing to be conducted within sixty (60) days after receipt of the request. The hearing procedure shall be that as outlined in 605:10-1-3, titled "Appeal of administrative decisions; procedures."

~~(k) **Disciplinary action.** The Commission may withdraw or discipline as outlined in Title 59, O.S., Section 858-208, paragraph 6 the approval of a coordinator/director, instructor, offering or entity either on a complaint filed by an interested person or on the Commission's own motion, for any of the following reasons, but only after a hearing before the Commission and/or a Hearing Examiner appointed by the Commission:~~

~~(1) In the event the real estate license of an instructor and/or coordinator/director is revoked or suspended.~~

~~(2) Failure to submit all documents, statements and forms as may be reasonably required by the Commission.~~

~~(3) Falsification of records and/or applications filed with the Commission.~~

~~(4) False and/or misleading advertising.~~

~~(5) Failure to revise an offering so as to reflect and present current real estate practices, knowledge, and laws.~~

~~(6) Failure to maintain proper classroom order and decorum.~~

~~(7) Any conduct which gives the coordinator director, instructor or entity presenting the offering an unfair advantage over other brokers and/or real estate companies.~~

~~(8) Failure to comply with any portion of the Code or rules of this Chapter.~~

~~(9) Any other improper conduct or activity of the director, instructor, or entity the Commission determines to be unacceptable.~~

(k)~~(l)~~ **Retention of records.** An instructor/entity shall maintain enrollment records and roll sheets which include number of hours completed by each student for five (5) years.

(l)~~(m)~~ **Commission authorized to audit.** A duly authorized designee of the Commission may audit any offering and/or inspect the records of the entity at any time during its presentation or during reasonable office hours or the entity may be required to provide the records to the Commission.

(m)~~(n)~~ **Licensee/Instructor course credit.**

(1) A licensee who is the instructor of an approved offering for continuing education shall be credited with one (1) hour for each hour of actual instruction performed.

(2) An instructor may not receive continuing education credit for instructing an offering more than one time during a license term.

(3) Records of such instruction shall be reported and maintained in the same manner as prescribed for participants elsewhere in the rules of this Chapter.

~~(o) **Guest instructors.** Guest instructors may be utilized provided an approved instructor is also present during presentations. Total guest instruction and lectures shall not consume more than thirty percent (30%) of the total course time.~~

605:10-5-3. Standards for Commission approved real estate courses

(a) **Approved instructor.** Each course offering shall be conducted by a Commission approved instructor that must be present for in-person courses. The instructor shall be available during normal business hours as posted by the instructor to answer questions about the course material, address inquiries related to course content, and provide academic support and assistance. Instructors must respond to questions and other communications from enrolled students within a reasonable period of time. Guest instructors may be utilized as needed provided an approved instructor is also present during presentations. Total guest instruction and lectures shall not consume more than thirty percent (30%) of the total course time.

(b) **Successful completion. Student must attend in-class instruction or complete all modules required for distance education instruction.** In order for an entity to certify a student as passing an approved Prelicense, Postlicense, or Continuing Education course the student must satisfy the following requirements applicable to the type of course offering ~~either~~:

(1) For an in-class offering:

(A) Be physically present during all of the in-class offering time; ~~attend the required number of hours of in-class instruction~~

(B) Successfully complete all course requirements; and

(C) Either:

(i) For Prelicense and Postlicense in-class offerings: pass an examination covering the contents of the course material; or

(ii) For Continuing Education in-class offerings: pass an examination or quiz.

(2) For distance education credit:

(A) Complete~~complete~~ all instructional modules required for distance education instruction; ~~or~~ and

(B) Either:

(i) For Prelicense and Postlicense distance education credit: pass an examination covering the contents of the course material; or

(ii) For Continuing Education distance education credit: pass an examination or quiz.

(3) For hybrid education credit:

(A) Attend~~attend~~ the required number of hours of in-class instruction; ~~and~~

(B) Complete~~complete~~ all instructional modules required for courses utilizing both in-class instruction and distance education instruction; and

(C) Either:

(i) For Prelicense and Postlicense hybrid education credit: pass an examination covering the contents of the course material; or

(ii) For Continuing Education hybrid education credit: pass an examination or quiz covering the contents of the course delivered through distance instruction, if applicable.

~~(c) **Student must successfully complete a prelicense, postlicense or distance education course offering examination.** In order for an entity to certify a student as passing an approved prelicense, postlicense or distance education course, the student must successfully complete an examination covering the contents of the course material.~~

(c)~~(d)~~ **Student transfers.** Except with the prior approval of the Commission, a student transferring from one course to another may not count any portion of the student's attendance or work in the former course toward passing the course. A student who enrolls in an entity which offers a Commission approved course may not transfer credit for a course or courses completed in that series to another entity unless the receiving entity offers the identical series of courses and the receiving entity agrees to accept and examine said student throughout successful completion.

(d)~~(c)~~ **Course examinations.** Each approved prelicense provisional sales associate course and postlicense course offering shall conclude with an end-of-course examination consisting of no less than one hundred and fifty (150) questions administered by the approved entity. Each approved prelicense broker course shall conclude with an end-of-course examination consisting of no less than two hundred (200) questions administered by the approved entity. Each approved distance continuing education course offering shall conclude with an end-of-course examination consisting of no less than seven (7) questions for each clock hour. End-of-course examination questions may not be the same as any previously used questions covering the respective course content.

(1) ~~(f) **Successful completion.**~~ In order for a student to successfully complete a prelicense, postlicense or distance education course, the entity must require that the student complete all class material and/or modules and achieve a passing score of at least seventy-five percent (75%) on the entity's final examination. ~~An entity shall require the student to complete sufficient material or modules to ensure mastery of the course offering, and shall require the student to complete the end-of-course examination.~~

(2) An entity may allow any student who fails to achieve a passing score the opportunity to take another examination without repeating instruction.

(e)~~(g)~~ **Grading standards.** In order for an entity to certify a student as passing an approved course, the student must meet the minimum grading standards established by this Section and the entity. ~~On graded examinations for which this Section sets specific requirements, the entity's policy shall at least equal those requirements as listed in this Section. Other g~~Grading standards shall be in accordance with generally accepted educational standards. ~~An entity shall publish grading standards and give them to a student in a written form at the beginning of the course.~~

(f)~~(h)~~ **Commission may impose sanction.** The Commission may impose any sanction permitted by law or Rules of the Commission on the approval of any entity, director and/or instructor which fails to provide proper security for their course evaluation or examination and for failing to comply with standards as set out in this Chapter.

(g) **Service of Notice**. Service of a complaint or any other notice or report outlined in this subchapter may be achieved by any service method authorized by state law, including mailing a copy by certified mail to the last known address of the course, offering, provider, coordinator, director, instructor or its equivalent.

(h) **Disciplinary action.** Either through a Consent Order or after notice and an opportunity for a hearing before the Commission or a Hearing Examiner appointed by the Commission, the Commission may withdraw approval of or discipline any approved course, offering, provider, coordinator/director, or instructor for any of the following:

(1) Suspension or revocation of the real estate license of a coordinator/director or instructor (in which case the course approval is automatically revoked);

(2) Failure to submit documents, statements, records, or other information reasonably required by the Commission;

(3) Falsification of records, applications, or other information submitted to the Commission;

(4) False or misleading advertising or representations concerning an approved course or offering;
(5) Failure to revise or update an approved course or offering as required by the Commission or to ensure that the course reflects current real estate practices, knowledge, laws, and regulations;
(6) Failure to conduct an approved course in accordance with the information submitted and approved by the Commission or failure to obtain approval for a material change to an approved course or offering;
(7) Failure to maintain appropriate classroom order, decorum, or conditions necessary for the proper presentation of an approved course or offering;
(8) Conduct that provides the coordinator/director, instructor, provider, or entity presenting the course or offering an improper advantage over other providers, brokers, or real estate companies;
(9) Failure to comply with the Code or any rule of this Chapter;
(10) Any other improper conduct or activity of the coordinator/director, instructor, provider, or entity that the Commission determines to be unacceptable.

(i) **Additional distance and hybrid education course requirements.**
(1) Each course shall contain suitable learning objectives.
(2) Overview statements must be included for each course providing a quick preview of what is contained in the offering.
(3) A complete set of questions and an answer key must be provided to the Commission with each course application. An answer key may not be included in any course materials provided to the student.
(4) From the date of enrollment, the course shall have a validity period of six (6) months in which to allow successful completion to be attained.
(5) Entities must include information with the course material that clearly informs the student of the completion time frame, passing and examination requirements, and any other relevant information necessary to complete the course.
(6) Each course must include a statement that the information presented in the course should not be used as a substitute for competent legal advice.
(7) Course offerings must be sufficient in scope and content to justify the hours requested for approval.

(j) Each entity shall promote the Basic Course of Real Estate as Part I of a two (2) part series and the Provisional Postlicense Course of Real Estate as Part II of that series.
(k) All materials that are distributed to students in any class must be current and up-to-date with the License Code and Rules and state or federal laws. Failure to provide up-to-date materials may result in discipline.

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, limited liability companies or partnerships, the fee shall be Two Hundred and Eighty Dollars ($280.00). For an original sole proprietor broker license and each subsequent license renewal, the fee shall be Four Hundred Dollars ($400.00).
(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 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 Twenty Dollar ($20.00) Education and Recovery Fund fee, shall be added and payable with the license fee for an original license and for each subsequent license renewal, except that the fee for ~~: Exceptions to this rule are: 1)~~ a provisional sales associate license ~~fee~~ shall be Fifteen Dollars ($15.00) for their twelve (12) month license term.

(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 11:59 PM ~~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 11:59 PM ~~midnight~~ of the date on which the license is due to expire.
(e) **Reinstatement of license.** Any licensee whose license term has expired may ~~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). Any licensee who is being reinstated after disciplinary action must complete a criminal history record check. Information obtained through a criminal record check may be considered by the Commission in determining whether to approve reinstatement. The following documents and fees must be submitted:
(1) **Lapsed less than one (1) year.** In the case of a license lapsed less than one (1) year:
(A) License fee.
(B) Reinstatement fee.
(C) Documents as required by the Commission.
(2) **Lapsed more than one (1) year but less than three (3) years.** In the case of a license lapsed more than one (1) year but less than three (3) years:
(A) License fee.
(B) Reinstatement fee.
(C) ~~National criminal~~Criminal history record check.
(D) A completed reinstatement application.
(E) Successful completion of the appropriate licensing examination.
(F) A statement that the applicant has read the ~~a~~ current License Code and Rules.
(G) Documents as may be required by the Commission.
(3) **Lapsed more than three (3) years.** If an application is submitted more than three (3) years subsequent to the most recent year of licensure, the applicant shall be required to apply and qualify ~~regarded as~~ as an original applicant for a provisional sales associate license.

(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 be required to apply and qualify as an original applicant for a provisional sales associate license.
(h) **Reinstatement of revoked license.** An applicant may not apply for re-license or reinstatement of license for a minimum of 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 five (5) year period, the applicant shall be required to apply and qualify as ~~comply with the requirements of~~ an original applicant for a provisional sales associate license.
(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 record ~~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 for a provisional sales associate license.

(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) **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.
(m) **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 record ~~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 license fees ~~license fee~~ and continuing education shall be waived for this time period as well as the criminal history record ~~background~~ check and license examination.
(n) **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.
(o) **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.

(p) **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 (1) 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 (1) 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 one hundred and forty percent (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.
(q) **Reinstatement of suspended license.** Any licensee whose license has been suspended shall be considered for reinstatement only if they meet licensure requirements. If the licensee fails to meet licensure requirements, they shall be required to apply as a lapsed license reinstatement. A licensee whose license has been suspended must complete all terms of the suspension including but not limited to payment of administrative fines in full, completion of required continuing education to be eligible for reinstatement. The following documents and fees must be submitted:
(1) License fee,
(2) Reinstatement fee,
(3) Criminal history record check,
(4) A completed reinstatement application, and
(5) Documents as may be required by the Commission.

605:10-7-4. Request for activation or re-issuance of license

(a) **Requirements.** All requests for activation or re-issuance of a license must be accompanied by the appropriate document(s) and fee of Forty Dollars ($40.00) as required by the Commission. Upon activation of an inactive license wherein the licensee paid the reduced inactive license fee rate, the licensee shall be required to pay the remaining active license fee as outlined in 605:10-7-2.

(b) **Multiple change requests on same license.** In the event a licensee's request involves more than one (1) change to the license ~~at the same time~~, and each individual change requires a separate fee elsewhere in the rules of this Chapter, the Commission shall only require that one (1) fee be charged to reissue the license if the requests are submitted within seven (7) days of each other. ~~is done in a timely manner.~~
(c) **Continuing education and/or experience required for activation.** A licensee requesting activation of a license must have complied with the continuing education requirement as set forth in Section 858-307.2 of Title 59 of the Oklahoma Statutes and rule 605:10-3-6 and, if applicable, the experience requirement as set forth in Section 858-303 of Title 59 of the Oklahoma Statutes and rule 605:10-3-4 and 605:10-3-4.1. Further, upon a licensee's request for activation being completed and processed, the licensee shall then be required to complete the continuing education requirement for the next license term for which the license is to be renewed active or activated.
(d) **Active status requested, however, Commission unable to activate for reasons as stated in statutes elsewhere.** In the event a licensee requests an active original license, subsequent license renewal, or activation to be issued on active status and for reasons beyond the Commission's control the licensee is unable to obtain an active license at that time, the fees as received by the Commission shall be retained and not refunded. Once the licensee corrects the problem with the appropriate regulatory agency and such agency authorizes the issuance of an active license, the Commission will then, upon receipt of an activation fee and required documentation, issue an active license.

605:10-7-7. Branch offices
(a) **Each additional office must be licensed.** If a brokerage or firm desires to do business from more than one (1) office location, the brokerage or firm must license each additional office location as a branch office by submitting forms and fees as required by the Commission. ~~The license shall be maintained in the branch office and available upon request.~~
(b) **Associate's license issuance.** An associate's license shall be issued electronically and maintained in each Associate's License Portal under the supervision of the Branch Broker, if any, and Managing Broker.
(c) **Managing Broker to designate a branch broker to act.** Except as provided in subsection (d), a managing broker shall designate a branch broker, other than himself or herself, to act as broker for each location, to supervise the activities of the branch office. The branch office shall be licensed in conformance with Section 858-310 of the Code. The branch broker may be designated to perform all duties and sign documents on behalf of the managing broker with respect to the branch office at the discretion of the broker. The branch broker assumes responsibility in conjunction with the managing broker, for all associates assigned to the branch office.
(d) **Managing Broker or Broker Proprietor may act as branch broker; restriction.** A managing broker or broker proprietor may act as the branch broker if the branch office is located at the same location as the main office upon the appropriate documents and fees being filed with the Commission.
(e) **Reappointment of branch broker.** In the event of the death or disability of the designated branch broker, or in the event of the retirement or cessation of employment for any reason by the designated branch broker, and the branch office is to continue business, the main office broker shall appoint a new branch broker and file the appropriate documents with the Commission within thirty (30) days of the occurrence of the event.
(f) **Branch office shall use ~~must utilize~~ the same name or trade name as the ~~of~~ main office.** A branch office shall be operated as part of the same brokerage business as the main office and shall not be established or operated as a separate brokerage or business. A branch office may ~~utilize~~ use an additional trade name that is different from the main office ~~trade name which is different than the main office so long as~~ only after the managing broker ~~registers~~ has registered the additional name(s) with the Commission and obtained Commission approval.

605:10-7-8. Business Entity licensing procedures and requirements of good standing
(a) **~~Broker~~Business entity license requirement.** Each corporation,association or other business entity who performs activities which require a real estate license pursuant to Title 59, O.S., Section 858-102 of the License "Code" shall apply as a real estate business entity. Upon approval by the Commission, the corporation, association or other business entity shall be granted a real estate license. In order to obtain a license, the corporation, association or other business entity shall furnish to the satisfaction of the Commission, but not limited to, the following items:
(1) Completed application form(s) and required fee(s).
(2) Verification that the business entity is authorized to transact business as a business entity in the State of Oklahoma and that the business entity is in good standing in the State of Oklahoma.
(3) Business entity must be in compliance with Title 59, O.S., Section 858-312.1 of the License "Code."
(4) Business entity must have a managing corporate broker who holds a separate license as a real estate broker.
(5) The designation of a managing broker shall be established by sworn statement signed by the President of the corporation or authorized member or manager of the association stating the date and place such action was effected.
(6) In the event of the death or disability of the managing broker, or the event of the retirement or cessation of employment for any reason by the managing broker, ~~or the event of the retirement or cessation of employment for any reason by the managing broker,~~ the corporation or association shall be required to appoint a new managing broker and such notice of change must be filed with the Commission no later than thirty (30) days after the occurrence of the event. The notice of change in a managing broker must be accompanied by the appropriate documents as required by the Commission and a Forty Dollar ($40.00) change of status fee.
(b) **Business entity and managing broker responsible for acts.** The managing broker in conjunction with the corporation, association or business entity is responsible for all acts of the business entity, including the acts of all associates associated with the entity.
(c) **Business entity closing requirements or partial ceasing of real estate activities.** When a corporation, association or other business entity discontinues a portion of real estate activities or ceases all real estate activities, the business entity is required to comply with the following:
(1) Immediately notify the Commission.
(2) Comply with Section 605:10-13-1(n).
~~(d) **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.~~
(d)~~(c)~~ **Business entity names.** The Commission may deny approval of a business entity or partnership name if it determines the proposed name is too similar to the name of a licensed real estate brokerage entity, trade name, or team name.

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, ~~(Limited Liability Company)~~ or partnership and the business/firm shall not be owned by any other person or entity. ~~To apply as sole proprietor one must meet all requirements for a broker license and submit to the Commission the following: completed sole proprietor broker application form(s) and fee(s) as required by the Commission.~~ A sole proprietor applicant must meet all requirements for a broker license and submit to the Commission the application form(s) and fee(s) required by the Commission.
(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).

605:10-7-8.4. Corporations or Limited Liability Companies 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 limited liability company does not constitute a payment of a fee (commission) to an unlicensed person provided the corporation or limited liability company and the broker and/or associate abide by the following requirements:
(1) The corporation or limited liability company shall not perform any act requiring a real estate license and shall not:
(A) hold itself out as engaged in any act requiring a real estate license;
(B) use the corporation or limited liability company name in any advertising;
(C) receive referral fees or commissions except from the licensee's broker; or
(D) use the same name as a trade name, team name, or licensed brokerage.
(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 licensee's corporation or limited liability company.
(4) The licensee requesting registration with the Commission must be the majority stockholder and president of the corporation or majority member of the limited liability company.
(5) Ownership of the corporation or limited liability company is limited to spouses and blood relatives.
(6) The licensee requesting registration with the Commission must pay a 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 limited liability company.
(B) Names and relations of all officers/members and/or stockholders.
(C) Verification that the corporation or limited liability company is in good standing with the Oklahoma Secretary of State.
(7) A licensee may only register one (1) corporation or limited liability company for the purpose of receiving compensation.
(8) The Commission may deny any request to register a corporation or limited liability company formed for the purpose of receiving compensation if the Commission determines the business entity name resembles the name, trade name, or team name of another licensed brokerage so closely that it is likely to confuse the public.
(9) The Commission may deny any request to register or remove a corporation or limited liability company for failing to comply with any part of this subsection.

605:10-7-9. Nonresident licensing
(a) **Nonresident licensed in another jurisdiction.** A nonresident applicant may apply to the Commission for a license to operate as a nonresident by submitting all appropriate documents as required by the Commission and furnish evidence that the applicant possesses a current active license in the applicant's resident jurisdiction or another jurisdiction in which the applicant has qualified for a license. No license shall be issued to any nonresident applicant at a higher level than the highest license of any current active license in the applicant's resident jurisdiction or another jurisdiction in which the applicant has qualified for a license. All nonresidents shall be required to complete the appropriate examination as required by the Commission. All nonresidents shall be required to maintain a registered agent in Oklahoma to accept service of process. No inactive license experience may be credited to qualify under this section. The Commission may issue a nonresident license if such nonresident has qualified and maintains a license in another jurisdiction and meets the following qualifications:
(1) A nonresident applicant who has been actively licensed as a sales associate or broker respectively for a minimum of two (2) years out of the previous three (3) years.
(A) A nonresident applicant that applies under this paragraph must complete and submit the following:
(i) Appropriate application(s).
(ii) License certification(s) from the jurisdiction in which the applicant has held and/or currently holds a license.
(iii) Criminal history background application, fingerprint card and fee.
(iv) Examination fee and successful completion of the state portion of the examination.
(v) Consent for service of jurisdiction.
(vi) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Code and Rules, ~~Updates~~, and six (6) hours of Contracts and Forms.
(B) Upon the Commission granting approval to the nonresident applicant for licensure in this jurisdiction, the applicant must complete and submit the following:
(i) appropriate license application form(s), ~~along with~~
(ii) license fees, and
(iii) education and recovery fund fees.
(2) A nonresident applicant who has been actively licensed less than two (2) years as a sales associate or broker respectively out of the previous three (3) years must successfully complete the appropriate examination.
(A) A nonresident applicant applying under this paragraph must complete and submit the following:
(i) Appropriate application(s).
(ii) License certification(s) from jurisdiction(s) in which the applicant has held and/or currently holds a license.
(iii) Criminal history background application, fingerprint card and fee.
(iv) Examination fee and successful completion of the entire appropriate examination.
(v) Consent for service of jurisdiction.
(vi) Proof of completion of six (6) clock hours of Contracts and Forms and at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Code and Rules, ~~Updates, and six (6) hours of Contracts and Forms.~~
(B) Upon the Commission granting approval to the nonresident applicant for licensure in this jurisdiction, the applicant must complete and submit the following:
(i) Appropriate license application form(s) along with license and education and recovery fund fees.
(b) **Nonresident agreement.** The Commission may enter into a nonresident agreement with another jurisdiction and thereby qualify actively licensed nonresident applicants for licensing in this jurisdiction provided the Commission determines that the educational and experience requirements of the other jurisdiction are equivalent or equal to this jurisdiction; however, the applicant shall be required to comply with paragraph (a)(1)(A) and (B) of this section.
(c) **Nonresident applicant that is inactive in another jurisdiction.** A nonresident applicant who holds an inactive license in another jurisdiction and is unable to meet the requirement under paragraph (a) of this section may apply to the Commission for a license to operate as a nonresident provisional sales associate by submitting all appropriate documents and successfully completing all requirements as required by the Commission.
(1) The nonresident applicant must complete and submit the following:
(A) Appropriate application(s).
(B) Criminal history background application, fingerprint card and fee.
(C) ~~Qualify as an original applicant by submitting~~ proof Proof of completion of education required of an original applicant ~~appropriate required education.~~
(D) Pay the applicable Examination fee and successfully complete ~~completion of~~ the entire appropriate examination required of an original applicant.
(E) License certification(s) from the jurisdiction(s) in which the applicant holds or has held a license.
(F) Consent for service of jurisdiction form.
(G) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Code and Rules, ~~Updates~~, and six (6) hours of Contracts and Forms.
(2) Upon the Commission granting approval to the nonresident applicant for licensure in this jurisdiction, the applicant must complete and submit appropriate license application form(s) along with license and education and recovery fund fees.
(d) **Consent for service of jurisdiction.** Prior to the issuance of a license to a nonresident, such nonresident shall file with the Commission a designation in writing that appoints the Secretary-Treasurer of the Commission to act as the licensed agent, upon whom all judicial and other process or legal notices directed to such nonresident licensee may be served. Service upon the agent so designated shall be equivalent to personal service upon the licensee. Copies of such appointment, certified by the Secretary-Treasurer of the Commission, shall be deemed sufficient evidence thereof and shall be admitted into evidence with the same force and effect as the original thereof. In such written designation, the licensee shall agree and stipulate that any notice or instrument which is served upon such

agent shall be of the same legal force and validity as if served upon the licensee, and that the authority shall continue in force so long as any liability remains outstanding in this state. Upon receipt of any such process or notice the Secretary-Treasurer shall forthwith mail a copy of the same, by certified mail, to the last known business address of the licensee.
(c) **License history and application requirements.** Prior to the approval of the application, the nonresident must file with the Commission a certification of licensure from the real estate licensing jurisdiction of the licensee's resident jurisdiction and/or other jurisdictions in which the applicant has held or currently holds a license. The applicant shall pay the Commission the same examination fee and license fee as provided in the "Rules" for the obtaining of a resident sales associate or broker license in this jurisdiction. The certification of licensure shall be valid for sixty (60) days from date of issuance.
(f) **Approved application valid for one (1) year.** An approved application shall be valid for one (1) year.
(g) **Stipulations.** Nonresident licenses granted under the provisions of this section shall remain in force, only as long as such nonresident remains licensed in good standing in this jurisdiction or any other jurisdiction in which the nonresident is or has been licensed.
(h) **Co-brokerage arrangements.** A broker of this jurisdiction may participate in a cooperative brokerage arrangement with a broker of another jurisdiction provided that each broker conducts real estate activities only in the jurisdiction in which they are licensed.
(i) **Request for license transfer.** In the event a nonresident Oklahoma licensee desires to transfer the license and obtain a resident Oklahoma license or desires to transfer the license to another jurisdiction, the nonresident licensee shall be required to meet all applicable requirements and submit all appropriate documents as required by the Commission. In the event a resident Oklahoma licensee desires to transfer the license and obtain a nonresident Oklahoma license, the licensee shall be required to pay the appropriate change of address fee and complete and submit all appropriate documents as required by the Commission.
(j) **Continuing education.** If a nonresident licensee completes the continuing education requirement of another jurisdiction for license renewal, the Commission will require proof of completion of six (6) clock hours of Contracts and Forms and ~~of~~ at least one (1) continuing education clock hour in Broker Relationships Act, Code and Rules ~~Updates~~, and Deed Theft ~~and six (6) hours of Contracts and Forms~~. If a nonresident licensee is exempt from meeting a continuing education requirement in another jurisdiction, then the licensee must meet the Oklahoma continuing education requirements as follows:
(1) Each nonresident ~~licensee~~ sales associate or broker associate shall complete thirteen (13) clock hours of required subject matter as directed by the Commission.
(2) The required subject matter, or its equivalent, as determined by the Commission, shall consist of six (6) clock hours of Contracts and Forms, three (3) hours of Professional Conduct, and at least one (1) hour of all following subjects each license term: Broker Relationships Act, Fair Housing Act, Code and Rules ~~Updates~~, Deed Theft ~~Current Issues, six (6) hours of Contracts and Forms, and three (3) hours of Professional Conduct~~. The remaining seventeen (17) clock hours may consist of elective subject matter as approved by the Commission.
(3) ~~Any licensee may complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours in lieu of the required subject.~~ A course required for another license type, or a course otherwise taken in addition to the licensee's required continuing education subject matter, may be used to satisfy elective subject matter credit, as determined by the Commission.
(4) Any Broker who holds or has held a license type of Managing Broker ~~Manager (BM)~~(MB), Proprietor Broker (BP), or Branch Broker (BB) during any portion of their current license term shall be required to successfully complete the Renewal Broker in Charge course consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission. In addition, to satisfy the continuing education requirement of thirty (30) clock hours, such broker shall complete six (6) hours of Contracts and Forms and one (1) hour of Deed Theft education. The remaining hours may consist of electives.
(5) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation and held in their previous or current license term the license type of ~~Broker Manager~~ Managing Broker ~~(BM)~~(MB), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course, six (6) hours of Contracts and Forms, one (1) hour of Deed Theft, and eight ~~nine~~ (8)~~(9)~~ hours of electives prior to their license being reinstated active or reactivating.
(k) Any broker applying for reinstatement or activation as a Managing Broker ~~Manager~~, Broker Proprietor ~~Broker~~, or Branch Broker must provide documentation verifying completion of ten (10) real estate transactions within the past three ~~five~~ (3)~~(5)~~ years or the equivalent as determined by the Commission. For purposes of this section, transaction shall be defined as the completed sale, exchange, purchase or lease of real estate and shall be demonstrated on forms developed by the Commission.

605:10-7-10. Resident applicants currently or previously licensed in other jurisdictions
(a) **Requirements.** In order to qualify under previously licensed procedures, an applicant must complete and submit all appropriate documents as required by the Commission and furnish evidence that the applicant possesses or has possessed a license in good standing in another jurisdiction. Applications approved for resident applicants currently or previously licensed in other jurisdictions shall be valid for ninety (90) days. The Commission may issue the applicant a license if such previously licensed applicant meets all of the requirements of either paragraphs (1), (2), (3) or (4) of this subsection:
(1) If a nonresident agreement exists between Oklahoma and the jurisdiction in which the applicant qualified for a license, the Commission shall qualify the licensed applicant through the nonresident agreement. ~~:~~
(A) An applicant applying under this paragraph must complete and submit the following:
(i) Appropriate application(s).
(ii) License certification(s) from the jurisdiction(s) in which the applicant has held or currently holds a license.
(iii) Criminal history background application, fingerprint card and fee.
(iv) Examination fee and successful completion of the state portion of the examination.
(v) Proof of completion of six (6) clock hours of Contracts and Forms and at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, and Code and Rules ~~Updates, and six (6) hours of Contracts and Forms~~.
(B) Upon the Commission granting approval to the applicant for licensure in this jurisdiction, the applicant must complete and submit the appropriate license application form(s) along with license and education and recovery fund fees.
(C) An applicant qualifying under this paragraph may ~~will be~~ issued any license type that is equal to or lower than the license type held in the applicant's current jurisdiction as determined by the Commission ~~either a sales associate, broker associate or broker license.~~
(2) If a nonresident agreement does not exist, the applicant shall be required to furnish evidence of two (2) years of active experience respectively as a sales associate or broker out of the previous ~~five~~ three (3)~~(5)~~ years.
(A) An applicant applying under this paragraph must complete and submit the following:
(i) Appropriate application(s).
(ii) License certification(s) from the jurisdiction(s) in which the applicant has held or currently holds a license.
(iii) Criminal history background application, fingerprint card and fee.
(iv) Examination fee and successful completion of the state portion of the examination.
(v) Proof of completion of six (6) clock hours of Contracts and Forms and at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, and Code and Rules ~~Updates, and six (6) hours of Contracts and Forms~~.
(B) Upon the Commission granting approval to the applicant for licensure in this jurisdiction, the applicant must complete and submit the appropriate license application form(s) along with license and education and recovery fund fees.
(C) An applicant qualifying under this paragraph will be issued any license type that is equal to or lower than the license type held in the applicant's current jurisdiction as determined by the Commission ~~either a sales associate, broker associate or broker license.~~
(3) An applicant who does not possess the required two (2) years of active experience out of the previous ~~five~~ three (3)~~(5)~~ years ~~respectively~~ as a sales associate or broker, respectively, or an applicant who does not meet all of the requirements of either paragraphs (1) or (2) of this subsection, shall be required to apply and qualify as an original applicant for a provisional sales associate license.
(4) In accordance with Title 59, O.S., Section 4100.4 of the Post-Military Service Occupation, Education and Credentialing Act, the Commission shall, upon satisfactory evidence of equivalent education, training and experience by an applicant for licensure, accept the education, training and experience completed by the applicant as a member of the Armed Forces or Reserves of the United States, National Guard of any jurisdiction, the Military Reserves of any jurisdiction, or the Naval Militias of any jurisdiction, and apply it in the manner most favorable toward satisfying the applicant's qualifications for examination and license issuance.
(A) An applicant applying under this paragraph must complete and submit the following:
(i) Appropriate application(s).
(ii) Satisfactory evidence of education, training and experience obtained by the applicant as a member of the military Armed Forces or Reserves of the United States.
(iii) License certification(s) from the jurisdiction(s) in which the applicant has held or currently holds a license.
(iv) Criminal history background application, fingerprint card and fee.
(v) Examination fee and successful completion of the entire appropriate examination.
(B) Upon the Commission granting approval to the applicant for licensure in this jurisdiction, the applicant must complete and submit the appropriate license application form(s) along with license and education and recovery fund fees.
(C) An applicant qualifying under this paragraph will be issued any license type that is equal to or lower than the license type held in the applicant's current jurisdiction as determined by the Commission ~~either a provisional sales associate, broker associate or broker license.~~
(b) Active duty military and military spouse applicants may utilize licensure methods provided for in 59 O.S. § 4100 *et seq.* as appropriate.

SUBCHAPTER 9. BROKER'S OPERATIONAL PROCEDURES

605:10-9-1. Place of business and broker requirements
(a) **Place of business.** Each broker shall maintain a specific place of business, and supervise a brokerage practice which is available to the public during reasonable business hours. Each broker shall be available to manage and supervise such brokerage practice and comply with the following:
(1) The place of business shall consist of at least one (1) enclosed room or building of stationary construction wherein negotiations and closing of real estate transactions of others may be conducted and carried on with privacy and wherein the broker's books, records and files pertaining to real estate transactions of others are maintained.
(2) Each broker shall register for each place of business a physical business address and office telephone number(s).
(b) **Branch offices.** If a broker maintains more than one (1) ~~or more~~ place ~~s~~ of business, the additional places of business shall be referred to as a branch office.
(c) **Office located at residence.** The office may be in the residence of the broker.
(d) **Associates not permitted to have an office.** Associates are not permitted to have a place of business, but must be registered with a place of business maintained and registered in the name of the ~~broker~~brokerage.
(e) **Licenses issued to place of business.** All licenses will be issued electronically to each licensee in the individual License Portal.
(f) **Managing Broker or Broker Proprietor may be broker for more than one firm.** A managing broker or broker proprietor may serve as ~~a~~ the broker for more than one firm so long as the firms are at the same location.
(g) **Broker is responsible for the acts of unlicensed assistants.** A broker is responsible for all real estate related activities of any unlicensed assistant working within the firm, including virtual or remote assistants, and any software-based tools (including chatbots, Artificial Intelligence Models, or Generative AI) used to perform functions related to real estate services.
(h) **Broker supervision.** Ultimate responsibility for broker supervision may not be delegated. The managing broker is ultimately responsible for the supervision of all licensees registered with the broker and shall establish and maintain reasonable policies, procedures, and systems to ensure compliance with the Code and Rules. If the brokerage maintains one (1) or more branch offices, the managing broker shall designate a branch broker for each branch office. The branch broker assumes responsibility in conjunction with the managing broker, for all associates assigned to the branch office. Broker supervision includes, but is not limited to oversight of:
(1) Real estate transactions and documents prepared, executed, or received by affiliated licensees;
(2) Establishment and maintenance of trust and escrow accounts and the proper handling and accounting of trust funds;
(3) Establishment and maintenance of procedures to review and monitor advertising and marketing by affiliated licensees for compliance with the Code and Rules; and
(4) Establishment and maintenance of procedures to verify that affiliated licensees maintain active licenses while engaging in activities requiring licensure.

605:10-9-2. Office identification
(a) **Office identification sign.** Each licensed real estate broker holding an active license certificate, except those registered as being associated with a broker who is in compliance with this Section, shall erect and maintain a sign on or about the entrance of his or her office and all branch offices, which sign shall be easily observed and read by persons about to enter any of said offices.
(b) **Specifications of sign.** Each sign shall contain the name of the broker or trade name registered with the Commission. If the broker is ~~, and if~~ a partnership, association or corporation, the sign shall contain the name or trade name of the ~~such~~ firm. The sign must indicate that the party is a real estate broker and not a private party ~~, to include, but not limited to, "company", "realty", or "real estate", as the case may be, all~~. Any designation used to identify the party as a real estate broker shall be in letters not less than one (1) inch in height. Any ~~legal~~ legal abbreviation ~~s~~ following the registered name or trade name is permitted if it is ~~or name under which the broker is licensed shall be acceptable as long as they are~~ easily identifiable by the public ~~as~~ as indicating a real estate broker ~~such~~.

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 twenty five dollar ($25.00) registration fee. The Commission reserves the right to deny a trade name submission if the submission is too similar to an existing trade name or licensed real estate brokerage that approval will likely confuse the public. A trade name shall not be used to circumvent the team name registration requirements of this Chapter. Registration of a trade name does not authorize its use in a manner that would otherwise require registration as a team.

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 One Hundred Dollars ($100.00) ~~$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 limited liability company formed for the purpose of receiving compensation.
(d) Each team name must be registered with ~~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".
(j) The Commission reserves the right to deny a team name submission if the submission ~~s~~ is too similar to an existing team name, trade name or licensed real estate brokerage such that approval will likely confuse the public.
(k) Each team name may be utilized by either the main office location or branch office where the team members' licenses are held and shall not be used at multiple office locations or branches.

605:10-9-4. Advertising

(a) **Requirements and prohibitions.**

(1) A broker, when advertising, must use their registered business trade name or the name under which the broker is licensed; however, yard signs must also include the broker's office telephone number. A firm shall not register or use a trade name of another licensed firm. In addition, the advertisement must indicate that the party is a real estate broker and not a private party, to include, but not limited to, "agency", "company", "realty", or "real estate", as the case may be. Legal abbreviations following the trade name or name under which the broker is licensed shall be acceptable as long as they are easily identifiable by the public as such.

(2) No real estate advertisement shall show only a post office box number, telephone number or street address.

(3) A broker, when operating under a franchise name, shall clearly reveal in all office identification and in all advertising other than institutional type advertising designed to promote a common name, the franchise name along with the name of the broker or business trade name as registered with the Commission. A franchise name shall not be the complete business trade name. All institutional type franchise advertising shall indicate that each office is independently owned and operated.

(4) A licensee shall not advertise, either personally or through any media, to sell, buy, exchange, rent, or lease property when such advertisement is directed at or referred to persons of a particular sex , race, color, creed, religion, national origin, familial status or disability~~handicap~~. The contents of any advertisement must be confined to information relative to the property itself, and any advertisement which is directed at or referred to persons of any particular race, color, creed, religion, national origin, familial status, age or handicap is prohibited.

(5) Any advertising in any media which is misleading or inaccurate in any material fact or in any way misrepresents any property, terms, values, services, or policies is prohibited.

(6) A licensee shall not advertise any property for sale, rent, lease, or exchange in any media unless the broker has first secured the permission of the owner or the owner's authorized representative and said permission has a definite date of expiration.

(7) Social networking. A licensee who is engaged in licensed activities through social networking mediums must indicate their license status and include their ~~broker's~~brokerage's reference as required elsewhere in this rule.

(8) A licensee shall not use a yard sign at the licensee's personal residence as a marketing tool, to make it appear the real property is for sale, lease or rent when such is not the case.

(9) A broker may, or authorize an associate to, promote a seller incentive with the consent of the seller. The publicity must clearly indicate the incentive is being offered by the seller and not by the licensee and that the promotion only applies to a seller's particular property or properties.

(b) **Associates advertising.**

(1) An associate is prohibited from advertising under only the associate's name.

(2) All advertising by an associate must be under the direct supervision of the associate's broker.

(3) In all advertising, the associate must include the name of the associate's ~~broker~~brokerage or the name under which the broker operates, in such a way that the broker's reference is prominent, conspicuous and easily identifiable. For the purposes of this section, "prominent, conspicuous and easily identifiable" means that the broker's reference shall be at least fifty percent (50%) or larger than any associate reference included in the advertisement. If approved by a broker, an associate may include in the advertisement:

(A) The associate's personal insignia of which such approval is to be maintained by the broker and which cannot be construed as that of a firm's name.

(B) The associate's personal nickname or alias which must be registered at the Commission prior to its use and which cannot be construed as that of a firm's name.

(C) An associate's contact information.

(D) A slogan which cannot be construed as that of a firm's name.

(E) A domain/website name that is registered with the broker. Within this domain/website, the broker's reference shall appear on every individual page and/or frame.

(4) An associate's contact information may be added to a yard sign if the yard sign contains the registered name or trade name and office telephone number of the broker so long as it is approved by the broker.

(5) Open house or directional signs used in conjunction with broker's signs do not have to contain the name or trade name of the associate's ~~broker~~brokerage and ~~broker's~~brokerage's telephone number.

(c) **Team advertising.**

(1) A team is prohibited from advertising only under the team name.

(2) All advertising by a team must be under the direct supervision of the team's broker.

(3) Team members are prohibited from holding themselves out as owner of a firm that provides brokerage services.

(4) All team advertising must include the name of the team's brokerage~~broker~~ or the name under which the broker operates, in such a way that the broker's reference is prominent, conspicuous and easily identifiable. For the purposes of this section, "prominent, conspicuous and easily identifiable" means that the broker's reference shall be at least fifty percent (50%) or larger than any team reference included in the advertisement. If approved by the broker, a team may include in the advertisement:

(A) The team's personal insignia of which such approval is to be maintained by the broker.

(B) The team's contact information.

(C) A team slogan approved by the broker.

(D) A domain/website name that is registered with the broker. Within this domain/website, the broker's reference shall appear on every individual page and/or frame.

(5) All team advertising shall be approved in writing by the team's broker prior to utilization.

(d) **Licensee acting as owner, purchaser or direct employee of owner.**

(1) When a licensee, either active or inactive, is purchasing real estate or is the owner of property that is being sold, exchanged, rented or leased and such is being handled either by the licensee or marketed through a real estate firm, the licensee is required to disclose in writing on all documents that pertain to the transaction and in all advertisements that he or she is licensed. The licensee shall include their license number on any purchase or lease contracts, contracts for deed, option contracts, or lease to own agreements.

(2) A licensee who acts only as a direct employee of a property owner, and who does not hold an ownership interest in the employing entity, serve as an officer of the employing entity, or receive compensation based on the outcome of those services, is not required to disclose licensure status in advertising related to that employment.

(3) A licensee acting under power of attorney must disclose on all documents that pertain to a transaction and in all advertising that he or she is licensed.

605:10-9-6. Death or disability of broker

Upon the death or inability of a Managing ~~broker~~Broker or Broker Proprietor to act as a broker the following procedures shall apply:

(1) In the case of a corporation, association or partnership, the provisions of 605:10-7-8 and 605:10-7-8.1 shall apply.

(2) In the case of a sole proprietor all brokerage activity must cease and a family attorney or representative should perform the following:

(A) Notify the Commission in writing of the date of death or disability.

(B) Advise the Commission as to the location where records will be stored. Such records may be assigned to another broker.

~~(C) Destroy the broker's license certificate and pocket identification card and all license certificates of those associated with the broker.~~

(C)~~(D)~~ Notify each listing and management client in writing that the broker is no longer in business and that the client may enter a new listing or management agreement with the firm of his or her choice.

(D)~~(E)~~ Notify each party and co-broker to any existing contracts.

(E)~~(F)~~ Retain trust account monies under the control of the administrator, executor or co-signer on the account until such time as all parties to each transaction agree in writing to disposition or until a court of competent jurisdiction issues an order relative to disposition.

(F)~~(G)~~ Notify the Commission of the date the trust account will be closed.

(G)~~(H)~~ All advertising in the name of the firm must be terminated and offering signs removed within thirty (30) days of death or disability of the broker.

(3) In the case of a corporation, association or partnership which ceases all brokerage activity, the provisions of paragraph (2) of this Section apply.

SUBCHAPTER 11. ASSOCIATE'S LICENSING PROCEDURES

605:10-11-1. Acts of associates

(a) **Requirement.** All acts performed by an associate under the provisions of the "Real Estate License Code" shall be done only in the name of the associate's broker.

(b) **Limitation.** An associate shall not be allowed to perform licensable activity work for more than one broker at the same time.

(1) An exception to this subsection would be if the associate's broker agreed to loan the associate to another broker for a specific duty to be performed, such as:

(A) Sitting at an open house.

(B) Calling an auction or performing other auction related duties.

(C) Any other specific duty as requested in writing and approved by the Commission.

(2) The associate's broker is responsible for all acts performed by the associate while the associate is performing a specific duty for another broker.

(c) **An associate is responsible for acts of unlicensed assistants and transaction coordinators.** An associate who employs or utilizes an unlicensed assistant or transaction coordinator is responsible in conjunction with the broker for all real estate related activities of the unlicensed assistant or transaction coordinator, including virtual or remote assistants, and any software-based tools (including chatbots, Artificial Intelligence Models, or Generative AI) used to perform functions related to real estate services.

SUBCHAPTER 13. TRUST ACCOUNT PROCEDURES

605:10-13-1. Duty to account; broker

(a) **Deposit and account of trust/escrow funds.**

(1) The obligation of a broker to remit monies, valuable documents and other property coming into his or her possession within the meaning of subparagraph six (6), Section 858-312 of the "Code" shall be construed to include, but shall not be limited to, the following:

(A) Shall deposit all checks and monies of whatever kind and nature belonging to others in a separate account in a financial institution wherein the deposits are insured by an agency of the federal government. Any damage or security deposit required by a landlord of a tenant must be kept in an escrow account maintained in Oklahoma with a federally insured financial institution in compliance with 41 O.S. Section 115.

(B) The broker is required to be a signor on any brokerage account where such funds are held.

(C) Any brokerage account where such funds are held must be in the name of the ~~broker or~~ brokerage as it appears on the license or trade name as registered with the Commission and styled as a trust or escrow account and shall be maintained by the broker as a depository for deposits belonging to others.

(D) All escrow funds shall be deposited before the end of the third banking day following acceptance of an offer by an offeree or receipt of escrow funds unless otherwise agreed to in writing by all interested parties.

(E) The broker shall ensure such funds are maintained in said account until the transaction involved is consummated or terminated and proper accounting made.

(F) The broker shall at all times, maintain an accurate and detailed record thereof.

(2) Funds referred to in this subsection shall include, but are not limited to earnest money deposits, money received upon final settlements, rents, security deposits and other deposited as required by landlord or broker, money advanced by buyer or seller for the payment of expenses in connection with closing of real estate transactions, and money advanced by his or her principal or others for expenditures on behalf of subject principal.

(b) **Commingling prohibited.** A broker may not keep any personal funds in the trust account except amounts sufficient to ~~insure~~ensure the integrity of the account and cover any charges made by the financial institution for servicing the trust or escrow account.

(c) **Interest bearing account.** A broker shall not be prohibited from placing escrow monies in an interest bearing account; however, he or she must disclose in writing to all parties that the account bears interest and identify the party receiving the interest. The Commission does not prohibit the broker from receiving the earned interest. In the event the interest is credited to the broker, the broker should, upon final consummation of the transaction, immediately disburse the interest from the account or ~~insure~~ensure that the amount does not exceed a reasonable amount to cover normal financial institution charges. The broker is required to maintain complete and accurate records of the interest earned. The interest bearing account must be a demand type account; this prohibits the use of certificate of deposit or other types of time deposits as trust/escrow accounts.

(d) **Trust account not mandatory unless funds or items are held.** A broker shall not be required to maintain a trust or escrow account unless monies or other depositable items belonging to others are accepted by the broker and require the broker to place the monies or items in the broker's trust account.

(e) **Trust accounts must be registered with commission.** A broker shall be required to notify the Commission in writing of all trust or escrow accounts, security deposit accounts, rental management operating accounts, and interest bearing accounts in which trust funds are held. Further, if a broker is a signor on a principal's account, the broker shall register that account as a trust account. A broker shall inform the Commission in writing of any accounts which are closed and no longer in use. All records relating to the broker's trust accounts, including bookkeeping system data, shall be made available for inspection by the Commission or its authorized representatives.

(f) **Settlement statement to be furnished.** A broker shall ~~insure~~ensure that a signed settlement statement is furnished in each real estate transaction wherein he or she acts as broker, at the time such transaction is consummated.

(g) **Payment of funds.** A broker shall pay over all sums of money held by him or her promptly after the closing of any transaction, provided, that upon any hearing to suspend or revoke his or her license under this Section, the failure to pay over any sums of money held by him or her within three (3) days after a closing shall be prima facie evidence of a violation by such person under the provisions of this Section.

(h) **Return of earnest money or items.** In the event a transaction does not consummate, a broker shall promptly disburse the earnest money or items to the proper party in accordance with the terms of the contract. In the event a dispute arises prior to the disbursement, the broker shall follow rule 605:10-13-3 or may file an interpleader action with the appropriate court.

(i) **Documents, items, or monies furnished to all parties.** A broker shall ~~insure~~ensure the timely delivery or return of all documents, items or monies to a party to a transaction wherein the broker or the broker's associate have provided services.

(j) **Inform all parties pertaining to escrow being held.** A broker shall ~~insure~~ensure that all parties of each transaction are informed of the details relating to the escrow including, but not limited to, a statement as to the nature of a non-depositable item, the value of the item, and in whose custody the item is being placed.

(k) **Bookkeeping system required.** A broker shall maintain a bookkeeping system i.e., canceled checks, check book, deposit receipts, general accounts ledger, etc. which will accurately and clearly disclose full compliance with the Law relating to the maintaining of trust accounts.

(l) **Record retention.** A broker shall maintain all records and files for a minimum of five (5) years after consummation or termination of a transaction. In the case of trust account records the five years shall commence with the date of disbursal of funds. Records as referenced in this paragraph shall be destroyed in a secure manner.

(m) **Requirements for storage of records on alternative media.** The Real Estate Commission establishes the following requirements for storage of trust account and transaction records stored on alternative media. Alternative media is defined as media that uses an electronic device to store or retrieve the information that pertains to the trust account and transaction documentation. This requirement applies to any computer technology utilized by the broker to create, store or retrieve the aforementioned documentation, whether the computerized device is internal or external to the broker's computer equipment. If a broker utilizes his own equipment or a third party vendor to create, store or retrieve this information, the broker shall ensure that the documentation is maintained and able to be retrieved for the five (5) year time period as required by the Commission.

(1) Trust account records shall be maintained by the broker in their original format for a minimum of two (2) years. Trust account records may then be transferred to an alternative media for the remaining required record retention time.

(2) Records, with the exception of trust account records, may be transferred at any time to an alternative media for the remaining required retention time.

(3) After documents are converted to alternative media, a quality assurance check shall be done to ensure that every document was imaged and can be reproduced in a legible and readable condition on a display device. If requested documentation is irretrievable, the Commission may take disciplinary action for failure to properly retain records.

(4) After the quality assurance check is completed, the original documents may be destroyed.
(5) A broker shall maintain the alternative media and a means of viewing and retrieving records, and shall provide a true, correct and legible paper copy to the Commission upon request.
(6) A broker shall store copies of the alternative media and the equipment used to read the media in an environment and at a level of quality conducive to maintain the ability to reproduce the media throughout the retention period. Reproduce means a process in which a document can be converted from the alternative media to a paper copy that is legible and able to be read.

(n) **Cessation of real estate activities.** Upon a firm ceasing a portion of real estate activities or ceasing all real estate activities the broker shall:
(1) Notify the Commission in writing of the effective date of such action and advise as to the location where records will be stored and comply with the following:
~~(A) Return or destroy the broker's license certificate and pocket identification card and all license certificates of those associated with the broker to the Commission and advise the Commission as to the circumstances involving any not returned.~~
(A)~~(B)~~ Release forms must be filed for all licensees affiliated with the firm.
(B)~~(C)~~ The broker must either transfer to a new firm or place his or her license on inactive status.
(2) Notify in writing all listing and management clients, as well as parties and co-brokers to existing contracts advising them of the date of cessation of real estate activities.
(3) All advertising in the name of the firm must be terminated and offering signs removed within thirty (30) days of cessation of real estate activities.
(4) Funds in trust accounts and pending contracts must be maintained by the responsible broker until consummation of transaction and final proper disbursal of funds. Upon final disbursements of funds the broker is required to close the account and notify the Commission in writing that the account is closed.
(5) In the event the responsible broker is unable to continue to maintain the funds and/or pending contracts, funds and/or pending contracts may be transferred to another authorized broker, entity or legal representative until consummation and proper disbursal of funds. In this event, the broker must submit a request in writing to the Commission for approval to transfer the contracts and/or funds. Upon written approval by the Commission, the broker must secure approval and obtain new agreements from all parties for transfer of the contracts and/or funds.
(6) If funds, items and/or contracts are transferred to another authorized broker, entity or legal representative and approved by the Commission, the broker transferring such shall be required to compile a record of the following, retain a copy for his or her file and give a copy to the receiving authorized broker, entity or legal representative:
(A) A copy of the written approval from the Commission authorizing the transfer of the contracts and/or funds.
(B) The name and address of the authorized broker, entity or legal representative.
(C) A trust account reconciliation sheet indicating ledger balance and financial institution balance at time of transfer to include the name of each depositor, amount of deposit, date, and purpose of the deposit.
(D) A statement indicating that written agreements were obtained from all parties to each transaction agreeing to the transfer of the funds and/or contracts to another responsible broker, authorized entity or legal representative and that each depositor was notified of the effective date of transfer, and the name of the responsible person or entity.
(7) Any firm merger shall have a thirty (30) day time period in which to provide the Commission the documentation as referenced in subparagraph (n) of this rule. Firm merger means that a licensed firm has been acquired by another licensed firm and the firm that was acquired is ceasing a portion or all of its licensed activities.

(o) **Security breach of personal information.**
(1) Security breach of personal information as defined in Title 24, Oklahoma Statutes, Sections 161-166 means the unauthorized access and acquisition of unencrypted and unredacted computerized data that compromises the security or confidentiality of personal information maintained by a licensee as part of a database of personal information regarding multiple persons. Personal information means the first name or first initial and last name in combination with and linked to any one or more of the following data elements:
(A) social security number,
(B) driver license number or state identification card number issued in lieu of a driver license, or
(C) financial account number, or credit card or debit card number, in combination with any required security code, access code, or password that would permit access to the financial accounts.
(2) The breach of information would not include information that is lawfully obtained from publicly available information, or from federal, state or local government records lawfully made available to the general public.
(3) In the event personal information is breached, the licensee is required to send notice to the Commission and to all concerned persons whose information was breached by an unauthorized person or source as required in Title 24, O.S., Section 162-. The licensee is required to comply with all requirements within the Security Breach Notification Act or be subject to disciplinary action by the Commission.

SUBCHAPTER 15. DISCLOSURES, BROKERAGE SERVICES AND STATUTE OF FRAUDS

605:10-15-1. Disclosure of beneficial interest or referrals

(a) No licensee shall, without disclosing such fact in writing to all parties on both sides of the transaction, either:
(1) Accept or receive any fee, commission, salary, rebate, kickback or other compensation or consideration allowed by law in connection with the recommendation, referral or procurement of any product or service, including financial services.
(2) Own any beneficial interest in any entity which provides any product or service to the consumer(s) or services the transaction, including financial services to home owners, home buyers or tenants, in connection with the sale, lease, rental or listing of any real estate. Activities or interests of associates shall ordinarily be disclosed to his or her broker who shall have the primary responsibility to make written disclosures covered by this Section to the parties.

(b) If any associate owns any beneficial interest in any entity which provides any product or service to the consumer or to the transaction, including financial services, to home owners, home buyers, or tenants, the associate shall disclose the nature and extent of such interest to his or her broker. The obligation to make such disclosure shall be a continuing one.

(c) Notwithstanding the provisions of this Section, disclosure of a beneficial interest shall not be required if either:
(1) The beneficial interest consists solely of a stock or other equity ownership in a publicly traded company where such ownership is less than one percent (1%) of the total equity value of such entity.
(2) Such beneficial interest consists solely of a stock or other equity interest in a privately held company in which the aggregate ownership of all licensees employed by the firm otherwise required to make the disclosure does not exceed ten percent (10%) of the equity value of the company and where the licensee is not an officer, director, managing partner or otherwise directly or indirectly is in control of the entity which provides any product or service covered by this Section.

(d) All disclosures required by this Section shall be made in writing:
(1) Either prior to or at the time that any recommendation, referral or procurement of any product or service is made in instances in which the licensee may receive any compensation or consideration in connection therewith.
(2) At or before the time that it becomes apparent to the licensee that any entity in which the licensee owns any beneficial interest may provide any product or service in instances in which the disclosure of any such ownership is required under this Section. All disclosures required by this Section shall be judged by the standard of whether the disclosure was adequate to inform all parties on both sides of the transaction of the existence of a beneficial interest covered by this Section or, if a party claims not to have been adequately informed, whether the form and manner in which the disclosure was made was adequate under the circumstances to inform a person of ordinary intelligence and understanding, not possessing expertise in real estate or financial matters, of the existence of any fee, compensation, salary, rebate, kickback or other compensation or consideration or the ownership of a beneficial interest in an entity providing products or services covered by this Section.

(e) The failure by a licensee to observe any provision of this Section shall be deemed to be a violation of subsections 2, 3, 8 and 9~~15~~ of Section 858-312 of the Code~~, and in the case of an associate, a violation of subsection 4 of Section 858-312 of the Code as well.~~

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

605:10-17-2. Complaint procedures

(a) **Complaint may be filed by public or Commission's own motion.** A complaint brought pursuant to the Code alleging misconduct on the part of a licensee or any unlicensed person who violates provisions of the Code may be filed by any person in writing on a form supplied by the Commission, or may be ordered by the Commission on its own motion. The Commission will accept a complaint alleging misconduct on a form not supplied by the Commission.

(b) **Complaint notification; required response.** When a complaint has been opened by the Investigations Department pursuant to the Code, the licensee or unlicensed person shall be notified within a reasonable time and shall be required to file an adequate written response within fifteen (15) days of the notice. Written responses are filed with the Commission if mailed and/or emailed to the Commission at investigations@orec.ok.gov. If the response is emailed, you must include the case number, the name of the party your response is submitted on behalf of, and "Response to Complaint" in the subject line. If an adequate written response is not filed within fifteen (15) days, the respondent shall be considered in default and appropriate sanctions may be imposed, if the evidence is deemed sufficient by the Commission. The Secretary-Treasurer may, upon request, extend the time within which a response must be filed.

(c) **Service of complaint and other notices.** Service of a complaint or any other notice or report outlined in this subchapter may be achieved by any service method authorized by state law, including mailing a copy by certified mail to a respondent's last known address. If a respondent is an associate associated with a broker~~s~~, the Commission shall notify the supervising ~~associated~~ broker~~s~~ in a like manner.

(d) **Investigation and/or investigative session.** Subsequent to the fifteen (15) day response period, the Commission may continue to investigate the complaint to ascertain whether or not charges should be lodged and a formal hearing ordered. Such investigation shall be under the supervision of the Secretary-Treasurer of the Commission. He or she may designate an attorney who will act as a prosecutor for the Commission to examine all results of the investigation. The prosecutor so designated may, in the name of the Commission, subpoena witnesses, take testimony by deposition and compel the production of records and documents bearing upon the complaint.

(e) **Findings reported to Commission.** At the completion of the investigation, a written report
accompanied by findings, if any, may be submitted to the Commission. Following receipt of the report, the Commission shall determine whether or not the apparent evidence warrants lodging formal charges against the respondent and ordering a formal hearing. If a formal hearing is ordered all parties shall then be furnished with copies of a written report accompanied by findings, if any.

605:10-17-3. Complaint hearings; notice and procedures

(a) **Summary suspension.** If the Commission finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action within thirty (30) days. The summary suspension shall remain in effect until further order by the Commission.

(b) **Formal hearing ordered; notification.** Except as provided in (a) of this section, the Commission may issue a disciplinary order only after entering into a consent order with respondent(s) or after a formal hearing of which the respondent(s) shall be given at least fifteen (15) days written notice. Such written notice to a respondent shall specify the offenses with which the respondent is charged and shall be served in accordance with the procedure outlined in this subchapter, including service on respondent's supervising ~~associated~~ broker~~s~~, if applicable.

(c) **Formal hearing location.** Formal hearings shall be set at such time and place as the Commission, through its Secretary-Treasurer, may prescribe and the notice to respondents outlined in (b) of this section shall specify this time and place for the formal hearing. At the sole discretion of the Commission or the Hearing Examiner, formal hearings may be held virtually. The Secretary-Treasurer may for sufficient cause schedule a formal hearing to be held virtually upon proper motion or request having been filed with the Commission office at least seven (7) days prior to the formal hearing. Any request for a hearing to be held virtually must be filed with the Commission office by mailing and/or emailing such request to the Secretary-Treasurer. If the request is submitted by email, you must include the case number, the name of the party your request is submitted on behalf of, and "Request for Formal Hearing to be Virtually" in the subject line.

(d) **Formal hearing before Commission; hearing examiner or selected panel.** The Secretary-Treasurer shall schedule each formal disciplinary hearing before a Hearing Examiner, a selected panel of the Commission, or the Commission as a whole. In the case of a formal hearing conducted by the Commission as a whole or a panel of the Commission, the Chairman or his/her designee shall preside. Designated counsel shall advise the Chair as to rulings upon the questions of admissibility of evidence, competence of witnesses, and any other question of law where such ruling is required or requested.

(e) **Request for postponement.** Once a formal hearing has been scheduled, the Secretary-Treasurer may for sufficient cause postpone or reschedule a formal hearing upon proper motion or request having been filed with the Commission office seven (7) days prior to the formal hearing.
(1) Each postponement request must be in writing and must state the specific reason(s) for the request.
(2) Each postponement request must be filed with the Commission office by mailing and/or emailing such request to the Secretary-Treasurer. If the request is submitted by email, you must include the case number, the name of the party your request is submitted on behalf of, and "Request for Postponement" in the subject line.
(3) The Commission may require official documentation supporting such postponement request.
(4) An emergency postponement request shall be considered at the time of the emergency, but it is within the Commission's discretion to accept or deny an emergency postponement request.
(5) The granting of a continuance whether general or emergency, shall not be interpreted to deny the Commission the power to impose summary suspension if the Commission finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its Order, summary suspension of a license may be ordered pending proceedings for revocation or other action within thirty (30) days.

(f) **Prehearing procedures.** Prior to the formal hearing, the parties can agree to, or the person designated by the Commission to preside over the formal hearing, can order submission of stipulated facts and identification of witnesses and exhibits as necessary. The person designated by the Commission to preside over the formal hearing may schedule or the parties may request a prehearing conference. Attendance at the conference by the prosecuting attorney and respondent or respondent's attorney is mandatory. The subjects and objectives of prehearing conferences shall be similar to those for pretrial proceedings in the district courts.

(g) **Hearings public; witnesses may be excluded.** All formal hearings shall be open to the public except that upon motion of either party, witnesses may be excluded from the hearing room when such witness is not testifying.

(h) **Court reporter.** A court reporter shall be present to record the formal hearing on behalf of the Commission. Any person desiring a copy of the transcript of the proceedings, may purchase such from the reporter.

(i) **Formal hearing procedures.** The designated attorney for the State shall present the State's case. The respondent may present his or her own evidence or may present such through his or her own counsel. If the charges against the respondent resulted from a complaint filed by a party present at the hearing, the complaining party may be a witness for the State. In order that the hearing will not be encumbered by evidence having no bearing on the issues, testimony by all witnesses will be limited to matters relevant to the issues involved. The order of procedure shall be as follows:
(1) Recitation of the statement of charges by the person presiding.
(2) Recitation of stipulated facts between the parties, if any, by the person presiding.
(3) Opening statement by the State.
(4) Opening statement by the respondent.
(5) Presentation of the State's case followed by cross-examination.
(6) Respondent's presentation followed by cross-examination.
(7) Closing arguments by the State.
(8) Closing arguments by the respondent.
(9) The person presiding may ask the parties questions consistent with general trial practices under the Administrative Procedures Act.

(j) **Duty of disclosure.** It is the duty and obligation of every licensee to make full disclosure at any formal hearing of any knowledge of a violation of any law or of the rules and regulations of the Commission. No person may refuse to testify at any formal hearing on any relevant matter, except in the proper exercise of a legal privilege, nor shall any person testify falsely.

(k) **Failure to appear.** Any respondent who fails to appear as directed, after first having received proper notice, shall be deemed by the Commission to have waived his or her right to present a defense to the charges alleged in the complaint, and the Commission may deem the allegations of the complaint to be true and correct as alleged. Thereupon, the Commission may vote to take disciplinary action upon the allegations of the complaint if it appears, after having reviewed the evidence, that disciplinary action is warranted.

(l) **Supervising Broker Attendance.** The supervising broker shall be required to attend all formal hearings wherein their real estate associate or company is the subject of a complaint unless the Secretary-Treasurer provides written notice that attendance is not required. Failure to attend may result in disciplinary action against the supervising broker.

(m) **Order; hearing before Commission.** If the case is heard by the Commission as a whole, the

Commission shall deliberate and render a decision with confirmation of such decision in writing in the form of an Order distributed to all parties by mail.
(n) **Proposed order consideration; hearing before hearing examiner or panel.** In the case of a hearing conducted by a panel of the Commission or by a Hearing Examiner, following the hearing, the Hearing Examiner or attorney sitting as counsel to the panel shall prepare a proposed Order to be considered by members of the Commission at a future meeting.
(o) **Proposed order notification; written exceptions.** All respondents will be furnished copies of the proposed Order and notified as to the date the proposal will be considered by the Commission for adoption. At the same time, notice will also be given to the parties that written exceptions or requests to present oral exceptions or arguments, if any, should be submitted on or before a designated date pursuant to Section 311, of Title 75, Oklahoma Statutes. Upon adoption of the Order by the Commission as a whole, the adopted Order shall be distributed to all parties.
(p) **Actual notification pertaining to this section.** For purposes of paragraph (o)~~(m)~~ of this section, notice shall be deemed to have been given at the time that notice is deposited in the United States mail with proper postage thereon and mailed to the last known address of the notified person, or date when such notice is served in person by a person duly authorized as a representative of the Commission.
(q) **Violation found.** If the Commission shall determine that any respondent is guilty of violation of the Code, such person may be disciplined in the manner as prescribed in such Code.

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~~ licensee or the ~~broker's~~ licensee's affiliated 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 themself 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.
(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.
(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.
(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.
(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.
(8) Failure to make known in writing to any purchaser any interest the licensee has in the property they are selling.
(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.
(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.
(11) Failure to reduce an offer to writing, when a proposed purchaser requests such offer to be submitted.
(12) Failure to submit all bona fide offers to an owner when such offers are received prior to closing, unless waived by the seller in writing~~, the seller accepting an offer in writing~~.
(13) Any conduct in a real estate transaction which demonstrates bad faith or incompetency.
(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.
(15) An associate who does not possess the license of a managing broker, broker proprietor, or branch broker as defined in the rules, but is intentionally acting in the capacity of a managing broker, broker proprietor, or branch broker.
(16) Discouraging a party from obtaining an inspection on a property.
(17) Allowing access to, or control of, real property without the owner's authorization.
(18) Knowingly providing false or misleading information to the Commission during the course of an investigation.
(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.
(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.
(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. For purposes of this section, "immediate family relationship" means a licensee's: Spouse, Children, Grandchildren, Parents, Grandparents, Brothers, and Sisters, including step, half or in-law relationships named herein.
(22) Failure by a broker to ensure all persons performing real estate licensed activities under the broker are properly licensed.
(23) An associate shall not perform licensed activities outside their broker's supervision.
(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.
(25) Utilization of any instrument or device to circumvent the requirements or intent of the Oklahoma Real Estate License Code or Rules.

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 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~~r~~).
(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 may ~~shall~~ visit the office of any suspended/revoked broker prior to the effective date of the suspension/revocation to ensure compliance with the requirements of (1) through (13) of this section~~subsection~~.

605:10-17-8. Cease and Desist

(a) Cease and Desist Orders. If the Commission receives information that a licensed or unlicensed individual or entity is violating the Oklahoma Real Estate Commission Code or Rules, the Secretary-Treasurer or designee may issue written notice of the alleged violation, with supporting documentation and any applicable complaint, together with notice of hearing. The notice shall be served by certified mail or other method authorized by state law. A hearing shall be held within sixty (60) days of service.
(b) Cease and Desist Hearings. The Commission, or a designated Hearing Examiner, shall conduct the hearing in accordance with Section 605:10-17-3. Following the hearing, a proposed Final Order shall be issued determining the allegations. The Commission may enter a permanent cease and desist order and impose fines, penalties, or other sanctions authorized by the Commission Code and Rules.
(c) Emergency Cease and Desist Orders. If the Commission determines an emergency exists requiring immediate action to protect the public health, safety, or welfare, it may issue an Emergency Cease and Desist Order against any licensed person or entity in violation of the Commission Code or Rules, without prior notice or hearing. Upon request, the Commission shall provide a hearing within fifteen (15) days of issuance. The Order shall take effect immediately upon issuance, and failure to comply within five (5) days may result in an administrative fine not exceeding five thousand dollars ($5,000). Each Emergency Order shall state:
(1) The alleged violation of the Commission Code or Rules;
(2) The nature of the emergency; and
(3) The required corrective action.

605:10-17-10. Wholesaling

(a) **Applicability.** All wholesalers, whether licensed or unlicensed by the Commission, shall comply with the requirements applicable to wholesalers under Section 858-314 of Title 59 of the Oklahoma Statutes. A violation of Section 858-314 of Title 59 may be subject to enforcement by the Commission as authorized by the Oklahoma Real Estate License Code.
(b) **Recordkeeping.** All wholesalers shall maintain records sufficient to demonstrate compliance with Section 858-314 of Title 59 of the Oklahoma Statutes. Such records shall be maintained for a period of five (5) years from the date of the transaction and shall be made available to the Commission upon request.