

REBNY RLS VIOLATION HEARING FAQs

What is an RLS Violation?

REBNY's Universal Co-Brokerage Agreement Rules and Regulations ("UCBA") governs the sharing of Exclusive Listings on the REBNY Listing Service ("RLS"). All Residential Brokerage Division ("RBD") Member firms must be familiar with and abide by the UCBA. Any willful non-compliance of the UCBA is a violation of the Residential Listing Service (RLS). Penalties for violating the UCBA range from fines to suspension and expulsion from the RLS.

How can I file a complaint?

Violations of the UCBA may be reported by any Participant of the RLS. The Participant may use a form provided by the RLS or submit an email to the RLS Compliance Group at rlssupport@rebny.com detailing the alleged offense. Filing a complaint is a serious matter because Exclusive Brokers may be held responsible for the actions of brokers, associate brokers, and salespersons associated with their respective firms. Accordingly, all complaints filed with the RLS must include either the signature (or if sent by email, include as a "cc") or acknowledgement of a Broker A, Broker B, or Office Manager, as applicable.

What happens a complaint is filed?

The RLS Compliance Group ("Group") reviews the complaint and determines whether is a violation of the UCA. If the Group determines that a violation occurred, the violating participant must cure the violation within two business days.

If the violating participant disagrees with the Group's decision, they must submit all supporting evidence within two business days of receipt of the original Notice of Violation. The Group will issue a decision within three business days. If the violating participant further disagrees with any decision of the Group, the violating participant may request a hearing before the RLS Violations Sub-Committee (the "Sub-Committee") which is composed of members from the RBD Board of Directors and/or the RLS Committee.

If requested, and to the extent possible, the identity of the complaining party will be kept confidential. If a hearing is ultimately requested, the identity of a complaining participant shall be disclosed.

Who needs to attend the hearing?

The complaining and the violating participants must appear before the Sub-Committee. Witnesses with first-hand, material knowledge of the alleged offense may be brought forward by either party to support or refute the claim of violation.

What happens at an RLS Violations Hearing?

The hearing is an informal process for the Sub-Committee to determine whether a violation has occurred and is usually completed within a three-hour session. The complaining party will present its case to the Sub-Committee and may present witnesses and evidence to support its position. The responding party may also present witnesses and evidence to show why it has not violated the UCBA. The Sub-Committee will also have an opportunity to question both parties. Upon conclusion of the hearing, the Sub-Committee will determine whether a violation has occurred and may impose a penalty as applicable. Any decision of the Sub-Committee is final and unappealable.

How are decisions of the RLS Violations Sub-Committee enforced?

The UCBA outlines a series of recommended penalties for UCBA violations. Financial penalties must be paid to the RLS within 60 days. Failure to do so will result in suspension of access to the RLS and any other additional punishment as determined by the Sub-Committee. The RLS is not obligated to continue to include a participant's Exclusive Listings in the RLS where the participant has been suspended or expelled from the RLS.

What if I am the subject of a RLS violation complaint?

Upon a Notice of Violation, a violating participant has two business days to correct the violation or a penalty will be issued against the participant. If the participant and/or Exclusive Broker disputes the violation, they must submit all supporting evidence within two business days of receipt of the original Notice of Violation. The RLS Compliance Group will then issue a decision on the dispute within three business days. A hearing may be requested if a party to the dispute disagrees with the decision of the RLS Compliance Group.

Do I need an attorney?

Representation by an attorney is entirely up to you. There is no requirement that the parties need to be represented by legal counsel.

For further information, contact REBNY RLS Compliance Group at (212) 616-5243.