

REBNY

Real Estate Board of New York

REBNY Ethics Hearing FAQ

What is an REBNY Ethics Hearing?

Being a REBNY Member means that one subjects oneself and one's business dealings to the REBNY Code of Ethics and Professional Practices (the "Code"). REBNY Members are expected to conduct themselves and their businesses in accordance with the Code. That said, from time to time, Members may lodge complaints against one another for violations of the Code. These complaints are heard by the Ethics and Professional Practices Committee (the "Committee") or any of its sub-committees including the Residential Ethics Sub-Committee (the "Sub-Committee").

How is a complaint filed?

All complaints made to the Board against a member of alleged violation of the Constitution and/or of the Code shall be in writing, shall specify the article and/or rule alleged to be violated, and shall be signed by the complainant. A copy of the complaint form with specific instructions on how to file a complaint can be found on the REBNY website at www.rebny.com.

Please note that complaints against members in the Residential Brokerage Division must be brought by a REBNY A or B Residential Broker member against a REBNY A or B Residential Broker member even where the complaint involved a broker, salesperson or associates of the A or B member alleging the complaint, or against whom the complaint is alleged.

What happens after a complaint is filed?

Once a complaint is filed, the subject party may provide an answer to the complaint to the Committee. On the basis of the submissions alone, the Committee may decide upon the complaint's merits even in cases where an answer is not provided. The Committee may also require further information from the parties. And the Committee may summon both parties or either of them for an in-person hearing.

What happens at the Ethics Hearing?

The hearing is an informal process for a panel of the Committee (the "Panel") to determine whether a violation of the Code has occurred and is usually completed within a three-hour session. The complaining party will present its case 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 Code. The Panel will also have an opportunity to question both parties. Upon conclusion of the hearing, the Panel will determine whether a violation has occurred and may recommend a penalty of censure, suspension or expulsion. These require final approval by the REBNY Board of Governors. The Panel may also issue a letter of reprimand to a member in addition to other remedies such as mandatory ethics training.

Are decisions appealable?

Unless either party submits a written request for a review of the Panel's determination by REBNY's Board of Governors within five days of being notified of the Panel's decision, any determination made by the Panel shall be final and binding upon the parties.

Who needs to be at the hearing?

The Committee may summon both parties or either of them to appear in person before it. A failure to appear before the Committee will result in the party's right to be heard and could lead to default judgment.

How are decisions of the Ethics Committee enforced?

Recommendations of censure, suspension or expulsion require approval from REBNY's Board of Governors.

Do I need an attorney?

Representation by an attorney is entirely up to you. Ethics grievances are informal and there is no requirement that the parties need to be represented by legal counsel.

For more information, call REBNY's General Counsel Office at (212) 616-5243.