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CHAPTER 10. REQUIREMENTS, STANDARDS AND PROCEDURES

SUBCHAPTER 1. GENERAL PROVISIONS

605:10-1-4. Returned Checks – Disposition

- (a) All fees are received subject to collection. Payment of a fee to the Commission with a dishonored check ~~shall~~ may be prima facie evidence of a violation of Title 59, Section 858-312.
- (b) If the Commission receives a check that is dishonored upon presentation to the bank on which the check is drawn, a returned check fee of Thirty-five Dollars (\$35.00) will be charged. If such payment is for fees, or other amounts due the Commission, and the check is not replaced within the specified time frame as determined by the Commission, such request shall be deemed incomplete and the transaction null and void.
- (c) Other services may be delayed or denied if a check is dishonored upon presentation to the bank on which the check is drawn.

SUBCHAPTER 3. EDUCATION AND EXAMINATION REQUIREMENTS

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 license is qualified, the application shall be approved. An approved application shall be valid for ninety (90) days.
 - (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."

605:10-3-6. Continuing education requirements

(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) **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 can be determined by the Commission to be in compliance with the intent of 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 21-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) **List of approved entities.** The Commission shall maintain a list of approved entities.
 - (h) **Licensee responsible for notification to Commission.** Each licensee shall be ultimately responsible to the Commission to furnish evidence of having successfully completed the continuing education requirements for license renewal, activation, or reinstatement, as set forth elsewhere in this Chapter. Each licensee shall present to the Commission evidence of completion of a minimum of twenty-one (21) clock hours of continuing education offerings acceptable by the Commission. As evidence of having completed 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.
 - (i) **Attendance and successful completion required for in-class credit.** To complete any in-class offering, a person must physically be present during all of the offering time and successfully complete all course requirements.
 - (j) **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.
 - (k) **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.
 - (l) **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, each license with an expiration date of June 30, ~~2005~~ 2014 and thereafter, with the exception of those exempt as set out in Title 59, 858-307.2, shall provide evidence of completion of twenty-one (21) clock hours of Commission approved subject matter, or its equivalent, as determined by the Commission. Such hours shall have been 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 licensee shall have completed of said twenty-one (21) clock hours of continuing education ~~twelve (12)~~ six (6) clock hours of required subject matter as directed by the Commission.

(3) The required subject matter, or its equivalent, as determined by the Commission, shall consist of at least one (1) clock hour in all following subjects each license term: Professional Conduct, Broker Relationships Act, Fair Housing, Contracts and Forms, Code and Rule Updates and Current Issues ~~including Code and Rule Updates~~. The remaining ~~nine (9)~~ fifteen (15) clock hours may consist of elective subject matter as approved by the Commission.

(4) 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.

(5) Any Broker who holds or has held a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of their current license term shall be required to successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission, ~~each license term beginning with those licenses that expire on June 30, 2012~~. In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the ~~four (4)~~ six (6) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (3) of this subsection.

(6) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation ~~after June 30, 2012~~ and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the ~~four (4)~~ six (6) required subject matter totaling equal to at least six (6) hours prior to their license being reinstated active or reactivating.

SUBCHAPTER 5. INSTRUCTOR AND ENTITY REQUIREMENTS AND STANDARDS

605:10-5-1.1 Approval of a post-license course

(a) **Course approval.** In accordance with Section 858-302 of the License Code, the Commission shall determine and approve the education content of the forty-five (45) clock hour post-license course content or its equivalent. Any person or entity seeking to conduct an approved course of study shall make application and submit documents, statements and forms as may reasonably be required by the Commission. The request shall include the following:

- (1) Completed course application.
- (2) Application fee of One Hundred Twenty-five Dollars (\$125.00) for each course.
- (3) An approved course syllabus encompassing the contents enumerated in 605:10-3-7 and divided by instructional periods, with the name, author and publisher of the primary textbook.

(b) **Course offering requirements.**

- (1) An offering entity not conducting the approved course within any thirty-six (36) month period shall automatically be removed from approved status. In such event, the person and/or entity must re-apply as an original applicant.
- (2) If a course of study is to be conducted in the name of a corporation, the application shall include the names and addresses of all directors and officers.

- (3) An approved entity shall immediately report any changes in information in regards to the application previously filed with the Commission.
- (c) **Denied applications.** No portion of the fees enumerated in this Section are refundable. If an instructor, entity or course application is not approved, the applicant may appeal the decision by filing a written request for a hearing before the Commission. The hearing procedure shall be that as outlined in 605:10-1-3 titled "Appeal of administrative decisions; procedures."
- (d) **Advertising course offerings.** No person or 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 person or entity sponsoring or conducting a course of study shall advertise that it is endorsed, recommended or accredited by the Commission although such person or entity may indicate that a course of study has been approved by the Commission.
- (e) **Instructor application and approval requirements.** An individual determined by the Commission to possess one or more of the following qualifications may be considered for approval as an instructor upon receipt of an application and evidence of education and/or experience. Each application must be accompanied by a One Hundred Dollar (\$100.00) application fee, and documentation required for compliance necessary to verify citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. In order to qualify, an individual must possess proof of one 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 at the entity.
 - (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 constitutes an equivalent to one or more of the qualifications in (1), (2) or (3) of subsection (e) of this section.
- (f) **Instructor renewal requirements**
- (1) In order to maintain approved status, an instructor must comply with the following:
 - (A) Attend a Commission directed Instructor Renewal Course, or its equivalent, every twenty-four (24) months. An exception to this rule may be given by the Commission if such instructor is licensed or certified through another regulatory body.
 - (B) Instructors approved solely for distance education courses must complete three (3) hours every twelve (12) months of instructor training as accepted by the Commission and sign a statement that changes to current law and rules have been reviewed and that the instructor has made applicable amendments to the course material.
 - (2) Any instructor not meeting the requirements of this subsection will be required to re-apply as an original instructor applicant.
- (g) **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.
- (h) **Instructor and entity requirements.**
- (1) **Instructor must be present.** An approved instructor must be present in the same room during all course instruction for students to receive credit toward course completion.

(2) **Retention of records.** An instructor/entity shall maintain enrollment records and roll sheets which include number of hours completed by each student for a period of seven (7) years.

(3) **Course completion certificate.** Each individual successfully completing a course of study approved by the Commission shall be furnished a certificate prescribed or approved by the Commission certifying completion. The Commission shall accept from a college or university a certified transcript or a course completion certificate as prescribed by the Commission.

(4) **Course notification to Commission.** An entity conducting an approved post-license education offering shall, within ~~five~~(5) 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 said offering. 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.

(5) **Commission authorized to audit and inspect records.** 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.

(6) **Clock hours and breaks.** Not more than one clock hour may be registered within any one sixty (60) minute period and no more than ten (10) minutes of each hour shall be utilized for breaks.

(7) **Class size limited.** Instructor ratio to students shall not exceed sixty (60).

(i) **Facility requirements.** The offering entity shall ensure that all classroom facilities have adequate lighting, seating space and technology to meet the needs of the student. The classroom area shall be free of distractions and noise.

(j) **Disciplinary action.** An approved course of study, director, and/or instructor may be withdrawn or disciplined as outlined in Title 59, O.S., Section 858-208, paragraph 6 either on a complaint filed by an interested person or the Commission's own motion, for 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 a director is suspended or revoked, the course of study shall automatically be revoked.

(2) In the event the real estate license of an instructor is suspended or revoked.

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

(4) Falsification of records and/or application(s) filed with the Commission.

(5) False and/or misleading advertisement.

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

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 (36) month including the month of issuance.

(b) **Application form.** Entities seeking approval of a course or group of courses totaling thirty-six (36) hours or less shall submit an application on a form prescribed by the Commission along

with a nonrefundable fee of seventy dollars (\$70.00). Each application is limited to thirty-six (36) hours and shall be submitted on a separate application and accompanied by a non-refundable fee of seventy dollars (\$70.00). Such application shall be made on a form prescribed by the Commission. Each application shall include, but is not limited to, the following information:

- (1) 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) The title(s) of the course or courses.
- (3) The number of hours in each course.
- (4) 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) The method the entity will use to evaluate the course offering.
- (6) The procedure the entity will use to monitor attendance.
- (7) A personal resume indicating name(s) and qualifications of the instructor(s).
- (8) 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) 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.

(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 subparagraph (a) of this rule, an application for renewal of any course or group of courses by an entity shall also be accompanied by a non-refundable application fee of Seventy Dollars (\$70.00) 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 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 minutes of each hour utilized for breaks.
- (3) An entity conducting an approved continuing education course shall, within ~~five (5)~~ 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) Each course shall be presented in a facility necessary to safely and properly present the course.

(6) An approved instructor must be present in the 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.

(h) **Recruitment disallowed.**

(1) A coordinator/director or instructor shall not allow the ~~premises or the facilities~~ 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 at the ~~premises or the facilities~~ 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 ~~or on the premises~~. 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 for approval must be accompanied by a Ten Dollar (\$10.00) application fee. In order to qualify, an individual must possess proof of one 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.

(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.

(l) **Retention of records.** An instructor/entity shall maintain enrollment records and roll sheets which include number of hours completed by each student for seven (7) years.

(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.

(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 for in-class instruction 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.

SUBCHAPTER 7. LICENSING PROCEDURES AND OPTIONS

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

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

(1) For an original broker license and each subsequent license renewal, to include corporations, associations or partnerships, the fee shall be Two Hundred and Ten Dollars (\$210.00).

(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 Twenty-five Dollars (\$125.00). In order to activate a license that was renewed inactive in the same license term, the licensee shall pay One Hundred and Thirty Dollars (\$130.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(3) For an active original sales associate license and each subsequent active license renewal the fee shall be One Hundred and Fifty Dollars (\$150.00).

(4) For an inactive original sales associate license and each subsequent inactive license renewal the fee shall be Ninety-five Dollars (\$95.00). In order to activate a sales associate license that was renewed inactive in the same license term, the licensee shall pay One Hundred Dollars (\$100.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(5) For an original provisional sales associate license that is non-renewable the fee shall be Seventy Dollars (\$70.00).

(6) For an original branch office license and each subsequent license renewal the fee shall be One Hundred and Twenty-five Dollars (\$125.00).

(7) 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.

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

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

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

(d) **Late penalty.** All renewals shall be filed on or before midnight of the tenth day of the month in which said license is due to expire, except in the event that date falls on a Saturday, Sunday or holiday; in such case, the next Commission working day shall be considered the due date for all renewals except electronic online renewal wherein this exception would not apply. Any such renewal application filed after such date shall be subject to a late penalty fee of Ten Dollars (\$10.00).

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

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

(f) **Reinstatement of license.** Any licensee whose license term has expired shall be considered for reinstatement of such license upon payment of an amount equal to the current examination fee in addition to the license and late penalty fee(s) for each delinquent license period(s). The following documents and fees must be submitted:

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

- (A) License and late penalty fee.
- (B) Reinstatement fee.
- (C) National criminal history check.
- (D) Documents as required by the Commission.

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

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

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

(g) **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 (f), (1) through (3).

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

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

(j) **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 (f) of this section. In addition, reinstatement will not be granted until all outstanding amounts due the Commission have been paid in full.

(k) **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) Applicable reinstatement fee equal to the current examination fee.
 - (B) Re-issuance fee equal to the transfer of license fee.
 - (C) Documents as required by the Commission.
 - (D) Criminal history background check.
- (2) **Reinstatement with term of license expired.** A surrendered or cancelled license applicant whose license term has expired shall be required to comply with the requirements of (f) 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 (f), (1) through (3) (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.
- (l) **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.
- (m) **Sales to broker license fee prorated.** If a real estate sales associate or provisional sales associate qualifies for a license as a real estate broker, the unused license fee shall be credited to the broker license fee. The unused license fee credit shall commence with the first full month following the month in which the broker license is to be issued.
- (n) **License expires after effective date of national criminal history check.**
 - (1) Any licensee who allows their license to expire shall be required to submit to a national criminal history check; however, such individual shall be allowed to proceed with reinstatement of such license pending receipt by the Commission of a completed fingerprint card, application Part A, and fee as stated elsewhere in these rules for the background search. If, the Commission does not receive a completed Part A of the application and completed finger print card and fee within thirty (30) days from the date of request by the Commission, the license will be placed inactive and a hold placed on the license until receipt by the Commission of the aforementioned items. Thereafter, upon receipt by the Commission, the license may be reactivated so long as appropriate reactivation forms and fees, as stated elsewhere in these rules, have been received by the Commission. However, if the finger print card is rejected for the purposes of a national criminal history check, the Commission will provide written notice to the licensee and the licensee must submit a new and unique fingerprint card to the Commission within thirty (30) days of receipt of such notice or the license will be placed on inactive status.
 - (2) A provisional sales associate who completes the Provisional Post-License Course prior to their first license expiration date but fails to timely renew the license shall be eligible to apply under the requirement under the preceding paragraph. However, after a period of three

(3) years from the date of the license expiration such applicant shall no longer be eligible to apply under this section.

(o) **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 end of the provisional sales associate's license term and 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 required form(s) and fee(s) as required by the Commission.

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

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

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

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

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

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

(r) **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 and late penalty fees.
 - (B) Reinstatement 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 than three (3) years must submit an original application to be considered for licensure.
- (s) **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 and late penalty fees.
 - (B) Reinstatement 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.

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. ~~If, in the opinion of the Commission, there is question as to the competence of the nonresident applicant, such individual shall be required to successfully complete additional educational courses.~~ No inactive license experience may be credited to qualify under this section. The Commission, ~~at its discretion,~~ may issue a nonresident license if, ~~in the opinion of the Commission,~~ 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 five (5) 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 form.
 - (vi) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates.

- (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.
- (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 five (5) 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 form.
 - (vi) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates.
- (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 or unlicensed 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 ~~or an applicant who is unlicensed in another jurisdiction~~ may apply to the Commission for a license to operate as a nonresident provisional sales associate or broker 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 of appropriate required education.
 - (D) Examination fee and successful completion of the entire appropriate examination.
 - (E) ~~If applicable, license~~ 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, Contracts and Forms, and Code and Rule Updates.

(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.

(e) **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 ninety (90) days.** An approved application shall be valid for ninety (90) days.

(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 pay the appropriate change of address fee 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 ~~exempt the nonresident licensee from the continuing education requirement in this jurisdiction~~ require proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects for license renewal: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates. If a nonresident licensee is exempt from meeting a continuing

education requirement in another jurisdiction then the licensee must meet the Oklahoma continuing education requirement as follow:

- (1) Each licensee shall have completed of said twenty-one (21) clock hours of continuing education ~~twelve (12)~~ six (6) 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 all following subjects each license term: Professional Conduct, Broker Relationships Act, Fair Housing, Contracts and Forms, Code and Rules Updates and Current Issues ~~including Code and Rule Updates~~. The remaining ~~nine (9)~~ fifteen (15) 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 matter.
- (4) Any Broker who holds or has held a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of their current license term shall be required to successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission, ~~each license term beginning with those licenses that expire on June 30, 2012.~~ In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the ~~four (4)~~ six (6) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (2) of this subsection.
- (5) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation ~~after June 30, 2012~~ and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the ~~four (4)~~ six (6) required subject matter totaling six (6) hours prior to their license being reinstated active or reactivating.

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, ~~at its discretion,~~ 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. In order to qualify under this paragraph an individual must furnish evidence that the license from the former jurisdiction has not been inactive more than six (6) months prior to application to this jurisdiction.

(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.
 - (vi) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates.
- (B) Upon the Commission granting approval to the applicant for a–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 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 (5) years. In order to qualify under this paragraph an individual must furnish evidence that the license from the former jurisdiction has not been inactive more than six (6) months prior to application to this jurisdiction.
- (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 at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates.
- (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 either a sales associate, broker associate or broker license.
- (3) An applicant who does not possess the required two (2) years active experience out of the previous five (5) years respectively as a sales associate or broker, 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 as an original applicant.
- (A) An applicant applying under this paragraph must complete and submit the following:
- (i) Qualify as an original applicant by submitting appropriate required education and application.
 - (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 entire appropriate examination.

(v) Proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates.

(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 either a provisional sales associate, broker associate or broker 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.

(iv) 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 either a provisional sales associate, broker associate or broker license.

(b) **May be required to meet additional requirements.** If, in the opinion of the Commission, there is question as to the competence of the previously licensed applicant, the individual may be required to meet additional educational courses and/or successfully complete the Oklahoma examination.

(c) Military spouse applicant - 120 day temporary permit. In accordance with Title 59, O.S., Section 4100.5 the Commission shall expedite the issuance of a 120 day permit to an applicant:

(1) Who is actively licensed in real estate in another jurisdiction;

(2) Whose spouse is an active-duty member of the Armed Forces or Reserves of the United States;

(3) Whose spouse is subject to military transfer to this state; and

(4) Who left employment in another state to accompany their spouse to this state.

Expedite licensure means to issue the applicant a temporary permit to perform licensed activities for a period of 120 days to allow the person to successfully complete all application requirements as required by the Commission and any specific requirements in this state that were

not required in the jurisdiction in which the person was licensed, i.e., criminal history background check and successful passage of the Oklahoma portion of the examination. An extension of the 120 days may be granted up to an additional 60 days if written justification is submitted by the applicant to the commission and the delay of license issuance was not the fault of the applicant.

See attached Appendix A. [Revoked] and [New]

See attached Appendix A. [Revoked] and [New]

APPENDIX A. RESIDENTIAL PROPERTY CONDITION DISCLOSURE STATEMENT

Notice to Seller: Oklahoma Law (the "Residential Property Condition Disclosure Act," Title 60, O.S., §831 et.seq., effective July 1, 1995) requires Sellers of 1 and/or 2 residential dwelling units to complete this form. A Seller must complete, sign and date this disclosure form and deliver it or cause it to be delivered to a purchaser as soon as practicable, but in any event no later than before an offer is accepted by the Seller. If the Seller becomes aware of a defect after delivery of this statement, but before the Seller accepts an offer to purchase, the Seller must deliver or cause to be delivered an amended disclosure statement disclosing the newly discovered defect to the Purchaser. If the disclosure form or amendment is delivered to a Purchaser after an offer to purchase has been made by the Purchaser, the offer to purchase shall be accepted by the Seller only after a Purchaser has acknowledged receipt of this statement and confirmed the offer to purchase in writing.

Notice to Purchaser: The declarations and information contained in this disclosure statement are not warranties, express or implied of any kind, and are not a substitute for any inspections or warranties the Purchaser may wish to obtain. The information contained in this disclosure statement is not intended to be a part of any contract between the Purchaser and Seller. The information and statements contained in this disclosure statement are declarations and representations of the Seller and are not the representations of the real estate licensee.

Instructions to the Seller: (1) Answer ALL questions. (2) Report known conditions affecting the property. (3) Complete this form yourself. (4) If some items do not apply to your property, check N/A (not applicable). If you do not know the facts, check Unk (unknown). (5) The date of completion by you may not be more than 180 days prior to the date this form is received by a purchaser.

LOCATION OF SUBJECT PROPERTY _____

 SELLER IS ___ IS NOT ___ OCCUPYING THE SUBJECT PROPERTY.

THE ITEMS LISTED BELOW ARE IN NORMAL WORKING ORDER

Appliances/Systems/Services	N/A	Yes	No	Unk	Appliances/Systems/Services	N/A	Yes	No	Unk
Sprinkler System					Gas Supply ___Public ___Propane ___Butane				
Swimming Pool					Propane Tank ___Leased ___Owned				
Hot Tub/Spa					Ceiling Fans				
Water Heater ___Electric ___Gas ___Solar					Electric Air Purifier				
Water Purifier					Garage Door Opener/Control				
Water Softener ___Leased ___Owned					Intercom				
Sump Pump					Central Vacuum				
Plumbing					Security System ___Rent ___Owned ___Monitored				
Whirlpool Tub					Smoke Detectors				
Sewer System ___Public ___Septic ___Lagoon					Dishwasher				
Air Conditioning System ___ Electric ___ Gas ___ Heat Pump					Electrical Wiring				
Window Air Conditioner(s)					Garbage Disposal				
Attic Fan					Gas Grill				
Fireplaces					Vent Hood				
Heating System ___ Electric ___ Gas ___ Heat Pump					Microwave Oven				
Humidifier					Built-in Oven/Range				
					Kitchen Stove				
					Trash Compactor				

Buyer's Initials _____ Buyer's Initials _____

Seller's Initials _____ Seller's Initials _____

LOCATION OF SUBJECT PROPERTY _____

Source of Household Water _____ Public _____ Private _____ Well _____ Other _____ Unk

Zoning, Flood and Water

1. Property is zoned: (Check One) _____ residential _____ commercial _____ historical _____ office _____ agricultural _____ industrial _____ urban conservation _____ other _____ unknown

2. What is the flood zone status of the property?

Check Below	Yes	No	Unk
3. Are you aware of any flood insurance requirements concerning the property?			
4. Do you have flood insurance on the property?			
5. Has the property been damaged or affected by flood, storm run-off, sewer backup, draining or grading problems?			
6. Are you aware of any surface or ground water drainage systems which assist in draining the property, e.g. "French Drains?"			
7. Has there been any occurrence of water in the heating and air conditioning duct system?			
8. Are you aware of water seepage, leakage or other draining problems in any of the improvements on the property?			

Additions/Alterations/Repairs

9. Have any additions or alterations been made without required permits?			
10. Are you aware of previous foundation repairs?			
11. Are you aware of any alterations or repairs having been made to correct defects or problems?			
12. Are you aware of any defect or condition affecting the interior or exterior walls, ceilings, slab/foundation, basement/storm cellar, floors, windows, doors, fences or garage?			
13. Has the roof ever been repaired or replaced during your ownership of the property?			
14. Approximate age of roof covering, if known _____ numbers of layers, if known _____			
15. Do you know of any current problems with the roof?			
16. Are you aware of treatment for termite or wood-destroying organism infestation?			
17. Do you have a termite bait system installed on the property?			
18. If yes, is it monitored by a licensed exterminating company? Yes _____ No _____ Annual Cost \$ _____			
19. Are you aware of any damage caused by termite or wood-destroying organism infestation?			
20. Are you aware of major fire, tornado, hail, earthquake or wind damage?			
21. Are you aware of problems pertaining to sewer, septic, lateral lines or aerobic system?			

Environmental

22. Are you aware of the presence of asbestos?			
23. Are you aware of the presence of radon gas?			
24. Have you tested for radon gas?			
25. Are you aware of the presence of lead-based paint?			
26. Have you tested for lead-based paint?			
27. Are you aware of any underground storage tanks on the property?			
28. Are you aware of the presence of a landfill on the property?			
29. Are you aware of the existence of hazardous or regulated materials or other conditions having an environmental impact?			
30. Are you aware of the existence of prior manufacturing of methamphetamine?			
31. Have you had the property inspected for mold?			
32. Have you had any remedial treatment for mold on the property?			
33. Are you aware of any condition on the property that would impair the health or safety of the occupants?			

Buyer's Initials _____ Buyer's Initials _____

Seller's Initials _____ Seller's Initials _____

LOCATION OF SUBJECT PROPERTY

Property Shared in Common, Easements, Homeowner's Associations and Legal	Yes	No	Unk
34. Are you aware of features of the property shared in common with the adjoining landowners, such as fences, driveways, and roads whose use or responsibility has an affect on the property?			
35. Other than utility easements serving the property, are you aware of easements or right-of-ways affecting the property?			
36. Are you aware of encroachments affecting the property?			
37. Are you aware of a mandatory homeowner's association?			
Amount of dues \$ _____ Special Assessment \$ _____ Payable: (Check One) _____ monthly _____ quarterly _____ annually Are there unpaid dues or assessments for the property? _____ YES _____ NO If yes, what is the amount \$ _____ Manager's Name _____ Phone Number: _____			
38. Are you aware of any zoning, building code or setback requirement violations?			
39. Are you aware of any notices from any government or government-sponsored agencies or any other entities affecting the property?			
40. Is the property subject to any leases, including agricultural or commercial?			
41. Are you aware of any filed litigation or lawsuits directly or indirectly affecting the property, including a foreclosure?			
42. Is the property located in a fire district which requires payment? If yes, amount of fees \$ _____ Paid to Whom _____ Payable: (Check One) _____ monthly _____ quarterly _____ annually			
43. Is the property located in a private utility district? (Check applicable) _____ Water _____ Garbage _____ Sewer _____ Other If other, explain: _____ Initial membership fee \$ _____ annual membership fee \$ _____ (If more than one (1) utility, attach additional pages.)			
Miscellaneous	Yes	No	Unk
44. Are you aware of other defect(s) affecting the property not disclosed above?			
45. Are you aware of any other fees or dues required on the property that you have not disclosed?			
46. Other Items:			

If you answered "YES" to any of the items 1- 46 above, list the item number(s) and explain. (If needed, attach additional pages, with your signature(s), date(s) and location of subject property.)

On the date this form is signed, the seller states that based on seller's CURRENT ACTUAL KNOWLEDGE of the property, the information contained above is true and accurate. Are there any additional pages attached to this disclosure? (circle one): Yes No If yes, how many? _____

Seller's Signature _____ Date _____ Seller's Signature _____ Date _____

A real estate licensee has no duty to the Seller or the Purchaser to conduct an independent inspection of the property and has no duty to independently verify the accuracy or completeness of any statement made by the seller in this disclosure statement.

The Purchaser understands that the disclosures given by the Seller on this statement are not a warranty of condition. The Purchaser is urged to carefully inspect the property and, if desired, to have the property inspected by a licensed expert. For specific uses, restrictions and flood zone status, contact the local planning, zoning and/or engineering department. The Purchaser acknowledges that the Purchaser has read and received a signed copy of this statement. This completed acknowledgement should accompany an offer to purchase on the property identified. This is to advise that this disclosure statement is not valid after 180 days from the date completed by the Seller.

Purchaser's Signature _____ Date _____ Purchaser's Signature _____ Date _____

The disclosure and disclaimer statement forms and the Oklahoma Residential Property Condition Disclosure Act information pamphlet are made available at the Oklahoma Real Estate Commission (OREC), Denver N. Davison Bldg., 1915 N. Stiles, Suite 200, Oklahoma City, Oklahoma 73105-4919, or visit OREC's Web site www.orec.ok.gov.

**APPENDIX B. RESIDENTIAL PROPERTY CONDITION DISCLAIMER STATEMENT
FORM**

Seller instructions: Oklahoma Law (the "Residential Property Condition Disclosure Act," 60, O.S. Section 831 et. seq., effective July 1, 1995) **requires a seller** of 1 and 2 residential dwelling units to **deliver, or cause to be delivered, a disclaimer statement to a purchaser as soon as practicable, but in any event before acceptance of an offer to purchase if you, the seller: 1) have never occupied the property and make no disclosures concerning the condition of the property; and 2) have no actual knowledge of any defect concerning the property.**

If, however, you occupied the property or know of a defect in regard to the property, you must complete and deliver, or cause to be delivered, a "Residential Property Condition Disclosure Statement" to the purchaser.

Also, if you become aware of a defect after delivery of this disclaimer statement to a purchaser, but before you accept an offer to purchase, you must complete and deliver, or cause to be delivered, a "Residential Property Condition Disclosure Statement" to a purchaser.

Completion of this form by you may not be more than 180 days prior to the date this form is received by a purchaser.

Note: If this disclaimer statement is delivered to a purchaser after an offer to purchase has been made by the purchaser, the offer to purchase shall be accepted by you only after a purchaser has acknowledged receipt of this statement and confirmed the offer to purchase.

Defect means a condition, malfunction, or problem that would have a materially adverse effect on the monetary value of the property, or that would impair the health or safety of future occupants of the property.

(For more information on the requirements of the law, please refer to the Residential Property Condition Disclosure Information Pamphlet.)

Seller's Disclaimer Statement

The undersigned seller states that seller has never occupied the property located at _____, Oklahoma; makes no disclosures concerning the condition of the property; AND has no actual knowledge of any defect.

Seller's Signature

Date

Seller's Signature

Date

Purchaser's Acknowledgment

The purchaser shall sign and date this acknowledgment. The purchaser is urged to carefully inspect the subject property and, if desired, to have the property inspected by an expert. The purchaser acknowledges that purchaser has read and received a signed copy of this statement. This completed acknowledgement should accompany an offer to purchase you make on the property identified above.

Purchaser's Signature

Date

Purchaser's Signature

Date

Note to seller and purchaser: A real estate licensee has no duty to the seller or purchaser to conduct an independent inspection of the property and has no duty to independently verify the accuracy or completeness of any statement made by the seller in this disclaimer statement.

The disclosure and disclaimer statement forms and the Residential Property Condition Disclosure Information Pamphlet are made available by the Oklahoma Real Estate Commission, 1915 North Stiles Avenue, Suite 200 (Denver N. Davison Building), Oklahoma City, Oklahoma 73105-4919. Visit the Commission's web site: www.orec.ok.gov