

AN ACT concerning professional regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Real Estate License Act of 2000 is amended by changing Sections 1-10, 5-30, 5-50, 5-70, and 20-20 and by adding Section 15-75 as follows:

(225 ILCS 454/1-10)

(Section scheduled to be repealed on January 1, 2010)

Sec. 1-10. Definitions. In this Act, unless the context otherwise requires:

"Act" means the Real Estate License Act of 2000.

"Advisory Council" means the Real Estate Education Advisory Council created under Section 30-10 of this Act.

"Agency" means a relationship in which a real estate broker or licensee, whether directly or through an affiliated licensee, represents a consumer by the consumer's consent, whether express or implied, in a real property transaction.

"Applicant" means any person, as defined in this Section, who applies to OBRE for a valid license as a real estate broker, real estate salesperson, or leasing agent.

"Blind advertisement" means any real estate advertisement that does not include the sponsoring broker's business name and that is used by any licensee regarding the sale or lease of real estate, including his or her own, licensed activities, or the hiring of any licensee under this Act. The broker's business name in the case of a franchise shall include the franchise affiliation as well as the name of the individual firm.

"Board" means the Real Estate Administration and Disciplinary Board of OBRE.

"Branch office" means a sponsoring broker's office other than the sponsoring broker's principal office.

"Broker" means an individual, partnership, limited liability company, corporation, or registered limited liability partnership other than a real estate salesperson or leasing agent who for another and for compensation, or with the intention or expectation of receiving compensation, either directly or indirectly:

(1) Sells, exchanges, purchases, rents, or leases real estate.

(2) Offers to sell, exchange, purchase, rent, or lease real estate.

(3) Negotiates, offers, attempts, or agrees to negotiate the sale, exchange, purchase, rental, or leasing of real estate.

(4) Lists, offers, attempts, or agrees to list real estate for sale, lease, or exchange.

(5) Buys, sells, offers to buy or sell, or otherwise deals in options on real estate or improvements thereon.

(6) Supervises the collection, offer, attempt, or agreement to collect rent for the use of real estate.

(7) Advertises or represents himself or herself as being engaged in the business of buying, selling, exchanging, renting, or leasing real estate.

(8) Assists or directs in procuring or referring of prospects, intended to result in the sale, exchange, lease, or rental of real estate.

(9) Assists or directs in the negotiation of any transaction intended to result in the sale, exchange, lease, or rental of real estate.

(10) Opens real estate to the public for marketing purposes.

(11) Sells, leases, or offers for sale or lease real estate at auction.

"Brokerage agreement" means a written or oral agreement between a sponsoring broker and a consumer for licensed activities to be provided to a consumer in return for compensation or the right to receive compensation from another.

Brokerage agreements may constitute either a bilateral or a unilateral agreement between the broker and the broker's client depending upon the content of the brokerage agreement. All exclusive brokerage agreements shall be in writing.

"Client" means a person who is being represented by a licensee.

"Commissioner" means the Commissioner of Banks and Real Estate or a person authorized by the Commissioner, the Office of Banks and Real Estate Act, or this Act to act in the Commissioner's stead.

"Compensation" means the valuable consideration given by one person or entity to another person or entity in exchange for the performance of some activity or service. Compensation shall include the transfer of valuable consideration, including without limitation the following:

- (1) commissions;
- (2) referral fees;
- (3) bonuses;
- (4) prizes;
- (5) merchandise;
- (6) finder fees;
- (7) performance of services;
- (8) coupons or gift certificates;
- (9) discounts;
- (10) rebates;
- (11) a chance to win a raffle, drawing, lottery, or similar game of chance not prohibited by any other law or statute;
- (12) retainer fee; or
- (13) salary.

"Confidential information" means information obtained by a licensee from a client during the term of a brokerage agreement that (i) was made confidential by the written request or written instruction of the client, (ii) deals with the negotiating position of the client, or (iii) is information the disclosure of which could materially harm the negotiating

position of the client, unless at any time:

- (1) the client permits the disclosure of information given by that client by word or conduct;
- (2) the disclosure is required by law; or
- (3) the information becomes public from a source other than the licensee.

"Confidential information" shall not be considered to include material information about the physical condition of the property.

"Consumer" means a person or entity seeking or receiving licensed activities.

"Continuing education school" means any person licensed by OBRE as a school for continuing education in accordance with Section 30-15 of this Act.

"Credit hour" means 50 minutes of classroom instruction in course work that meets the requirements set forth in rules adopted by OBRE.

"Customer" means a consumer who is not being represented by the licensee but for whom the licensee is performing ministerial acts.

"Designated agency" means a contractual relationship between a sponsoring broker and a client under Section 15-50 of this Act in which one or more licensees associated with or employed by the broker are designated as agent of the client.

"Designated agent" means a sponsored licensee named by a sponsoring broker as the legal agent of a client, as provided for in Section 15-50 of this Act.

"Director" means the Director of the Real Estate Division, OBRE.

"Dual agency" means an agency relationship in which a licensee is representing both buyer and seller or both landlord and tenant in the same transaction. When the agency relationship is a designated agency, the question of whether there is a dual agency shall be determined by the agency relationships of the designated agent of the parties and not of the sponsoring broker.

"Employee" or other derivative of the word "employee", when used to refer to, describe, or delineate the relationship between a real estate broker and a real estate salesperson, another real estate broker, or a leasing agent, shall be construed to include an independent contractor relationship, provided that a written agreement exists that clearly establishes and states the relationship. All responsibilities of a broker shall remain.

"Escrow moneys" means all moneys, promissory notes or any other type or manner of legal tender or financial consideration deposited with any person for the benefit of the parties to the transaction. A transaction exists once an agreement has been reached and an accepted real estate contract signed or lease agreed to by the parties. Escrow moneys includes without limitation earnest moneys and security deposits, except those security deposits in which the person holding the security deposit is also the sole owner of the property being leased and for which the security deposit is being held.

"Exclusive brokerage agreement" means a written brokerage agreement that provides that the sponsoring broker has the sole right, through one or more sponsored licensees, to act as the exclusive designated agent or representative of the client and that meets the requirements of Section 15-75 of this Act.

"Inoperative" means a status of licensure where the licensee holds a current license under this Act, but the licensee is prohibited from engaging in licensed activities because the licensee is unsponsored or the license of the sponsoring broker with whom the licensee is associated or by whom he or she is employed is currently expired, revoked, suspended, or otherwise rendered invalid under this Act.

"Leasing Agent" means a person who is employed by a real estate broker to engage in licensed activities limited to leasing residential real estate who has obtained a license as provided for in Section 5-5 of this Act.

"License" means the document issued by OBRE certifying that the person named thereon has fulfilled all requirements

prerequisite to licensure under this Act.

"Licensed activities" means those activities listed in the definition of "broker" under this Section.

"Licensee" means any person, as defined in this Section, who holds a valid unexpired license as a real estate broker, real estate salesperson, or leasing agent.

"Listing presentation" means a communication between a real estate broker or salesperson and a consumer in which the licensee is attempting to secure a brokerage agreement with the consumer to market the consumer's real estate for sale or lease.

"Managing broker" means a broker who has supervisory responsibilities for licensees in one or, in the case of a multi-office company, more than one office and who has been appointed as such by the sponsoring broker.

"Medium of advertising" means any method of communication intended to influence the general public to use or purchase a particular good or service or real estate.

"Ministerial acts" means those acts that a licensee may perform for a consumer that are informative or clerical in nature and do not rise to the level of active representation on behalf of a consumer. Examples of these acts include without limitation (i) responding to phone inquiries by consumers as to the availability and pricing of brokerage services, (ii) responding to phone inquiries from a consumer concerning the price or location of property, (iii) attending an open house and responding to questions about the property from a consumer, (iv) setting an appointment to view property, (v) responding to questions of consumers walking into a licensee's office concerning brokerage services offered or particular properties, (vi) accompanying an appraiser, inspector, contractor, or similar third party on a visit to a property, (vii) describing a property or the property's condition in response to a consumer's inquiry, (viii) completing business or factual information for a consumer on an offer or contract to purchase on behalf of a client, (ix) showing a client through a

property being sold by an owner on his or her own behalf, or (x) referral to another broker or service provider.

"OBRE" means the Office of Banks and Real Estate.

"Office" means a real estate broker's place of business where the general public is invited to transact business and where records may be maintained and licenses displayed, whether or not it is the broker's principal place of business.

"Person" means and includes individuals, entities, corporations, limited liability companies, registered limited liability partnerships, and partnerships, foreign or domestic, except that when the context otherwise requires, the term may refer to a single individual or other described entity.

"Personal assistant" means a licensed or unlicensed person who has been hired for the purpose of aiding or assisting a sponsored licensee in the performance of the sponsored licensee's job.

"Pocket card" means the card issued by OBRE to signify that the person named on the card is currently licensed under this Act.

"Pre-license school" means a school licensed by OBRE offering courses in subjects related to real estate transactions, including the subjects upon which an applicant is examined in determining fitness to receive a license.

"Pre-renewal period" means the period between the date of issue of a currently valid license and the license's expiration date.

"Real estate" means and includes leaseholds as well as any other interest or estate in land, whether corporeal, incorporeal, freehold, or non-freehold, including timeshare interests, and whether the real estate is situated in this State or elsewhere.

"Real Estate Administration and Disciplinary Board" or "Board" means the Real Estate Administration and Disciplinary Board created by Section 25-10 of this Act.

"Salesperson" means any individual, other than a real estate broker or leasing agent, who is employed by a real

estate broker or is associated by written agreement with a real estate broker as an independent contractor and participates in any activity described in the definition of "broker" under this Section.

"Sponsoring broker" means the broker who has issued a sponsor card to a licensed salesperson, another licensed broker, or a leasing agent.

"Sponsor card" means the temporary permit issued by the sponsoring real estate broker certifying that the real estate broker, real estate salesperson, or leasing agent named thereon is employed by or associated by written agreement with the sponsoring real estate broker, as provided for in Section 5-40 of this Act.

(Source: P.A. 91-245, eff. 12-31-99; 91-585, eff. 1-1-00; 91-603, eff. 1-1-00; 91-702, eff. 5-12-00; 92-217, eff. 8-2-01.)

(225 ILCS 454/5-30)

(Section scheduled to be repealed on January 1, 2010)

Sec. 5-30. Education requirements to obtain an original broker or salesperson license.

(a) All applicants for a broker's license, except applicants who meet the criteria set forth in subsection (c) of this Section shall (i) give satisfactory evidence of having completed at least 120 classroom hours, 45 of which shall be those hours required to obtain a salesperson's license plus 15 hours in brokerage administration courses, in real estate courses approved by the Advisory Council or (ii) for applicants who currently hold a valid real estate salesperson's license, give satisfactory evidence of having completed at least 75 hours in real estate courses, not including the courses that are required to obtain a salesperson's license, approved by the Advisory Council.

(b) All applicants for a salesperson's license, except applicants who meet the criteria set forth in subsection (c) of this Section shall give satisfactory evidence that they have

completed at least 45 hours of instruction in real estate courses approved by the Advisory Council.

(c) The requirements specified in subsections (a) and (b) of this Section do not apply to applicants who: ~~(1) are currently admitted to practice law by the Supreme Court of Illinois and are currently in active standing, or (2) show evidence of receiving a baccalaureate degree including courses involving real estate or related material from a college or university approved by the Advisory Council.~~

(d) A minimum of 15 of the required hours of pre-license education shall be in the areas of Article 15 of this Act, disclosure and environmental issues, or any other currently topical areas that are determined by the Advisory Council.

(Source: P.A. 91-245, eff. 12-31-99.)

(225 ILCS 454/5-50)

(Section scheduled to be repealed on January 1, 2010)

Sec. 5-50. Expiration date and renewal period of broker, salesperson, or leasing agent license; sponsoring broker; register of licensees; pocket card.

(a) The expiration date and renewal period for each license issued under this Act shall be set by rule. Except as otherwise provided in Section 5-55 of this Act, the holder of a license may renew the license within 90 days preceding the expiration date thereof by paying the fees specified by rule. Upon written request from the sponsoring broker, OBRE shall prepare and mail to the sponsoring broker a listing of licensees under this Act who, according to the records of OBRE, are sponsored by that broker. Every licensee associated with or employed by a broker whose license is revoked, suspended, terminated, or expired shall be considered as inoperative until such time as the sponsoring broker's license is reinstated or renewed, or the licensee changes employment as set forth in subsection (c) of Section 5-40 of this Act.

(b) OBRE shall establish and maintain a register of all persons currently licensed by the State and shall issue and

prescribe a form of pocket card. Upon payment by a licensee of the appropriate fee as prescribed by rule for engagement in the activity for which the licensee is qualified and holds a license for the current period, OBRE shall issue a pocket card to the licensee. The pocket card shall be verification that the required fee for the current period has been paid and shall indicate that the person named thereon is licensed for the current renewal period as a broker, salesperson, or leasing agent as the case may be. The pocket card shall further indicate that the person named thereon is authorized by OBRE to engage in the licensed activity appropriate for his or her status (broker, salesperson, or leasing agent). Each licensee shall carry on his or her person his or her pocket card or, if such pocket card has not yet been issued, a properly issued sponsor card when engaging in any licensed activity and shall display the same on demand.

(c) Any person licensed as a broker shall be entitled at any renewal date to change his or her license status from broker to salesperson.

(Source: P.A. 91-245, eff. 12-31-99.)

(225 ILCS 454/5-70)

(Section scheduled to be repealed on January 1, 2010)

Sec. 5-70. Continuing education requirement; broker or salesperson.

(a) The requirements of this Section apply to all licensees ~~who have had a license for less than 15 years as of January 1, 1992.~~

(b) Except as otherwise provided in this Section, each person who applies for renewal of his or her license as a real estate broker or real estate salesperson must successfully complete real estate continuing education courses approved by the Advisory Council at the rate of 6 hours per year or its equivalent. In addition, beginning with the pre-renewal period for broker licensees that begins after the effective date of this amendatory Act of the 93rd General Assembly, to renew a

real estate broker's license, the licensee must successfully complete a 6-hour broker management continuing education course approved by OBRE. Successful completion of the course shall include achieving a passing score as provided by rule on a test developed and administered in accordance with rules adopted by the OBRE. Beginning on the first day of the pre-renewal period for broker licensees that begins after the effective date of this amendatory Act of the 93rd General Assembly, the 6-hour broker management continuing education course must be completed by all persons receiving their initial broker's license within 180 days after the date of initial licensure as a broker. No license may be renewed except upon the successful completion of the required courses or their equivalent or upon a waiver of those requirements for good cause shown as determined by the Commissioner with the recommendation of the Advisory Council. The requirements of this Article are applicable to all brokers and salespersons except those brokers and salespersons who, during the pre-renewal period:

- (1) serve in the armed services of the United States;
- (2) serve as an elected State or federal official;
- (3) serve as a full-time employee of OBRE; or
- (4) are admitted to practice law pursuant to Illinois

Supreme Court rule.

(c) A person who is issued an initial license as a real estate salesperson less than one year prior to the expiration date of that license shall not be required to complete continuing education as a condition of license renewal. A person who is issued an initial license as a real estate broker less than one year prior to the expiration date of that license and who has not been licensed as a real estate salesperson during the pre-renewal period shall not be required to complete continuing education as a condition of license renewal. A person receiving an initial license as a real estate broker during the 90 days before the broker renewal date shall not be required to complete the broker management continuing

education course provided for in subsection (b) of this Section as a condition of initial license renewal.

(d) The continuing education requirement for salespersons and brokers shall consist of a core curriculum and an elective curriculum, to be established by the Advisory Council. In meeting the continuing education requirements of this Act, at least 3 hours per year or their equivalent shall be required to be completed in the core curriculum. In establishing the core curriculum, the Advisory Council shall consider subjects that will educate licensees on recent changes in applicable laws and new laws and refresh the licensee on areas of the license law and OBRE policy that the Advisory Council deems appropriate, and any other areas that the Advisory Council deems timely and applicable in order to prevent violations of this Act and to protect the public. In establishing the elective curriculum, the Advisory Council shall consider subjects that cover the various aspects of the practice of real estate that are covered under the scope of this Act. However, the elective curriculum shall not include any offerings referred to in Section 5-85 of this Act.

(e) The subject areas of continuing education courses approved by the Advisory Council may include without limitation the following:

- (1) license law and escrow;
- (2) antitrust;
- (3) fair housing;
- (4) agency;
- (5) appraisal;
- (6) property management;
- (7) residential brokerage;
- (8) farm property management;
- (9) rights and duties of sellers, buyers, and brokers;
- (10) commercial brokerage and leasing; and
- (11) real estate financing.

(f) In lieu of credit for those courses listed in subsection (e) of this Section, credit may be earned for

serving as a licensed instructor in an approved course of continuing education. The amount of credit earned for teaching a course shall be the amount of continuing education credit for which the course is approved for licensees taking the course.

(g) Credit hours may be earned for self-study programs approved by the Advisory Council.

(h) A broker or salesperson may earn credit for a specific continuing education course only once during the prerenewal period.

(i) No more than 6 hours of continuing education credit may be earned in one calendar day.

(j) To promote the offering of a uniform and consistent course content, the OBRE may provide for the development of a single broker management course to be offered by all continuing education providers who choose to offer the broker management continuing education course. The OBRE may contract for the development of the 6-hour broker management continuing education course with an outside vendor and, if the course is developed in this manner, the OBRE shall license the use of that course to all approved continuing education providers who wish to provide the course.

(Source: P.A. 91-245, eff. 12-31-99.)

(225 ILCS 454/15-75 new)

(Section scheduled to be repealed on January 1, 2010)

Sec. 15-75. Exclusive brokerage agreements. All exclusive brokerage agreements must specify that the sponsoring broker, through one or more sponsored licensees, must provide, at a minimum, the following services:

(1) accept delivery of and present to the client offers and counteroffers to buy, sell, or lease the client's property or the property the client seeks to purchase or lease;

(2) assist the client in developing, communicating, negotiating, and presenting offers, counteroffers, and notices that relate to the offers and counteroffers until a

lease or purchase agreement is signed and all contingencies are satisfied or waived; and

(3) answer the client's questions relating to the offers, counteroffers, notices, and contingencies.

(225 ILCS 454/20-20)

(Section scheduled to be repealed on January 1, 2010)

Sec. 20-20. Disciplinary actions; causes. OBRE may refuse to issue or renew a license, may place on probation, suspend, or revoke any license, or may censure, reprimand, or otherwise discipline or impose a civil fine not to exceed \$25,000 upon any licensee hereunder for any one or any combination of the following causes:

(a) When the applicant or licensee has, by false or fraudulent representation, obtained or sought to obtain a license.

(b) When the applicant or licensee has been convicted of any crime, an essential element of which is dishonesty or fraud or larceny, embezzlement, or obtaining money, property, or credit by false pretenses or by means of a confidence game, has been convicted in this or another state of a crime that is a felony under the laws of this State, or has been convicted of a felony in a federal court.

(c) When the applicant or licensee has been adjudged to be a person under legal disability or subject to involuntary admission or to meet the standard for judicial admission as provided in the Mental Health and Developmental Disabilities Code.

(d) When the licensee performs or attempts to perform any act as a broker or salesperson in a retail sales establishment from an office, desk, or space that is not separated from the main retail business by a separate and distinct area within the establishment.

(e) Discipline of a licensee by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if

at least one of the grounds for that discipline is the same as or the equivalent of one of the grounds for discipline set forth in this Act, in which case the only issue will be whether one of the grounds for that discipline is the same or equivalent to one of the grounds for discipline under this Act.

(f) When the applicant or licensee has engaged in real estate activity without a license or after the licensee's license was expired or while the license was inoperative.

(g) When the applicant or licensee attempts to subvert or cheat on the Real Estate License Exam or continuing education exam or aids and abets an applicant to subvert or cheat on the Real Estate License Exam or continuing education exam administered pursuant to this Act.

(h) When the licensee in performing, attempting to perform, or pretending to perform any act as a broker, salesperson, or leasing agent or when the licensee in handling his or her own property, whether held by deed, option, or otherwise, is found guilty of:

(1) Making any substantial misrepresentation or untruthful advertising.

(2) Making any false promises of a character likely to influence, persuade, or induce.

(3) Pursuing a continued and flagrant course of misrepresentation or the making of false promises through licensees, employees, agents, advertising, or otherwise.

(4) Any misleading or untruthful advertising, or using any trade name or insignia of membership in any real estate organization of which the licensee is not a member.

(5) Acting for more than one party in a transaction without providing written notice to all parties for whom the licensee acts.

(6) Representing or attempting to represent a broker other than the sponsoring broker.

(7) Failure to account for or to remit any moneys or documents coming into his or her possession that belong to others.

(8) Failure to maintain and deposit in a special account, separate and apart from personal and other business accounts, all escrow moneys belonging to others entrusted to a licensee while acting as a real estate broker, escrow agent, or temporary custodian of the funds of others or failure to maintain all escrow moneys on deposit in the account until the transactions are consummated or terminated, except to the extent that the moneys, or any part thereof, shall be disbursed prior to the consummation or termination in accordance with (i) the written direction of the principals to the transaction or their duly authorized agents, (ii) directions providing for the release, payment, or distribution of escrow moneys contained in any written contract signed by the principals to the transaction or their duly authorized agents, or (iii) pursuant to an order of a court of competent jurisdiction. The account shall be noninterest bearing, unless the character of the deposit is such that payment of interest thereon is otherwise required by law or unless the principals to the transaction specifically require, in writing, that the deposit be placed in an interest bearing account.

(9) Failure to make available to the real estate enforcement personnel of OBRE during normal business hours all escrow records and related documents maintained in connection with the practice of real estate within 24 hours of a request for those documents by OBRE personnel.

(10) Failing to furnish copies upon request of all documents relating to a real estate transaction to all parties executing them.

(11) Failure of a sponsoring broker to timely provide information, sponsor cards, or termination of licenses to OBRE.

(12) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(13) Commingling the money or property of others with his or her own.

(14) Employing any person on a purely temporary or single deal basis as a means of evading the law regarding payment of commission to nonlicensees on some contemplated transactions.

(15) Permitting the use of his or her license as a broker to enable a salesperson or unlicensed person to operate a real estate business without actual participation therein and control thereof by the broker.

(16) Any other conduct, whether of the same or a different character from that specified in this Section, that constitutes dishonest dealing.

(17) Displaying a "for rent" or "for sale" sign on any property without the written consent of an owner or his or her duly authorized agent or advertising by any means that any property is for sale or for rent without the written consent of the owner or his or her authorized agent.

(18) Failing to provide information requested by OBRE, within 30 days of the request, either as the result of a formal or informal complaint to OBRE or as a result of a random audit conducted by OBRE, which would indicate a violation of this Act.

(19) Advertising by means of a blind advertisement, except as otherwise permitted in Section 10-30 of this Act.

(20) Offering guaranteed sales plans, as defined in clause (A) of this subdivision (20), except to the extent hereinafter set forth:

(A) A "guaranteed sales plan" is any real estate purchase or sales plan whereby a licensee enters into a conditional or unconditional written contract with a seller by the terms of which a licensee agrees to purchase a property of the seller within a specified period of time at a specific price in the event the property is not sold in accordance with the terms of a listing contract between the sponsoring broker and the

seller or on other terms acceptable to the seller.

(B) A licensee offering a guaranteed sales plan shall provide the details and conditions of the plan in writing to the party to whom the plan is offered.

(C) A licensee offering a guaranteed sales plan shall provide to the party to whom the plan is offered evidence of sufficient financial resources to satisfy the commitment to purchase undertaken by the broker in the plan.

(D) Any licensee offering a guaranteed sales plan shall undertake to market the property of the seller subject to the plan in the same manner in which the broker would market any other property, unless the agreement with the seller provides otherwise.

(E) Any licensee who fails to perform on a guaranteed sales plan in strict accordance with its terms shall be subject to all the penalties provided in this Act for violations thereof and, in addition, shall be subject to a civil fine payable to the party injured by the default in an amount of up to \$25,000.

(21) Influencing or attempting to influence, by any words or acts, a prospective seller, purchaser, occupant, landlord, or tenant of real estate, in connection with viewing, buying, or leasing real estate, so as to promote or tend to promote the continuance or maintenance of racially and religiously segregated housing or so as to retard, obstruct, or discourage racially integrated housing on or in any street, block, neighborhood, or community.

(22) Engaging in any act that constitutes a violation of any provision of Article 3 of the Illinois Human Rights Act, whether or not a complaint has been filed with or adjudicated by the Human Rights Commission.

(23) Inducing any party to a contract of sale or lease or brokerage agreement to break the contract of sale or lease or brokerage agreement for the purpose of

substituting, in lieu thereof, a new contract for sale or lease or brokerage agreement with a third party.

(24) Negotiating a sale, exchange, or lease of real estate directly with any person if the licensee knows that the person has a written exclusive brokerage agreement with another broker, unless specifically authorized by that broker.

(25) When a licensee is also an attorney, acting as the attorney for either the buyer or the seller in the same transaction in which the licensee is acting or has acted as a broker or salesperson.

(26) Advertising or offering merchandise or services as free if any conditions or obligations necessary for receiving the merchandise or services are not disclosed in the same advertisement or offer. These conditions or obligations include without limitation the requirement that the recipient attend a promotional activity or visit a real estate site. As used in this subdivision (26), "free" includes terms such as "award", "prize", "no charge", "free of charge", "without charge", and similar words or phrases that reasonably lead a person to believe that he or she may receive or has been selected to receive something of value, without any conditions or obligations on the part of the recipient.

(27) Disregarding or violating any provision of the Land Sales Registration Act of 1989, the Illinois Real Estate Time-Share Act, or the published rules promulgated by OBRE to enforce those Acts.

(28) Violating the terms of a disciplinary order issued by OBRE.

(29) Paying compensation in violation of Article 10 of this Act.

(30) Requiring a party to a transaction who is not a client of the licensee to allow the licensee to retain a portion of the escrow moneys for payment of the licensee's commission or expenses as a condition for release of the

escrow moneys to that party.

(31) Disregarding or violating any provision of this Act or the published rules promulgated by OBRE to enforce this Act or aiding or abetting any individual, partnership, registered limited liability partnership, limited liability company, or corporation in disregarding any provision of this Act or the published rules promulgated by OBRE to enforce this Act.

(32) Failing to provide the minimum services required by Section 15-75 of this Act when acting under an exclusive brokerage agreement.

(Source: P.A. 91-245, eff. 12-31-99.)

Section 99. Effective date. This Act takes effect upon becoming law.