

Professional Standards

FILING AN ARBITRATION REQUEST

The Northern Fairfield County Association of REALTORS® provides arbitration as a service to its members. Arbitration is not a disciplinary proceeding. Be aware that not every situation may be arbitrated at a REALTOR® association. Many disputes with clients or customers may not fall under NFCAR's jurisdiction and must be handled through the civil courts. Also, disputes involving clients or customers require that the client or customer sign an agreement to arbitrate and to be bound by the arbitration, which means further legal action would most likely be precluded. Most disputes handled at NFCAR by way of arbitration are commission disputes among members.

Commission disputes among REALTORS® from different firms are most likely mandated to be arbitrated. Your dispute must also be one that NFCAR determines is an arbitrable issue.

STEP ONE; Contact NFCAR and discuss the situation perhaps informal mediation can solve the situation.

STEP TWO; If appropriate, a Request and Agreement to Arbitrate form needs to be completed. Here are some general principles to keep in mind as you begin the process.

The request must:

1. Be in writing.
2. Be signed by the Complainants including the principal broker.
3. Indicate the disputed amount in dollars and cents (do not indicate percentages).
4. Be filed within 180 days after the closing or 180 days after the facts could have been known in the exercise of reasonable diligence, whichever is later.

5. Include the five hundred dollars (\$500) arbitration filing deposit payable to NFCAR. 6. Include documentation that shows the transaction successfully closed escrow (i.e., HUD1, tax records, MLS printout, etc.).

When completing the form, you must name the other REALTOR® firm involved and all of the REALTORS® involved at that firm, doing so, will help the Grievance Committee determine whether the right people are named and if there is a contractual basis for the claim.

Include an explanation of the situation. State why you believe you are entitled to receive the amount stated in your Request for Arbitration. Attach copies of any pertinent documents such as listing agreements, purchase and sales agreements, closing statements, etc.

Should NFCAR's Grievance Committee accepts your arbitration request, you will first proceed to a mandatory mediation conference. If the dispute is resolved via mediation, all arbitration filing deposits will be refunded. If the request proceeds to a hearing and you prevail at the hearing, the arbitration filing deposit will be returned to you. If you do not prevail at the hearing, the arbitration filing deposit will be retained by the association to help cover costs.

Carefully review your documents before submission. Incomplete requests slow the process.

PLEASE REMEMBER THAT arbitration request must be filed within 180 days after the closing or 180 days after the facts could have been known in the exercise of reasonable diligence, whichever is later."

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