



Certification Page Regular and Emergency Rules

Revised May 2014

☐ **Emergency Rules** (After completing all of Sections 1 and 2, proceed to Section 5 below)

☒ **Regular Rules**

1. General Information

a. Agency/Board Name Department of Administration and Information			
b. Agency/Board Address 2020 Carey Avenue, Suite 702		c. City Cheyenne	d. Zip Code 82002
e. Name of Contact Person Nicole Novotny Smith		f. Contact Telephone Number 307-777-7141	
g. Contact Email Address nicole.novotnysmith@wyo.gov		h. Adoption Date April 1, 2015	
i. Program Real Estate Commission			

2. Rule Type and Information: For each chapter listed, indicate if the rule is New, Amended, or Repealed.

If "New," provide the Enrolled Act numbers and years enacted:

c. Provide the Chapter Number, Short Title, and Rule Type of Each Chapter being Created/Amended/Repealed
(Please use the Additional Rule Information form for more than 10 chapters, and attach it to this certification)

Chapter Number:	Chapter Name:	New	Amended	Repealed
One	General Provisions and Licensing	☐	☒	☐
Two	Fees	☐	☒	☐
Three	Forms	☐	☒	☐
Four	Renewals-Education	☐	☒	☐
Five	Brokers' Trust Accounts	☐	☒	☐
Six	Regulatory Enforcement Grounds	☐	☒	☐
Seven	Errors and Omissions Insurance	☐	☒	☐
Eight	Application Review, Complaints and Hearing Procedures	☐	☒	☐
		☐	☐	☐
		☐	☐	☐

d. ☒ The Statement of Reasons is attached to this certification.

e. If applicable, describe the **emergency** which requires promulgation of these rules without providing notice or an opportunity for a public hearing:

3. State Government Notice of Intended Rulemaking

a. Date on which the Notice of Intent containing all of the information required by W.S. 16-3-103(a) was filed with the **Secretary of State**: February 5, 2015

b. Date on which the Notice of Intent and proposed rules in strike and underscore format and a clean copy were provided to the **Legislative Service Office**: February 5, 2015

c. Date on which the Notice of Intent and proposed rules in strike and underscore format and a clean copy were provided to the **Attorney General**: February 5, 2015

4. Public Notice of Intended Rulemaking

a. Notice was mailed 45 days in advance to all persons who made a timely request for advance notice. ☒ Yes ☐ No ☐ N/A

b. A public hearing was held on the proposed rules. ☐ Yes ☒ No

If "Yes:"	Date:	Time:	City:	Location:

5. Final Filing of Rules

a. Date on which the Certification Page with original signatures and final rules were sent to the **Attorney General's Office for the Governor's signature**: April 6, 2015

b. Date on which final rules were sent to the **Legislative Service Office**: April 6, 2015

c. Date on which a PDF of the final rules was electronically sent to the **Secretary of State**: April 6, 2015

6. Agency/Board Certification

The undersigned certifies that the foregoing information is correct.

Signature of Authorized Individual (Blue ink as per Rules on Rules, Section 7)	
Printed Name of Signatory	Nicole Novotny Smith
Signatory Title	Executive Director
Date of Signature	April 6, 2015

7. Governor's Certification

I have reviewed these rules and determined that they:

1. Are within the scope of the statutory authority delegated to the adopting agency;
2. Appear to be within the scope of the legislative purpose of the statutory authority; and, if emergency rules,
3. Are necessary and that I concur in the finding that they are an emergency.

Therefore, I approve the same.

Governor's Signature

Date of Signature

Attorney General: 1. Statement of Reasons; 2. Original Certification Page; 3. Summary of Comments (regular rules); 4. Hard copy of rules: clean and strike/underscore; and 5. Memo to Governor documenting emergency (for emergency rules only).

LSO: 1. Statement of Reasons; 2. Copy of Certification Page; 3. Summary of Comments (regular rules); 4. Hard copy of rules: clean and strike/underscore; 5. Electronic copy of rules (PDFs) emailed to Criss.Carlson@wyoleg.gov: clean and strike/underscore; and 6. Memo to Governor documenting emergency (for emergency rules only).

SOS: 1. PDF of clean copy of rules; and 2. Hard copy of Certification Page as delivered by the AG.



Wyoming Real Estate Commission

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MEMBER - ASSOCIATION OF REAL ESTATE LICENSE LAW OFFICIALS

Proposed Amendments to Administrative Rules Statement of Reasons

Summary

The Wyoming Real Estate Commission operates under statutory authority granted in W.S. 33-28-101 through W.S. 33-28-401. On December 11, 2014, the Commission approved these amended administrative rules to engage the formal rule promulgation process. In regulating Wyoming's real estate licensees, the Commission proposes the following changes to administrative rules for the purposes of:

- Enhancing delivery of continuing education for licensing;
- Complying with the rule modifications stipulated for licensing boards in House Bill 62/HEA 40, which became effective into law 7/1/14;
- Incorporating a reference to the newly adopted Office of Administrative Hearings administrative rules for contested case hearings, and;
- Addressing general rule maintenance for ease of understanding, formatting and enforcement.

The following sections highlight specific proposed changes to each chapter of the Wyoming Real Estate Commission's administrative rules.

Chapter One – General Provisions and Licensing

Proposed changes include the addition of the Commission's web site address and the date, location and time of the Commission's annual meeting as prescribed by House Bill 62 (Section 1). Also, per the recommendation of the test developers at Applied Management Professionals (AMP), the current testing provider for the Commission, language concerning the passing rate for the federal and state real estate licensing examination has been updated (Section 4). Other chapter changes are for general formatting and housekeeping purposes.

Chapter Two – Fees

Proposed changes to the fees of the Commission include addition of a fee of \$0.50 per page for public information requests that require paper copies of records (records requested in

electronic format will not incur a fee), and, a fee of \$25 for the processing of paper applications including, but not limited to, new license applications and license renewals.

In the spring of 2013, the Commission invested in a new online licensing system, GL Suite, to manage real estate licenses in an electronic and online environment as a means of lowering long term agency costs. This system also allows licensees to submit applications and maintain their licensing records online instead of through paper forms and correspondence. In this transition to the GL Suite product, instead of relying on paper files, office work flow has changed substantially. It is estimated that, in one hour of work, an experienced licensing specialist can analyze and complete five to eight paper renewal forms. In this same amount of time, that same staff person can analyze and process 15 to 25 electronic renewal requests using the GL Suite system. It is evident that the processing of paper forms is, and shall progressively continue to be, cumbersome. Revenue gained from this proposed fee shall cover costs associated with paper application and form processing, including office scanner maintenance, paper destruction costs, staff compensation and temporary staffing expenses.

Chapter Three – Forms

All proposed changes to this chapter are related to numbering and formatting.

Chapter Four – Renewals – Education

Changes to this chapter are substantial. In September of 2013, the Commission decided to pursue an improved, broadened methodology for the creation, management and delivery of required and elective continuing education for Wyoming Real Estate Licensees. Since that time, the Commission has solicited feedback from licensees, stakeholders, and education providers, to determine solutions for an enhanced education system for licensees. The proposed changes to this chapter is the result of this work.

Primarily, this chapter is reorganized to better explain the requirements for obtaining and retaining active licenses, inactive licenses and the education requirements for salesmen, associate brokers and responsible brokers in Wyoming (New Sections 1, 2, 3, 6 and 7).

Secondly, this revised chapter provides a new, proposal-based process that will allow the Commission to plan required education courses one year in advance, and, establish an Education Chairman of the Commission. The Chairman will oversee the development of course outlines for required courses and the public call for proposals to deliver these outlines from course instructors/providers. This new process shall enhance transparency, allow for increased instructor and licensee input, and will keep material in required courses updated and relevant year to year (New Section 4).

Besides permitting class providers/instructors to deliver their classes in a multitude of ways, including online and hybrid formats, these proposed changes better identify subject matter areas that are considered applicable and relevant to the real estate industry for elective

education coursework (New Section 5).

Chapter Five – Brokers’ Trust Accounts

This chapter is amended to include a reference to statute concerning deposits made on behalf of a broker (Section 1(e)(iv)), as well as, general formatting changes.

Chapter Six – Regulatory Enforcement Grounds

Proposed changes to Chapter Six are mostly grammatical in nature. Additional language is also proposed to list falsification of attendance or completion of required and elective courses as an enforceable offense (Section 1(a)(xviii)).

Chapter Seven – Errors and Omissions Insurance

The primary change in this chapter deletes a sentence that addresses retroactive licensing based on acquisition of insurance. This sentence was deleted as the Commission does not have authority to retroactively issue a license (Section 13). All other amendments are for formatting purposes.

Chapter Eight – Application Review, Complaints and Hearing Procedures

In Chapter Eight, Sections 6, 8, 9, 10, 11, 12, 13, 14, 15 and 16, as proposed, shall be deleted as they are redundant. A new, incorporation by reference section has been added, now renumbered Section 7, to officially incorporate the rules adopted, administered and executed by the Wyoming Office of Administrative Hearings into the Commission’s rules concerning contested case hearings. All other proposed changes in this chapter are formatting and housekeeping in nature.

**CHAPTER 1
GENERAL PROVISIONS
AND
LICENSING**

Section 1. Authority and Meetings.

(a) Pursuant to the authority vested in the Wyoming Real Estate Commission (Commission) by virtue of W.S. 33-28-101 through 33-28-401 the following rules and regulations are hereby promulgated. All Commission governing rules and regulations may be found and viewed on the Commissions web site: <https://sites.google.com/a/wyo.gov/rec/real-estate-professionals/rules-and-regulations>.

(b) The Commission shall hold its annual meeting the third Thursday of September at the Commission Office located at 2020 Carey Avenue, Suite 702, Cheyenne, WY 82002, at 9:00 AM (MST).

Section 2. Professional and occupational licensure of military spouses.

The Commission shall use the guidelines in W.S. 33-1-116 in determining licensure of military spouses and military service members.

Section 3. Qualification for a license.

(a) Salesman applicants shall submit:

- (i) Completed application form with appropriate fees;
- (ii) Fingerprint cards;
- (iii) Recent snapshot or photograph;
- (iv) Proof of legal presence in the United States;
- (v) A copy of the Wyoming passing score(s) report;
- (vi) If a non-resident, Service of Process forms;

(vii) As referenced in Chapter 4 of these rules, Evidence of completing, within one year prior to the date of application, of salesman course I and salesman course II which shall meet the curriculum established and published approved by the Commission. Salesman course II may not be taken by correspondence or online.

(A) An original applicant for a license shall be required to show proof of completion of the pre-license salesman course I (state and national portions),

salesman course II and pass the appropriate examination before applying for a real estate license. These requirements may be accomplished in any order.

(B) In lieu of actual clock hours of education for salesman course I (state and national portions), an applicant may challenge an approved course by satisfactorily passing the approved course examination and submitting certification.

(viii) Proof of errors and omissions insurance as described in W.S. 33-28-401 and Chapter 8 of these Commission rules.

(b) Associate broker applicants shall submit:

(i) Evidence that they have been actively engaged in real estate activity as a licensed salesman, or equivalent credential in other licensing jurisdiction, for two (2) of the four (4) years immediately preceding the application or proof that they have a degree in real estate as defined in W.S. 33-28-102(b)(xii);

(ii) Completed application form with appropriate fees;

(iii) Fingerprint cards;

(iv) Recent snapshot or photograph;

(v) Proof of legal presence in the United States;

(vi) If a nonresident, signed Service of Process forms provided by the Commission;

(vii) Proof of errors and omissions insurance as described in W.S. 33-28-401 and Chapter 8 of the Commission rules;

(viii) Evidence of completing, within one year prior to the date of application, of broker course I and broker course II which shall meet the curriculum established and ~~published~~ approved by the Commission. Broker Course II may not be taken by correspondence or online;

(A) An original applicant for license shall be required to show proof of completion of the pre-license broker course I (state and national portions), broker course II and pass the appropriate examination before applying for a real estate license. These requirements may be accomplished in any order.

(B) In lieu of actual clock hours of education for broker course I (state and national portions), an applicant may challenge an approved course by satisfactorily passing the approved course examination portions and submitting certification.

(ix) Associate Broker applicants with a degree in real estate shall also provide:

(A) A certificate of completion for broker course II;

(B) A copy of the Wyoming passing score(s) report for the state and national broker examination.

(c) Responsible broker applicants shall:

(i) Meet all requirements for an associate broker's license;

(ii) Provide evidence they have been actively engaged in real estate activity as a salesman or associate broker, or equivalent credential in other licensing jurisdiction, for two (2) of the four (4) years immediately preceding the application;

(iii) Provide proof of Wyoming trust account(s) or funds holder agreement(s);

(iv) Beginning January 1, 2013, submit proof of completion of a Commission approved broker management course taken no more than two (2) years prior to the application.

(d) An applicant who holds a prior felony conviction may be considered for certification twelve (12) months after all sentencing/parole/probation/requirements have been completed.

Section 4. Registration and examination required; failure to pass.

(a) Every person desiring to become licensed shall register for the appropriate examination on a form provided by the testing service.

(b) Registrants for an exam shall have reached the age of majority.

(c) ~~Each registrant is required to take an appropriate examination and attain a scaled score of at least seventy-five (75) percent on each applicable section of the examination. Candidates for licensure must take a Commission approved examination and receive a passing score as determined by the Commission in partnership with its contracted testing service provider. The scoring method used shall be published prior to the administration of the examination.~~

(d) Any person who registers for the examination shall select a date for taking the examination. The selected date may be changed only by submitting another fee and registration or as allowed by the testing service.

(e) Failure to take the examination on the scheduled date will result in cancellation of the registration and no refund of the examination fee will be made.

(f) A notice to a registrant that he has received a passing score does not constitute a license to engage in real estate activity. Licenses are issued only pursuant to filing the appropriate application for a license, paying all required fees and Commission approval of such application.

(g) No application for a license will be accepted until the registrant has taken and passed all applicable portions of the examination.

(h) Any registrant who takes the examination and does not attain a passing score, on a portion, shall reregister and pay the appropriate fee if they wish to retake the failed portion. Registrants passing one portion of the examination are only required to retake the portion they failed; partial examinations shall be taken within six (6) months after registrant's last test failure date. Registrants required to take more than one portion of the examination who do not pass all portions of the examination within six (6) months shall retake the entire examination.

(j) After official notification in writing from the testing service to the registrant that he has successfully passed all the appropriate portions examination, the registrant shall within ninety (90) days of the most recent notice date, file the appropriate application for a license with all the required accompaniments. Failure to file an application for a license and proof of required education within the ninety (90) day period will cancel the application and all scores will be terminated.

(k) The Commission, upon proper certification, will accept the uniform portion of the examination as having been successfully passed by any person seeking a license in Wyoming who received a like-license in the applicant's licensing jurisdiction, provided that such like-license is currently valid and in good standing.

(i) Certification shall state when the applicant received his original license, the status of the license, and if there has been any disciplinary action taken against the licensee, and that the licensee has served actively for two (2) of the (4) years immediately preceding the application as a like-licensed real estate salesman or associate broker.

(m) Original licenses will be issued for the balance of the year. They will expire on December 31 of the year in which issued. Renewal license will be issued for 3-year durations. They will expire on December 31 of the third year. No prorating of license fees can be made.

Section 5. Transfers, inactive licenses.

(a) Notice of transfer of license from the sponsorship of one responsible broker to another shall be indicated on a transfer form provided by the Commission, and shall be accompanied by a transfer fee.

(b) When a real estate license has been returned to the Commission, the former licensee shall not perform any real estate activity.

(c) A licensee may request the Commission to hold his license for not more than thirty (30) days on a hold for transfer basis until proper request for reissue has been made, after which time the license will automatically become inactive. A licensee whose license is inactive or on hold for transfer shall not perform any real estate activity.

(d) A licensee whose license is held by the Commission on an inactive or hold for transfer basis during the renewal period shall apply for renewal of such inactive license and pay the regular fee.

(i) A licensee whose license is on inactive status may not engage in any real estate activity.

Section 6. Real Estate Companies.

(a) Real estate company licenses will be issued to the responsible broker for a real estate company engaged in real estate activity upon verification by the Secretary of State of Wyoming that the real estate company is in good standing.

(b) The responsible broker shall be an officer, partner or manager, or hold an ownership interest in the real estate company.

(c) The following documents are necessary before issuing a responsible broker's license to a real estate company engaged in real estate activity:

(i) A properly executed application and fee;

(ii) A copy of the documents establishing company organization;

(iii) A copy of the bylaws of the corporation; or the operating agreement for the real estate company;

(iv) A copy of the meeting minutes of the corporation; partnership, limited liability company, or other entity indicating the name of the responsible broker.

CHAPTER 2 FEES

Section 1. Fees. ~~(a)~~ The following nonrefundable and non-prorated fees shall be charged by the real estate commission:

(i)	<u>(a)</u> Examination fees	\$140
(ii)	<u>(b)</u> Each original broker/salesman license	\$300
(iii)	<u>(c)</u> Each original business entity/branch office license (except sole proprietorships)	\$300
(iv)	<u>(d)</u> Duplicate license (lost original)	\$20
(v)	<u>(e)</u> Broker/Salesman three <u>(3)</u> year renewal license	\$350
(vi)	<u>(f)</u> Business entity/Branch office three <u>(3)</u> year renewal license (except sole proprietorships)	\$350
(vii)	<u>(g)</u> Recovery fund (W.S. 33-28-201(b))	\$20
(viii)	<u>(h)</u> Late renewal fee	\$75
(ix)	<u>(i)</u> Continuing education course application fee	\$50
(x)	<u>(j)</u> Each business change of address	\$25
(xi)	<u>(k)</u> Each transfer/active status request/name change	\$30
(xii)	<u>(l)</u> Admin fee for group program errors and omissions	\$15
(xiii)	<u>(m)</u> Certified License History	\$10
(xiv)	<u>(n)</u> Certified copies of documents	\$10
	<u>(o)</u> <u>Public Information Request copies</u>	<u>\$0.50/page</u>
	<u>(p)</u> <u>Paper Processing Fee</u>	<u>\$25</u>

CHAPTER 3

FORMS

Section 1. Minimum requirements, forms.

(a) A responsible broker or licensee acting on his behalf shall, at the time of signing, deliver a hard or electronic copy of any document to the party or parties executing the same when such instrument has been prepared by the responsible broker or licensee acting on his behalf or under his supervision, or is within his control, including but not limited to instruments relating to the employment of the responsible broker or licensee acting on his behalf, the listing of real estate, the consummation of a lease, purchase, sale or exchange of property, or to any other type of real estate transaction in which he participates as a responsible broker or licensee acting on behalf of the responsible broker. It is the responsibility of the responsible broker or licensee acting on his behalf to prepare sufficient copies of such instruments in order that the above may be accomplished.

(i) Nothing herein shall be construed to permit the licensee to withhold such delivery in order to obtain other signatures on such instrument, or for any other reason.

(ii) Readily available and properly indexed copies of all unrecorded documents shall be retained by the responsible broker for seven (7) years.

(b) The responsible broker or licensee acting on his behalf shall prepare the purchase offer and acceptance form, exchange contract form or other inducement document form for the voluntary transfer of freehold or non-freehold real estate to include but not be limited to:

(i) The name and address of the real estate company.

(ii) The date of offer by offeror.

(iii) Real estate description that will adequately identify the real estate.

(iv) Enumerated and described personal property included in the transaction may be referenced by addendum.

(v) Total amount of purchase price. For a lease or rental agreement, the total amount of rent payments, if applicable, or the periodic rate.

(vi) Total amount and type of earnest money deposit, damage, security or other deposits and any understanding for the return of all or part of the deposits.

(vii) Complete and accurate description of all contractual conditions including balance of purchase price, rent or lease payments or management fees and terms or conditions of payment.

(viii) Date of actual or constructive possession and assignment of leases or referenced to closing date.

(ix) Specified date of closing.

(x) Date that offering document expires.

(xi) Signature of responsible broker or his agent upon receipt of monies or other valuable property coming into his possession which belongs to others.

(xii) Date of acceptance of offer by offeree.

(xiii) All changes made to an offer or counter-offer shall be dated and initialed by all parties to the contract.

(xiv) When an offeror makes an offer which is accepted by the offeree, the licensee interacting with the offeree shall immediately notify the offeror or the licensee interacting with the offeror of the acceptance.

(xv) If contract terms are amended or extended, a written agreement form to amend or extend shall be prepared and shall be signed by all parties to the transaction.

(xvi) All offers presented by a licensee and rejected by the offeree shall be so rejected in writing upon the offer form presented. The licensee shall deliver a copy of such offer with the written rejection thereon to the offeror or the licensee working with the offeror.

~~(A)~~ (xvii) Should an offeree authorize the licensee to reject on his behalf or refuse to execute a written rejection, the licensee shall, by a written, signed statement, verify the date of offeree's oral notification to the licensee of rejection of such offer.

(xviii) A copy of the acknowledged disclosures as required by W.S. 33-28-306 and 33-28-308(f).

(c) Cooperating responsible brokers or licensees acting on their behalf shall present offers and shall negotiate only through the listing responsible broker or licensees acting on his behalf unless the listing responsible broker gives written consent to contact the principal. All offers shall be presented as expeditiously as possible.

(d) A responsible broker shall ensure that his agents comply with minimum Commission requirements when preparing contracts and obtaining signatures.

CHAPTER 4 RENEWALS – EDUCATION

~~Section 1. License renewals – Education requirements.~~

~~————— (a) ——— Licenses expire at midnight December 31. Those licensees who fail to renew by the December 31 deadline shall have an additional 60 days to renew by paying a \$75 late renewal fee in addition to the fee required for renewal. All applications for renewal shall be postmarked on or before December 31 or within the 60-day grace period ending on or before March 1. Licenses not renewed by December 31 lapse and the licensee shall not perform or engage in real estate activity until renewed.~~

~~————— (b) ——— All licensees are required to complete and show proof of at least forty-five (45) hours of continuing education during each three (3) year renewal period. Twenty-four (24) hours of continuing education hours shall be obtained through satisfactory completion of specific courses selected by the Commission and posted on the Commission web site as “required courses”. The remaining hours may be obtained through satisfactory completion of other “elective” courses approved by the Commission.~~

~~————— (i) An inactive licensee will not have to furnish proof of continuing education until such time as licensee requests the activation of an inactive license.~~

~~————— (ii) Licensed individuals instructing Commission approved courses may submit said class for continuing education hours toward their renewal.~~

~~————— (iii) Licensees may submit the following courses physically attended in another state for “elective” continuing education:~~

~~————— (A) Any course in real estate, or a directly related area, approved by the Commission or by any real estate regulatory body in any state or province or having a current ARELLO certification which is not less than three (3) clock hours.~~

~~————— (B) Any course in real estate, or a directly related area, offered by any institution accredited by a regional accrediting agency which is recognized by the Office of Education of the United States Department of Health, Education and Welfare.~~

~~————— (iv) Distance education and online courses shall have been approved by the Commission.~~

~~————— (c) ——— A responsible broker who renews a license which expires in 2012 or thereafter is required to complete a Commission approved broker management course during each licensing period in addition to the continuing education required in section 1 (b) above.~~

~~————— (i) An approved broker management course shall be:~~

- ~~_____ (A) Rated an eight (8) hour course.~~
- ~~_____ (B) Cover the learning objectives posted on the Commission website.~~
- ~~_____ (C) Meet all other requirements of this chapter.~~
- ~~_____ (d) An approved broker management course can be used for elective continuing education credit by licensees not using it as a requirement for becoming a responsible broker or renewing a responsible broker's license.~~
- ~~_____ (e) Courses may not be taken for continuing education credit more than once during any renewal cycle.~~

Section 2. CE approval.

- ~~_____ (a) Prior to offering elective real estate continuing education courses, a course provider desiring course approval by the Commission shall make application on forms prescribed by the Commission which require information concerning course(s) offered, course outlines, examination(s), instructor(s) and pay the appropriate application fee.~~
- ~~_____ (b) The following will be used in determining whether to approve a course;~~
 - ~~_____ (i) The course shall be at least three (3) clock hours in duration;~~
 - ~~_____ (ii) Standards:~~
 - ~~_____ (A) If the course deals with real estate, or a directly related area, and it is approved by any real estate regulatory body in any state or province and has a current ARELLO certification, the course will be favorably considered.~~
 - ~~_____ (B) If the course deals with real estate, or a directly related area, and is offered by any institution accredited by a regional accrediting agency which is recognized by the Office of Education of the United States Department of Health, Education and Welfare, the course will be favorably considered.~~
 - ~~_____ (C) Courses falling into the following categories will also be considered:~~
 - ~~_____ (I) Real estate ethics;~~
 - ~~_____ (II) Real estate law, contract law, agency, real estate licensing law;~~

~~_____ (III) Legislative issues that influence real estate practice including both pending and recent legislation and rules/rule making;~~

~~_____ (IV) Real estate market measurement and evaluation, including site evaluations, market data, and feasibility studies;~~

~~_____ (V) Real estate brokerage management and supervision;~~

~~_____ (VI) Real estate mathematics;~~

~~_____ (VII) Real property management;~~

~~_____ (VIII) Real property exchange;~~

~~_____ (IX) Real estate securities and syndication;~~

~~_____ (X) Estate building and portfolio management;~~

~~_____ (XI) Accounting and taxation as applied to real property;~~

~~_____ (XII) Land development, land use planning and zoning, construction, energy conservation in building;~~

~~_____ (XII) Antitrust;~~

~~_____ (XIV) Fair housing, affirmative marketing, Americans with Disabilities Act;~~

~~_____ (XV) Real estate financing, including mortgages and other financing techniques;~~

~~_____ (XVI) Real estate investment;~~

~~_____ (XVII) Real estate appraising;~~

~~_____ XVIII) Real estate inspections;~~

~~_____ (XIX) Timeshares, condominiums and cooperatives;~~

~~_____ (XX) Real estate environmental issues and hazards, including lead-based paint, underground storage tanks, radon, etc.;~~

~~_____ (XXI) Water rights;~~

~~—————(XXII) Negotiation skills;~~

~~—————(iii) Other Topics. Upon written request, the Commission may also approve any other topic that directly relates to real estate practice and that directly contributes to the accomplishment of the primary purpose of raising the standards of practice.~~

~~—————(c) ——— The course provider requesting approval of a course shall apply for approval at least sixty (60) days before conducting the proposed course.~~

~~—————(d) ——— A course provider which offers a course approved for continuing education shall notify the Commission if there is a substantial change in the approved offering, which changes shall be approved by the Commission prior to implementation.~~

~~—————(e) ——— Staff may approve courses which clearly meet the requirements of Chapter 5, Section 2(b).~~

~~—————(f) ——— Distance education courses shall be certified by the Association of Real Estate License Law Officials (ARELLO) or be specifically approved by the Commission (i.e., Commission owned distance education courses). Proof shall be supplied that the student completed the course within one (1) year of the date of enrollment.~~

~~—————(g) ——— Elective continuing education course approval expires two (2) years from the date of approval.~~

~~—————(h) ——— A Wyoming Real Estate Commission member may monitor any class and the course fee will be waived. That member will not receive continuing education credit for attending such class.~~

~~—————(j) ——— If the Commission determines a course of study previously approved no longer meets the prescribed standards, a written notice of withdrawal of approval shall be given stating the reasons for the withdrawal. The withdrawal becomes effective twenty (20) days from the date of notice unless the person or entity giving the course files a written request for a hearing with the Commission before the withdrawal becomes effective. If a request for a hearing is filed, the withdrawal of approval will not become effective unless ordered by the Commission within ninety (90) days after the hearing.~~

~~—————(k) ——— The Commission shall be notified of each offering to include date, place, and time.~~

~~—————(m) ——— The course location shall meet ADA requirements.~~

~~—————(n) ——— Records of attendance and course evaluation forms shall be submitted to the Commission by the course provider within ten (10) days after the course and maintained by the course provider for five (5) years and shall indicate:~~

~~—————(i) The name of each participant.~~

- ~~_____ (ii) The hours and dates each licensee attended the course.~~
- ~~_____ (iii) The title and description of the course attended.~~
- ~~_____ (iv) The name of the instructor.~~
- ~~_____ (o) The course provider shall certify that the licensee attended at least ninety (90) percent of the approved course hours of instruction.~~
- ~~_____ (i) Should an approved instructor feel that a student is disrupting the class, he, at his discretion, may ask the student to leave.~~
- ~~_____ (p) Actual clock hours are required to award credit to a student. No credit will be given for only taking an examination.~~
- ~~_____ (q) A course evaluation form shall be provided to each participant at the end of each course for submission to the Commission.~~
- ~~_____ (r) The course provider shall agree to participate in the Commission's education electronic tracking system and enter information within ten (10) days of the offering.~~
- ~~_____ (s) A clock hour is at least 50 minutes of instructional time per hour.~~

Section 3. Instructor qualifications.

- ~~_____ (a) Those who instruct a Commission approved education course shall meet at least one of the following qualifications, unless granted a special exception by the Commission:~~
 - ~~_____ (i) Completion of an instructor training certification course of not less than four (4) hours within the last three (3) years.~~
 - ~~_____ (ii) Five (5) years of current experience in the subject instructed.~~
- ~~_____ (b) Those who instruct required continuing education courses or Commission developed courses shall agree to the conditions stated in (a) above and below unless granted a special exception by the Commission:~~
 - ~~_____ (i) Participate in the maintenance and updating of the required course or Commission developed courses as needed;~~
 - ~~_____ (ii) Achieve favorable evaluations following a Commission audit of the instructor teaching the required or Commission developed course;~~
 - ~~_____ (iii) Agree that discipline of an instructor's real estate license may be a basis for denial or suspension of that instructor's approval.~~
 - ~~_____ (iv) Agree any new material an instructor wants to teach shall first be approved by the Commission and, if approved, the material will be disbursed by the Commission staff to all approved instructors to be included in the course outline.~~

~~_____ (A) The Commission may continue to provide recent consent orders for instructors to utilize at the instructors discretion.~~

~~_____ (v) A pre-license instructor may take the salesman license exam only once every two years.~~

~~_____ (c) Instructors shall not promote products during instructional hours. This includes specific verbal reference, print media or product display in the course delivery area.~~

~~_____ (d) Instructors shall audit a Commission developed course prior to obtaining approval to instruct said course or obtain special permission from the Commission.~~

~~_____ (e) Printed handouts of Commission sponsored courses will be provided to instructors. If the instructor chooses to expand the course outline, the additional information shall be approved by the Commission, and the instructor will have to bear the costs of printing the new handouts.~~

Section 1. Active License Renewals

(a) Each active license shall be renewed by submission of a renewal application and all necessary fees, as prescribed in Chapter 2 of these Commission rules, three (3) years on or before December 31 of the third year it is issued. All applications must be postmarked or electronically submitted on or before December 31 to be considered for renewal.

(b) All responsible broker licensees submitting an active license renewal application must show proof of completion of fifty-three (53) hours of continuing education as described in Section 5 of this Chapter. All education hours must be completed during the three (3) previous years under which the licensee maintained an active license.

(c) All associate broker and salesmen licensees submitting an active license renewal application must show proof of completion of forty-five (45) hours of continuing education as described in Section 6 of this Chapter. All education hours must be completed during the three (3) previous years under which the licensee maintained an active license.

(d) Any licensee that fails to renew their license on or before December 31 shall be considered inactive and shall not perform or engage in real estate activity for any reason.

(e) Any licensee that held an active license on December 31 of the third year of issuance shall be considered inactive but may submit a renewal application to the

Commission from January 1 through March 1 of the following year. In order to reactivate the license that lapsed, the Commission shall charge the licensee an additional fee for processing. All applications must be postmarked or electronically submitted on or before March 1.

(f) Any license not renewed by March 1 of the year following the third year of issuance shall be canceled.

Section 2. Inactive License Renewals. An individual that has obtained an active license from the Commission may move their active license to inactive status with submission of the appropriate forms and payment of fees. Inactive licenses must be renewed on the regular renewal cycle with proper submission of Commission forms and payment of fees, however, completion of required and continuing education is not necessary for inactive license renewal.

Section 3. Reactivating a License. An individual that holds an inactive license shall submit an application, furnish proof of completion of all education prescribed by Sections 6 and 7 of this Chapter and pay all required fees, in order to apply for an active license from the Commission.

Section 4. Required Education Classes

(a) The Commission and/or its staff shall approve educational seminars and classes for required education credit. Required seminars and classes may be delivered in classroom, online, distance learning and hybrid formats.

(b) Every September of the calendar year, the Commission shall elect an Education Chairman to oversee the processes articulated in Section 4 of these rules. This Chairman shall serve a term of one calendar year and may serve subsequent, consecutive terms.

(c) On March 1 of every calendar year, the Commission shall release and publish on its web site required course criteria and objectives to the public and solicit proposals from qualified instructors and institutions.

(d) Any institution or instructor desiring to deliver required education in the state of Wyoming shall submit the necessary forms prescribed by the Commission to the Commission office July 1 of each calendar year. All required class proposals shall be pre-approved, approved or denied by the Commission on or before September 1 of each calendar year.

(e) All approved required seminars and classes shall be deemed valid for one year starting January 1 following initial approval through December 31 of the following year. The Commission and/or its staff members may audit a class or seminar at any time free of charge.

(f) The Commission reserves the right to amend and update seminar and class outlines, objectives and materials, as well as, revoke approval of any required class at any time. If a required outline and/or objective is amended, all current instructors of these classes shall be notified of the changes within ten (10) business days and changes must be implemented to coursework as soon as reasonably possible.

(g) All instructors shall adhere to the rules and policies set forth by the Commission.

(h) All instructors delivering required education classes and seminars shall furnish proof of professional work and experience in the real estate industry for at least five (5) years. Instructors that have completed coursework in adult education and instruction shall receive favorable consideration.

(j) All required seminars and classes shall meet the following criteria:

(i) Every seminar or class shall be at least three (3) clock hours in duration. Each hour of direct instruction, discussion and evaluation shall count for one (1) credit hour for continuing education. A credit hour is considered fifty (50) minutes of instruction per clock hour.

(ii) All seminars and classes shall meet requirements of the Americans with Disabilities Act (ADA) and the promotion of any product or service is prohibited during instruction hours.

(iii) All online, distance learning and hybrid seminars and classes shall be certified by the International Distance Education Certification Center (IDECC), a subsidiary of the Association of Real Estate License Law Officials (ARELLO) after they are pre-approved or approved by the Commission.

(iv) All instructors and institutions delivering education shall keep records of attendance for each class for no less than five (5) years and submit this attendance record to the Commission within ten (10) days after each course is delivered. Attendance records shall contain the following information:

(A) The name of each participant

(B) The hours and dates each participant attended the class or seminar

(C) The title of the seminar/class

(D) The name of the seminar/class instructor

(v) All instructors and/or providers shall certify that attendees were present for at least ninety percent (90%) of the approved course. If directly observed, instructors must report any false reports of attendance to the Commission immediately.

(vi) Credit hours will not be awarded for only taking an examination.

(vii) All final attendance records and completion certificates and/or information shall be filed by the course provider with the Commission within ten (10) calendar days following each class offering.

(viii) All instructors or education providers shall provide class/seminar attendees with a class/seminar evaluation (paper or electronic) approved by the Commission. All completed evaluations shall be filed by the instructor or education provider with the Commission within ten (10) calendar days following each class offering. Evaluations shall be reviewed by the Education Chairman, the Commission and/or Commission staff.

Section 5. Elective Education Classes

(a) The Commission and/or its staff shall approve educational seminars and classes for elective education credit. All seminars and classes must be relevant to the real estate industry in the areas of business management, ethics, customer relations/marketing, legal/regulatory compliance, sales, property management/leasing, financing, environmental issues/regulation, and construction. The Commission may approve other subject areas for seminars and classes when deemed appropriate. Seminars and classes may be delivered in classroom, online, distance learning and hybrid formats. Any institution or instructor desiring to deliver education in the state of Wyoming shall submit the necessary forms and fees prescribed by the Commission to the Commission office at least thirty (30) days before the class is delivered.

(b) All instructors shall adhere to the rules and policies set forth by the Commission, as well as, comply with all requirements prescribed in the Commission's forms. The Commission and/or its staff members may audit a seminar or class at any time free of charge.

(c) All online, distance learning and hybrid classes shall be certified by the International Distance Education Certification Center (IDECC), a subsidiary of the Association of Real Estate License Law Officials (ARELLO).

(d) All classes shall meet the following criteria:

(i) Every course shall be at least three (3) clock hours in duration. Each hour of direct instruction, discussion and evaluation shall count for one (1) credit hour for continuing education. A credit hour is considered fifty (50) minutes of instruction per clock hour.

(ii) All courses shall be relevant to the real estate industry and adhere to the most current education policies adopted by the Commission. The Commission reserves the right to revoke approval of a continuing education class or seminar at any time.

(iii) All courses shall meet requirements of the Americans with Disabilities Act (ADA) and the promotion of any product or service is prohibited during instruction hours.

(iv) All instructors and institutions delivering education shall keep records of attendance for each class for no less than five (5) years and submit this attendance record to the Commission within ten (10) days after each course is delivered. Attendance records shall contain the following information:

(A) The name of each participant

(B) The hours and dates each participant attended the course

(C) The title of the course

(D) The name of the course instructor

(v) All course providers shall certify that attendees were present for at least ninety percent (90%) of the approved course. If directly observed, instructors must report any false reports of attendance to the Commission immediately.

(vi) Credit hours will not be awarded for only taking an examination.

(vii) All final attendance records and completion certificates and/or information shall be filed with the Commission within ten (10) calendar days following each class offering.

(viii) All instructors and class providers shall provide attendees with a class/seminar evaluation (paper or electronic) approved by the Commission. All completed evaluations shall be filed with the Commission within ten (10) calendar days following each class offering. Evaluations shall be reviewed by the Commission and/or Commission staff.

Section 6. Responsible Broker Education Requirements

(a) All active responsible brokers shall complete thirty two (32) hours of required education (to include one broker management course) and twenty one (21) hours of elective education during each renewal cycle.

(b) On March 1 of every calendar year, the Commission shall issue a list of current national designations and credentials deemed adequate to qualify for elective education hours. Active responsible brokers pursuing a designation or credential recognized by the Commission may apply to the Commission for elective education credit hours per current Commission policies.

Section 7. Associate Brokers and Salesmen Education Requirements

(a) All active associate brokers and salesmen shall complete twenty four (24) hours of required education and twenty one (21) hours of elective education during each renewal cycle.

(b) On March 1 of every calendar year, the Commission shall issue a list of national designations and credentials deemed adequate to qualify for elective education hours. All active associate brokers and salesmen pursuing a designation or credential recognized by the Commission may apply to the Commission for elective education credit hours per current Commission policies.

CHAPTER 5 BROKERS' TRUST ACCOUNTS

Section 1. Broker's trust accounts. The following rules apply to trust accounts held by licensed Brokers.

(a) All ~~“money belonging to others”~~ accepted by the responsible broker shall be deposited with a funds holder or in a bank, financial institution or other recognized depository in this state in a trust account separate from money belonging to the responsible broker. A banking trust account may be any type of checking, demand, passbook, or statement account insured by an agency of the United States government. The name of each trust account shall be identified by the word “trust” or “escrow”. The account shall be maintained in the name of the responsible broker.

(b) ~~“Money belonging to others”~~ which is received by the responsible broker or licensees or employees acting on his behalf includes but is not limited to money received in connection with property management contracts; rent or lease contracts; advance fee contracts; or money belonging to others received for future investment or other purposes.

(c) If the responsible broker does business as a real estate company, such account shall be maintained in the name of the responsible broker acting for such real estate company and in the name of the real estate company. The name of the responsible broker is to be followed by the words “responsible broker”.

(d) Each ~~“trust”~~ bank account heading shall include a label identifying the purpose/type of such account, i.e. “sales trust,” “security deposit escrow,” “property management trust.”

(e) Unless otherwise permitted by other subsections of this rule, all money belonging to others shall be deposited accounting to the purpose of the transaction in separate types of escrow accounts. For example, sales escrow deposits separated from property management deposits separated from security deposits as follows:

For example:

Line 1 – XYZ Realty
Line 2 – John Doe, Responsible Broker
Line 3 – Meadows Homeowners' Association Escrow Account

(i) The responsible broker shall be able to withdraw money from such trust account without the benefit of a cosigner. Other authorized signatures of licensed or unlicensed people may also appear on the account.

(ii) Money belonging to others shall not be invested in any type of account or security or certificate of deposit which has a fixed term for maturity unless the written consent of all parties to the transaction has been secured.

(iii) Money held in a trust account which is due and payable to the responsible broker shall be withdrawn promptly. Monies earned by licensees affiliated with a responsible broker may not be paid directly from the responsible broker's trust account.

(iv) All money belonging to others in the form of cash or check received shall be deposited directly into the listing responsible broker's trust account or with the responsible broker's funds holder by the listing responsible broker per W.S. 33-28-122(a)(i), not later than the first banking day after receipt unless all persons having an interest in the funds have agreed otherwise in writing.

(v) When trust funds are held by a funds holder, the responsible broker shall obtain a receipt showing the date and the amount of the funds transferred to the funds holder. ~~(A)~~ The broker, for each funds holder account maintained, shall also maintain a recordkeeping system in his place of business, consisting of at least the following: Date Received/Paid, Check number, Amount, Buyer, Seller, Escrow Agent, Date Delivered, Description of the real estate, Disposition of Transaction.

(vi) The responsible broker, for all money belonging to others, shall also maintain a recordkeeping system in his place of business consisting of at least the following:

(A) A journal shall show the chronological sequence in which funds are received and disbursed. For funds received, the journal shall include the date, the name of the party who is giving the money, the name of the principal, address or description of the real estate, the amount. For disbursements, the journal shall also include the date, check number, amount, payee, principal, and the address or description of the real estate. The journal shall include a current running balance.

(B) A transaction ledger shall show the receipts and disbursements as they affect a particular transaction between buyer and seller or landlord and tenant, etc. The transaction ledger shall include the names of both parties to the transaction, the dates and amounts received, and the address and description of the real estate. When funds are disbursed, the date, payee, check number, and amount shall be shown.

(C) The responsible broker shall reconcile trust account journals and ledger liabilities monthly. The bank reconciliation shall prove agreement on the date

of reconciliation by (1) the cash balance showing in the account journal; (2) the sum of the cash balances for all ledgers; and (3) the corresponding bank account balance. This worksheet shall be maintained in hard copy or electronic form for later inspection and list

each beneficiary's ledger balance on the date of reconciliation. The responsible broker is not required to reconcile any trust account when no banking activity has occurred.

(D) Separate trust account journals shall be reconciled with the related bank statement monthly.

(f) Money belonging to one beneficiary shall not be used for the benefit of another beneficiary.

(g) Any instrument or equity or thing of value taken in lieu of cash shall be held by the listing responsible broker except as otherwise agreed to by all parties to the transaction.

(h) A nonresident responsible broker licensed in Wyoming engaged in real estate activity in this state shall maintain such separate trust accounts with a Wyoming funds holder or in a bank or recognized depository in Wyoming.

(j) A responsible broker is not limited to the number of separate trust accounts or funds holder accounts he may maintain for money belonging to others.

(k) When money is collected by a responsible broker for performance or services or for the expenses of performing such services, or for advertising expenses in regard to the sale of real estate, and such money is collected before the advertising or services have been performed, such responsible broker shall deposit such money with a funds holder or in a trust account. No money may be withdrawn from such principal's funds, except for actual expenses paid on behalf of the principal, until the responsible broker has fully performed the services for which the principal contracted. A full and itemized accounting shall be furnished the principal within twenty (20) days of any withdrawal of such principal's funds from such principal's account.

Section 2. Audits. ~~(a)~~ — The Commission may audit the responsible broker's records of his trust accounts and the responsible broker's records of monies deposited with his funds holders to assure compliance with Commission rules and statutes.

CHAPTER 6 REGULATORY ENFORCEMENT GROUNDS

Section 1. Regulatory enforcement grounds. The Commission may take disciplinary action, which includes an administrative fine, censure, probation, suspension, or revocation, including a combination thereof, with respect to a licensee, for any of the following acts or conduct:

- (a) Against a licensee and/or licensee's responsible broker for:
 - (i) Violating or failing to comply with any rule of the Commission or provision of the act;
 - (ii) Participating in real estate activity while a license is on inactive status;
 - (iii) Representing that a particular form or sales ~~Commission~~ compensation rate has been approved by the Commission;
 - (iv) Violation or assisting in the violation of local, state or federal law or regulation;
 - (v) Using a form which does not describe the actual real estate transaction;
 - (vi) Making any false promise which influences, persuades, or induces action by another relating to a real estate transaction;
 - (vii) Failing to account for or to remit any moneys or documents coming into his possession which belong to others;
 - (viii) Commingling the money or property of others with his own;
 - (ix) Permitting the use of his license as a responsible broker to enable anyone to operate a real estate company without actual participation therein and control thereof by the responsible broker;
 - (x) Failing to provide information requested by the Commission relative to a complaint, investigation, or audit which could indicate a violation of the act;
 - (xi) Failing to disclose matters known to the licensee which are material to the real estate transaction;
 - (xii) Failing to notify sub-agents, multiple listing service or other interested parties when agency or non-agency has been terminated. Notice to multiple listing services shall constitute notice to all members thereof;

(xiii) Failing to remove signs and/or lock boxes after termination of a listing; continuing to advertise real estate which is no longer listed;

(xiv) Advertising and promoting another real estate company's or broker's listings without written permission;

(xv) Failing to pay a fine imposed or comply with all requirements of a Commission settlement agreement, stipulation and order;

(xvi) Compensating any unlicensed person for performing the services of a licensee for any real estate activity except: ~~(A) Anyone~~ arranging non-consecutive short-term rentals.

(xvii) Failing to obtain and maintain errors and omissions insurance and provide proof of insurance to the Commission.

(xviii) Falsifying attendance and/or completion of required and elective education for licensure.

(b) Unless approved by the Commission, the voluntary surrender, expiration or lapse of a license by a licensee does not prevent the Commission from proceeding with its investigation of a complaint and taking appropriate disciplinary action against a licensee.

Section 2. Suspension/revocation requirements.

(a) When a responsible broker's license is suspended or revoked, he shall return his license and the licenses of his associate brokers and salesmen to the office of the Commission. ~~(i)~~ Licensees affiliated with a responsible broker who have had their license suspended or revoked may not perform any real estate activity until they have transferred to a new responsible broker.

(b) When an associate broker or salesman license has been suspended or revoked, the licensee shall ~~surrender~~ return his license to the responsible broker who shall return the license to the Commission.

Section 3. Unlawful compensation; disputes between licensees.

(a) The Commission shall not entertain complaints between licensees regarding disputes concerning matters of compensation, the earning, splitting or the non-payment thereof.

(b) A responsible broker may compensate an unlicensed or inactive person for real estate activity performed if the person was actively licensed and under the responsible broker's supervision at the time the real estate activity was performed.

(c) W.S. 33-28-110 (a) does not apply to incentives offered or paid to persons, who on their own behalf, engage the services of a licensee to assist them with the sale or purchase of real estate, provided those persons do not perform any real estate activity. Advertising and/or paying such incentives does not violate any provision of the act or rule or regulation of the Commission.

(d) A licensee may pay their personal assistant a salary directly. The responsible broker shall pay a licensed personal assistant if that personal assistant is to receive a percentage of any compensation.

(e) A responsible broker's payment of earned real estate ~~Commission~~ compensation to a corporation or LLC which is solely owned by a licensee working under the responsible broker shall not be considered a violation of W.S. 33-28-111(a)(xxiii), "compensating any unlicensed person." Any agreement between the responsible broker and the corporation or LLC does not relieve the responsible broker of the obligation to supervise the licensee or any other requirement of the act or Commission rules.

CHAPTER 7

ERRORS AND OMISSIONS INSURANCE

Section 1. Every Wyoming licensee shall provide proof of errors and omissions insurance which meets the criteria established by these rules.

Section 2. Definitions. The definitions in W.S. 33-28-102 apply.

Section 3 Insurance required. An applicant for issuance of a license on active status, a licensee renewing a license, or an inactive licensee activating a license shall submit proof of insurance coverage through the group plan or through certification of equivalent coverage.

Section 4. Minimum standards. The group policy obtained by the Commission shall provide to each individual licensee, at a minimum, the following terms of coverage:

(a) Not less than one hundred thousand dollars single-limit liability coverage for each licensee per occurrence or claim made, not including costs for investigation or defense;

(b) An annual aggregate limit of not less than five hundred thousand dollars per licensee;

(c) A deductible amount for each occurrence of not more than one thousand dollars for single-limit liability coverage and one thousand dollars maximum additional deductible for defense and investigation;

(d) An extended reporting provision of ninety days and an option to purchase an additional three years extended reporting provision for a premium not to exceed two hundred percent of the premium charged for the last year of the terminating coverage;

(e) Coverage under this section for covered acts in any state, United States territory, or Canada in which a covered individual, domiciled in Wyoming, holds a license;

(f) A conformity endorsement allowing a Wyoming resident licensee to meet the errors and omissions insurance requirement for an active license in another group mandated state without the need to purchase separate coverage in that state;

(g) Stacking of benefits;

(h) Proration of premiums for coverage that is purchased during the course of a calendar year but with no provision for refunds of unearned premiums;

(j) The ability of a licensee, upon payment of an additional premium, to obtain higher or excess coverage or to purchase additional coverages from the group carrier as may be determined by the carrier;

(k) The coverage is individual and license-specific and will cover the licensee regardless of changes in employing broker; and

(m) Prior acts coverage shall be offered to licensees with continuous past coverage.

Section 5. Exceptions to coverage.

(a) Except as provided in this section, coverage may not exclude claims brought against the insured licensee arising out of an act or failure to act by the licensee when performing a professional service for which a real estate license is required. Coverage may limit or exclude claims brought against a licensee which arise as follows:

(i) Out of claims or suits made or brought by any insured person against any other insured person within the same firm or from compensation disputes between licensees;

(ii) Out of loss assumed under contract or agreement, except for liability the insured would have had in the absence of such agreements;

(iii) From any criminal, dishonest, actual fraud, or willful act or omission. This exclusion does not apply to any insured person who did not personally participate in committing such an act or omission and who, upon having knowledge of the act or omission, reported it;

(iv) From unlawful discrimination committed by or for the insured person;

(v) From fines or penalties imposed by law;

(vi) From failure to maintain any type or amount of insurance for managed property;

(vii) From bodily injury, personal injury, advertising injury, or property damage;

(viii) From related business activities for which a license is not required under this chapter;

(ix) From involvement in any real estate investment contract or syndication as a partner, joint venture, or underwriter;

(x) From hazardous materials, nuclear materials, or pollutants;

(xi) From prior wrongful acts;

(xii) From management or sale of property in which the insured or spouse has more than a ten percent financial or ownership interest. This exclusion does not apply for one year from the date a property is acquired under a guaranteed sale listing contract if the property is listed for sale during that entire period;

(xiii) From any violation of the Securities Act of 1933, as amended through July 1, 1993, or the Securities Exchange Act of 1934, as amended through July 1, 1993, or any state blue sky or securities law or similar state or federal statutes; or

(xiv) Other standard exclusions that are typical in the professional liability insurance industry may be permitted, subject to the approval of the Wyoming Real Estate Commission.

Section 6. Group policy approval requirements.

(a) Any group policy to be issued shall conform to the standards and practices of the insurance industry and be approved by the Wyoming insurance department.

(b) The administrative fee the Commission shall charge and collect as outlined in W.S. 33-28-401 may be waived by the Commission if the total number of licensees enrolled in the group program is less than two thousand (2,000).

Section 7. Equivalent coverage. ~~(a)~~ An active licensee who chooses the option of obtaining errors and omissions insurance independently from a carrier other than the group carrier under contract with the Commission shall show evidence of coverage by providing certification of coverage on a form prescribed by the Commission. The form shall show proof that the licensee has coverage in compliance with the minimum standards established by section 9. The form shall be signed by an authorized representative of the insurance company and shall contain a cancellation notification clause as required by section 10.

Section 8. Standards for equivalent coverage.

(a) Licensees or applicants may obtain errors and omissions coverage independent of the group plan from any insurance carrier subject to the following terms and conditions:

(i) The insurance carrier is licensed and authorized by the Wyoming insurance department to write policies of errors and omissions insurance in this state and is in conformance with all Wyoming statutes.

(ii) The insurance provider maintains an A.M. Best rating of "B" or better and Financial size category of class VI or higher.

(iii) The policy, at a minimum, complies with all relevant conditions set forth in this rule and the insurance carrier so certifies in an affidavit issued to the insured licensee or applicant in a form specified by the Commission and agrees to immediately notify the Commission of any cancellation or lapse in coverage. Independent coverage shall provide, at a minimum, the following:

(A) The contract and policy are in conformance with all relevant Wyoming statutory requirements.

(B) Coverage includes all acts for which a real estate license is required, except those illegal, fraudulent or other acts which are normally excluded from such coverage.

(C) Coverage cannot be canceled by the insurance provider except for nonpayment of premiums or fraud.

(D) Coverage is for not less than \$100,000 for each licensed individual and entity per covered claim, regardless of the number of licensees or entities to which a settlement or claim may apply, with an annual aggregate limit of not less than \$500,000 per licensed individual and entity.

(E) Payment of claims by the provider shall be on a first dollar basis and the provider shall look to the insured for payment of any deductible.

(F) The ability of a licensee, upon payment of an additional premium to obtain an extended reporting period of not less than 365 days.

(G) That the provider of the independent policy has executed an affidavit in a form or manner specified by the Commission attesting that the independent policy is in force and, at a minimum, complies with all relevant conditions set forth herein and that the provider will immediately notify the Commission in writing of any cancellation or lapse in coverage of any independent policy.

(b) Licensees or applicants who obtain equivalent coverage and wish to be on active status shall present the affidavit referred to in subsection (iii) of this section to the Commission:

(i) When renewing an active license, no later than at the time of renewal;

or

(ii) Upon any request for reinstatement or activation of a license; or

(iii) Upon application for an active license.

(c) Applicants for a license, activation, renewal and reinstatement shall certify compliance with this rule on forms or in a manner prescribed by the Commission. Any active licensee who so certifies and fails to obtain errors and omissions coverage or to provide proof of continuous coverage, either through the group carrier or directly to the Commission, shall be placed on inactive status:

(i) Immediately, if certification of current insurance coverage is not provided to the Commission; or,

(ii) Immediately upon the expiration of any current insurance when certification of continued coverage is not provided. Certification of equivalent coverage shall be filed with the Commission by 5 p.m. on the date of expiration of coverage. If the certification is not filed on time, the Commission shall place the license on inactive status on that date.

Section 10. Nonpayment of premium. If a licensee's insurance company or group plan notifies the Commission that a licensee has not paid a premium, the Commission shall place that license on inactive status as of the date of termination of coverage.

Section 11. Surrender of license for failure to provide proof of insurance. ~~(a)~~ When a licensee receives notice of being placed on inactive status for failure to provide proof of insurance, the licensee shall immediately surrender the license to the Commission.

Section 12. Notification required for cancellation. ~~(a)~~ If insurance under equivalent coverage is to lapse or not be renewed, the providing company shall notify the real estate Commission of the intent to lapse or not to renew, a minimum of thirty (30) days before the expiration date of the term.

Section 13. Proof of insurance required to activate license. ~~(a)~~ A licensee whose license has been placed on inactive status for failure to provide proof of insurance may not conduct any activities for which a license is required until proof of insurance has been provided to the Commission and the license has been activated. ~~The license shall be considered active as of the effective date of the insurance.~~

Section 14. Authenticity of coverage. ~~(a)~~ A licensee may not willfully or knowingly cause or allow a certificate of coverage to be filed with the Commission that is false, fraudulent, or misleading.

CHAPTER 8
WYOMING REAL ESTATE COMMISSION
APPLICATION REVIEW, COMPLAINTS AND HEARING PROCEDURES

Section 1. Application Review Process.

(a) Upon receipt of a completed application, the Commission office shall review the application and, if it is complete and there are no known grounds for denial of the license requested, issue the license. If there are known grounds for denial, the Commission office shall forward the application to the Application Review Committee (ARC).

(b) The ARC shall review the application and all other information available and following the review may:

(i) Approve the application if the applicant meets all requirements; or

(ii) If there are questions as to whether denial is appropriate, forward the application and the ARC report to the Assistant Attorney General assigned to the Commission for prosecution for review.

(c) If, after review, and following consultation with the Assistant Attorney General, the ARC concludes that grounds exist to recommend denial of an application:

(i) A preliminary denial letter shall be sent to applicant. The letter shall:

(A) State the basis for the denial including relevant statutes and rules; and

(B) Advise the applicant of the right to request reconsideration.

(ii) If the applicant fails to request reconsideration in writing within thirty (30) days of the date of the preliminary denial letter, the preliminary denial becomes final.

(iii) If the applicant requests reconsideration within thirty (30) days, a reconsideration conference shall be held with the ARC, the Assistant Attorney General, and the applicant.

(iv) Following a reconsideration conference, the ARC shall either approve or deny the application and notify the applicant.

(v) If denied, the applicant shall submit a written request for a hearing before the Commission within thirty (30) days of the date of the denial letter or the denial is final.

(d) Application denial hearings

(i) An application denial hearing is a formal contested case hearing conducted pursuant to the Wyoming Administrative Procedure Act.

(ii) The applicant has the burden of proving that he/she meets all requirements for the license requested.

(e) The ARC may attend hearings, but shall not take part in the consideration of any contested case.

Section 2. Complaints.

(a) A disciplinary action is initiated against a licensee by submitting a sworn written complaint to the Commission office. A complaint concerning an alleged violation of the Act or Commission Rules may be submitted by any person or entity, a Commission member, or a member of the Commission staff. The sworn written complaint should provide as much of the following information as may be available and applicable:

(i) The name and address of the complainant;

(ii) The name, address, place of employment, and telephone number of the licensee against whom the charges are made;

(iii) The specific conduct alleged to constitute the violation;

(iv) The name and address of any other witnesses; and

(v) The signature of the complainant.

Section 3. Review of Sworn Written Complaint.

(a) Sworn written complaints shall be referred to an Liaison Commission Member (LCM) selected by Commission staff from a rotating schedule. License holders against whom charges are made will be advised of the investigation, the name of the LCM, and the nature of the complaint.

(i) The LCM shall not take part in the consideration of any contested case.

(ii) The LCM shall not, by this rule, be barred from attending any disciplinary hearing.

Section 4. Investigations and Commission Action. The LCM and Commission staff shall investigate those written complaints received which merit further investigation.

(a) Upon completion of the investigation, the investigator for the Commission shall prepare an investigative report and submit it to the LCM.

- (i) The report shall include:
 - (A) The findings;
 - (B) A list of statutes and/or Commission rules believed to have been violated; and
 - (C) Any relevant additional information and/or documentation.
- (b) The LCM shall review the investigative report, forward the report and his/her recommendations to the Assistant Attorney General assigned to the Commission for prosecution, and consult with the Assistant Attorney General.
- (c) Following consultation with the Assistant Attorney General, the LCM may:
 - (i) Send the notice required by section 5;
 - (ii) Prepare and file a formal petition and notice of hearing setting the matter for a contested case hearing before the Commission;
 - (iii) Recommend the Commission accept an offer of conditional terms for settlement, which may include educational courses;
 - (iv) Recommend the Commission dismiss the complaint.
- (d) The Commission may resolve a complaint at any time by:
 - (i) Accepting a voluntary surrender of a license;
 - (ii) Accepting conditional terms for settlement;
 - (iii) Dismissal.

Section 5. Service of Notice and Opportunity to Show Compliance.

Prior to commencement of a formal hearing, the LCM shall give notice by mail to the licensee of the facts or conduct which warrants his/her intended action. The notice shall give the licensee an opportunity to show compliance with all lawful requirements for retention of the license within twenty (20) days of the mailing of the notice. Such notice shall be sent to the licensee's last known address both by certified mail with return receipt requested and by first class mail.

Section 6. Formal Hearing Prerequisites.

~~———— (a) Formal proceedings for a hearing before the Commission regarding a denied application or an action against an applicant or licensee shall be commenced by notice of hearing for applicants or petition and notice of hearing for licensees, served in person, or by both certified mail and first class mail sent to the address last known by the Commission at least thirty (30) days prior to the date set for the hearing. The petition and notice shall contain at least:~~

~~———— (i) The name and address of the applicant or licensee;~~

~~———— (ii) A statement, in ordinary and concise language, of the reasons for denial or the nature of the complaint filed with the Commission, the facts upon which the denial or complaint is based, as well as the specific statute(s) or Commission rules and regulations alleged to have been violated;~~

~~———— (iii) The time, place, and nature of the hearing;~~

~~———— (iv) That the hearing is being held pursuant to the authority provided by W.S. 33-28-106(g), (h), (j), or (m) (for application denials), 33-28-111 and 33-28-113; and~~

~~———— (v) That the applicant or licensee shall file an Answer or Notice of Appearance, which shall be received by the Commission at least ten (10) working days prior to the date set for hearing, or the applicant or licensee will be in default.~~

Section 76. Default. The Commission may enter an order based on the allegations in a notice of hearing or petition and notice of hearing in any case where the applicant or licensee has not answered or appeared in writing ten (10) working days before the hearing, or in any case in which the applicant or licensee or his/her representative has not appeared at a scheduled hearing for which he had notice.

Section 7. Formal Contested Case Hearing Incorporation by Reference.

(a) When required, Formal Contested Case Hearings shall be held in accordance with rules administered by the Office of Administrative Hearings.

(b) Any code, standard, rule or regulation incorporated by reference does not include any later amendments or editions of the incorporated matter beyond the applicable date identified in subsection (b) of this section.

(c) Each rule incorporated by reference is further identified as follows:

(i) Chapter 2 - Uniform Rules for Contested Case Practice and Procedure, adopted by the Office of Administrative Hearings and effective on October 17, 2014, found at <https://sites.google.com/a/wyo.gov/rec/real-estate-professionals/rules-and-regulations>.

Section 8. Contested Case Hearings.

~~(a) The Office of Administrative Hearings shall act as the hearing officer and shall preside over the formal contested case hearing which shall be conducted pursuant to the Wyoming Administrative Procedure Act and the Office of Administrative Hearings' rule concerning contested case proceedings.~~

~~——(b) At the Commission's discretion, contested case hearings shall either be conducted in the presence of a quorum of Commission members or a committee of one (1) or more Commission members.~~

~~——(c) During the formal contested case hearing, Commission members may ask questions of the witnesses and/or the parties including their attorneys.~~

~~——(d) A court reporter shall be present during the hearing and report the entire proceeding.~~

Section 9. Subpoenas.

~~——(a) A commission member or the hearing officer may issue subpoenas for the attendance of witnesses and for the production of books, records, documents, and other evidence, and shall have the power to administer oaths.~~

~~——(b) Service of a subpoena must be made at the expense of the party applying for it and shall be made in the manner provided by law for service of subpoenas in civil actions.~~

Section 10. Witnesses.

~~——(a) All persons testifying at any hearing before the commission shall be administered a standard oath or affirmation.~~

~~——(b) No testimony will be received from a witness except under oath or affirmation.~~

~~——(c) The party calling a witness shall bear the costs associated with his appearance.~~

~~——(d) The commission and hearing officer shall have an opportunity to examine any witness.~~

Section 11. Representation.

~~——(a) An applicant or licensee may represent himself or be represented by counsel, provided that such counsel is licensed to practice law in the State of Wyoming or is associated at the hearing with one or more attorneys licensed to practice law in the State of Wyoming.~~

~~————(b) In any case before the commission, an appearance in person or the filing of an answer or other pleading by an attorney shall constitute an appearance of record by an attorney.~~

~~————(c) A request for withdrawal from representation by an attorney shall be submitted to the commission in writing.~~

~~————(d) The Assistant Attorney General assigned to the commission for prosecution shall present all matters in a contested case on behalf of the ARC or LCM.~~

Section 12. Prehearing Conference.

~~————(a) The hearing officer may direct the parties to appear before him to consider:~~

~~————(i) The simplification of the issues;~~

~~————(ii) The necessity or desirability of amending the pleadings;~~

~~————(iii) The possibility of obtaining admissions of fact and of documents to avoid unnecessary proof;~~

~~————(iv) Formulating procedures to govern the hearing; or~~

~~————(v) Such other matters as may aid in the presentation or disposition of the case.~~

~~————(b) Prehearing conferences shall be conducted informally. An order will be prepared which recites the actions taken at the conference, amendments allowed, agreements of the parties, and the issues to be determined at the hearing.~~

Section 13. Order of Procedure at Hearing. ~~The hearing will be conducted in substantially the following order:~~

~~————(a) Opening announcements are made by the hearing officer, including case name and docket number, the issue(s) to be considered, parties and counsel present, and subpoenas issued;~~

~~————(b) Witnesses should be identified and sworn;~~

~~————(c) Opening statements may be made at the discretion of the hearing officer. In cases of license denial, the applicant should go first. In disciplinary cases the LCM should go first;~~

~~————(d) Presentation of Evidence. The order above will be followed with each party, the hearing officer, and the commission having the opportunity to cross-examine the witnesses. Rebuttal evidence may be presented;~~

~~————(e) Exhibits offered in evidence by the applicant or the licensee will be marked with the letters of the alphabet. Those offered by the LCM will be marked numerically;~~

~~————(f) Closing arguments may be made at the discretion of the hearing officer. Time may be limited, the order of presentation is as above, and brief rebuttal time may be allowed. The hearing and the evidence are then closed, unless reopened by the hearing officer for good cause shown.~~

Section 14. Decisions.

~~————(a) Proposed Decisions:~~

~~————(i) At the discretion and direction of the hearing officer, the parties may file proposed findings of fact, conclusions of law, and order after the hearing and before the deadline announced in the hearing's closing announcements.~~

~~————(ii) At the discretion and direction of the Commission, the hearing officer or the Assistant Attorney General assigned to advise the Commission shall prepare proposed findings of fact, conclusions of law, and order following deliberations by the Commission or its committee.~~

~~————(b) Final Decisions. Proposed decisions will be given consideration but are not binding upon the Commission. All final decisions will be issued by the Commission and shall be based exclusively upon the evidence in the record and matters officially noticed. All final decisions issued by the Commission shall be served to all parties by first class mail sent to their last known address.~~

Section 15. Appeals. ~~A Petition for Judicial Review of the Commission decision may be filed in the district court in accordance with the Wyoming Rules of Appellate Procedure.~~

Section 16. Transcripts. ~~If a Petition for Judicial Review is filed in the district court, the petitioner shall either arrange the preparation and pay for the transcript of the testimony, or reimburse the Commission for the cost of the transcript if previously prepared at Commission expense.~~

**CHAPTER 1
GENERAL PROVISIONS
AND
LICENSING**

Section 1. Authority and Meetings.

(a) Pursuant to the authority vested in the Wyoming Real Estate Commission (Commission) by virtue of W.S. 33-28-101 through 33-28-401 the following rules and regulations are hereby promulgated. All Commission governing rules and regulations may be found and viewed on the Commissions web site: <https://sites.google.com/a/wyo.gov/rec/real-estate-professionals/rules-and-regulations>.

(b) The Commission shall hold its annual meeting the third Thursday of September at the Commission Office located at 2020 Carey Avenue, Suite 702, Cheyenne, WY 82002, at 9:00 AM (MST).

Section 2. Professional and occupational licensure of military spouses.

The Commission shall use the guidelines in W.S. 33-1-116 in determining licensure of military spouses and military service members.

Section 3. Qualification for a license.

(a) Salesman applicants shall submit:

- (i) Completed application form with appropriate fees;
- (ii) Fingerprint cards;
- (iii) Recent snapshot or photograph;
- (iv) Proof of legal presence in the United States;
- (v) A copy of the Wyoming passing score(s) report;
- (vi) If a non-resident, Service of Process forms;

(vii) As referenced in Chapter 4 of these rules, evidence of completing, within one year prior to the date of application, of salesman course I and salesman course II which shall meet the curriculum established and approved by the Commission. Salesman course II may not be taken by correspondence or online.

(A) An original applicant for a license shall be required to show proof of completion of the pre-license salesman course I (state and national portions),

salesman course II and pass the appropriate examination before applying for a real estate license. These requirements may be accomplished in any order.

(B) In lieu of actual clock hours of education for salesman course I (state and national portions), an applicant may challenge an approved course by satisfactorily passing the approved course examination and submitting certification.

(viii) Proof of errors and omissions insurance as described in W.S. 33-28-401 and Chapter 8 of these Commission rules.

(b) Associate broker applicants shall submit:

(i) Evidence that they have been actively engaged in real estate activity as a licensed salesman, or equivalent credential in other licensing jurisdiction, for two (2) of the four (4) years immediately preceding the application or proof that they have a degree in real estate as defined in W.S. 33-28-102(b)(xii);

(ii) Completed application form with appropriate fees;

(iii) Fingerprint cards;

(iv) Recent snapshot or photograph;

(v) Proof of legal presence in the United States;

(vi) If a nonresident, signed Service of Process forms provided by the Commission;

(vii) Proof of errors and omissions insurance as described in W.S. 33-28-401 and Chapter 8 of the Commission rules;

(viii) Evidence of completing, within one year prior to the date of application, of broker course I and broker course II which shall meet the curriculum established and approved by the Commission. Broker Course II may not be taken by correspondence or online;

(A) An original applicant for license shall be required to show proof of completion of the pre-license broker course I (state and national portions), broker course II and pass the appropriate examination before applying for a real estate license. These requirements may be accomplished in any order.

(B) In lieu of actual clock hours of education for broker course I (state and national portions), an applicant may challenge an approved course by satisfactorily passing the approved course examination portions and submitting certification.

(ix) Associate Broker applicants with a degree in real estate shall also provide:

(A) A certificate of completion for broker course II;

(B) A copy of the Wyoming passing score(s) report for the state and national broker examination.

(c) Responsible broker applicants shall:

(i) Meet all requirements for an associate broker's license;

(ii) Provide evidence they have been actively engaged in real estate activity as a salesman or associate broker, or equivalent credential in other licensing jurisdiction, for two (2) of the four (4) years immediately preceding the application;

(iii) Provide proof of Wyoming trust account(s) or funds holder agreement(s);

(iv) Beginning January 1, 2013, submit proof of completion of a Commission approved broker management course taken no more than two (2) years prior to the application.

(d) An applicant who holds a prior felony conviction may be considered for certification twelve (12) months after all sentencing/parole/probation/requirements have been completed.

Section 4. Registration and examination required; failure to pass.

(a) Every person desiring to become licensed shall register for the appropriate examination on a form provided by the testing service.

(b) Registrants for an exam shall have reached the age of majority.

(c) Candidates for licensure must take a Commission approved examination and receive a passing score as determined by the Commission in partnership with its contracted testing service provider. The scoring method used shall be published prior to the administration of the examination.

(d) Any person who registers for the examination shall select a date for taking the examination. The selected date may be changed only by submitting another fee and registration or as allowed by the testing service.

(e) Failure to take the examination on the scheduled date will result in cancellation of the registration and no refund of the examination fee will be made.

(f) A notice to a registrant that he has received a passing score does not constitute a license to engage in real estate activity. Licenses are issued only pursuant to filing the appropriate application for a license, paying all required fees and Commission approval of such application.

(g) No application for a license will be accepted until the registrant has taken and passed all applicable portions of the examination.

(h) Any registrant who takes the examination and does not attain a passing score, on a portion, shall reregister and pay the appropriate fee if they wish to retake the failed portion. Registrants passing one portion of the examination are only required to retake the portion they failed; partial examinations shall be taken within six (6) months after registrant's last test failure date. Registrants required to take more than one portion of the examination who do not pass all portions of the examination within six (6) months shall retake the entire examination.

(j) After official notification in writing from the testing service to the registrant that he has successfully passed all the appropriate portions examination, the registrant shall within ninety (90) days of the most recent notice date, file the appropriate application for a license with all the required accompaniments. Failure to file an application for a license and proof of required education within the ninety (90) day period will cancel the application and all scores will be terminated.

(k) The Commission, upon proper certification, will accept the uniform portion of the examination as having been successfully passed by any person seeking a license in Wyoming who received a like-license in the applicant's licensing jurisdiction, provided that such like-license is currently valid and in good standing.

(i) Certification shall state when the applicant received his original license, the status of the license, and if there has been any disciplinary action taken against the licensee, and that the licensee has served actively for two (2) of the (4) years immediately preceding the application as a like-licensed real estate salesman or associate broker.

(m) Original licenses will be issued for the balance of the year. They will expire on December 31 of the year in which issued. Renewal license will be issued for 3-year durations. They will expire on December 31 of the third year. No prorating of license fees can be made.

Section 5. Transfers, inactive licenses.

(a) Notice of transfer of license from the sponsorship of one responsible broker to another shall be indicated on a transfer form provided by the Commission, and shall be accompanied by a transfer fee.

(b) When a real estate license has been returned to the Commission, the former licensee shall not perform any real estate activity.

(c) A licensee may request the Commission to hold his license for not more than thirty (30) days on a hold for transfer basis until proper request for reissue has been made, after which time the license will automatically become inactive. A licensee whose license is inactive or on hold for transfer shall not perform any real estate activity.

(d) A licensee whose license is held by the Commission on an inactive or hold for transfer basis during the renewal period shall apply for renewal of such inactive license and pay the regular fee.

(i) A licensee whose license is on inactive status may not engage in any real estate activity.

Section 6. Real Estate Companies.

(a) Real estate company licenses will be issued to the responsible broker for a real estate company engaged in real estate activity upon verification by the Secretary of State of Wyoming that the real estate company is in good standing.

(b) The responsible broker shall be an officer, partner or manager, or hold an ownership interest in the real estate company.

(c) The following documents are necessary before issuing a responsible broker's license to a real estate company engaged in real estate activity:

(i) A properly executed application and fee;

(ii) A copy of the documents establishing company organization;

(iii) A copy of the bylaws of the corporation; or the operating agreement for the real estate company;

(iv) A copy of the meeting minutes of the corporation; partnership, limited liability company, or other entity indicating the name of the responsible broker.

CHAPTER 2 FEES

Section 1. Fees. The following nonrefundable and non-prorated fees shall be charged by the real estate commission:

(a) Examination fees	\$140
(b) Each original broker/salesman license	\$300
(c) Each original business entity/branch office license (except sole proprietorships)	\$300
(d) Duplicate license (lost original)	\$20
(e) Broker/Salesman <u>three (3)</u> year renewal license	\$350
(f) Business entity/Branch office <u>three (3)</u> year renewal license (except sole proprietorships)	\$350
(g) Recovery fund (W.S. 33-28-201(b))	\$20
(h) Late renewal fee	\$75
(i) Continuing education course application fee	\$50
(j) Each business change of address	\$25
(k) Each transfer/active status request/name change	\$30
(l) Admin fee for group program errors and omissions	\$15
(m) Certified License History	\$10
(n) Certified copies of documents	\$10
(o) Public Information Request copies	\$0.50/page
(p) Paper Processing Fee	\$25

CHAPTER 3

FORMS

Section 1. Minimum requirements, forms.

(a) A responsible broker or licensee acting on his behalf shall, at the time of signing, deliver a hard or electronic copy of any document to the party or parties executing the same when such instrument has been prepared by the responsible broker or licensee acting on his behalf or under his supervision, or is within his control, including but not limited to instruments relating to the employment of the responsible broker or licensee acting on his behalf, the listing of real estate, the consummation of a lease, purchase, sale or exchange of property, or to any other type of real estate transaction in which he participates as a responsible broker or licensee acting on behalf of the responsible broker. It is the responsibility of the responsible broker or licensee acting on his behalf to prepare sufficient copies of such instruments in order that the above may be accomplished.

(i) Nothing herein shall be construed to permit the licensee to withhold such delivery in order to obtain other signatures on such instrument, or for any other reason.

(ii) Readily available and properly indexed copies of all unrecorded documents shall be retained by the responsible broker for seven (7) years.

(b) The responsible broker or licensee acting on his behalf shall prepare the purchase offer and acceptance form, exchange contract form or other inducement document form for the voluntary transfer of freehold or non-freehold real estate to include but not be limited to:

(i) The name and address of the real estate company.

(ii) The date of offer by offeror.

(iii) Real estate description that will adequately identify the real estate.

(iv) Enumerated and described personal property included in the transaction may be referenced by addendum.

(v) Total amount of purchase price. For a lease or rental agreement, the total amount of rent payments, if applicable, or the periodic rate.

(vi) Total amount and type of earnest money deposit, damage, security or other deposits and any understanding for the return of all or part of the deposits.

(vii) Complete and accurate description of all contractual conditions including balance of purchase price, rent or lease payments or management fees and terms or conditions of payment.

(viii) Date of actual or constructive possession and assignment of leases or referenced to closing date.

(ix) Specified date of closing.

(x) Date that offering document expires.

(xi) Signature of responsible broker or his agent upon receipt of monies or other valuable property coming into his possession which belongs to others.

(xii) Date of acceptance of offer by offeree.

(xiii) All changes made to an offer or counter-offer shall be dated and initialed by all parties to the contract.

(xiv) When an offeror makes an offer which is accepted by the offeree, the licensee interacting with the offeree shall immediately notify the offeror or the licensee interacting with the offeror of the acceptance.

(xv) If contract terms are amended or extended, a written agreement form to amend or extend shall be prepared and shall be signed by all parties to the transaction.

(xvi) All offers presented by a licensee and rejected by the offeree shall be so rejected in writing upon the offer form presented. The licensee shall deliver a copy of such offer with the written rejection thereon to the offeror or the licensee working with the offeror.

(xvii) Should an offeree authorize the licensee to reject on his behalf or refuse to execute a written rejection, the licensee shall, by a written, signed statement, verify the date of offeree's oral notification to the licensee of rejection of such offer.

(xviii) A copy of the acknowledged disclosures as required by W.S. 33-28-306 and 33-28-308(f).

(c) Cooperating responsible brokers or licensees acting on their behalf shall present offers and shall negotiate only through the listing responsible broker or licensees acting on his behalf unless the listing responsible broker gives written consent to contact the principal. All offers shall be presented as expeditiously as possible.

(d) A responsible broker shall ensure that his agents comply with minimum Commission requirements when preparing contracts and obtaining signatures.

CHAPTER 4

RENEWALS – EDUCATION

Section 1. Active License Renewals

(a) Each active license shall be renewed by submission of a renewal application and all necessary fees, as prescribed in Chapter 2 of these Commission rules, three (3) years on or before December 31 of the third year it is issued. All applications must be postmarked or electronically submitted on or before December 31 to be considered for renewal.

(b) All responsible broker licensees submitting an active license renewal application must show proof of completion of fifty-three (53) hours of continuing education as described in Section 5 of this Chapter. All education hours must be completed during the three (3) previous years under which the licensee maintained an active license.

(c) All associate broker and salesmen licensees submitting an active license renewal application must show proof of completion of forty-five (45) hours of continuing education as described in Section 6 of this Chapter. All education hours must be completed during the three (3) previous years under which the licensee maintained an active license.

(d) Any licensee that fails to renew their license on or before December 31 shall be considered inactive and shall not perform or engage in real estate activity for any reason.

(e) Any licensee that held an active license on December 31 of the third year of issuance shall be considered inactive but may submit a renewal application to the Commission from January 1 through March 1 of the following year. In order to reactivate the license that lapsed, the Commission shall charge the licensee an additional fee for processing. All applications must be postmarked or electronically submitted on or before March 1.

(f) Any license not renewed by March 1 of the year following the third year of issuance shall be canceled.

Section 2. Inactive License Renewals. An individual that has obtained an active license from the Commission may move their active license to inactive status with submission of the appropriate forms and payment of fees. Inactive licenses must be renewed on the regular renewal cycle with proper submission of Commission forms and payment of fees, however, completion of required and continuing education is not necessary for inactive license renewal.

Section 3. Reactivating a License. An individual that holds an inactive license shall submit an application, furnish proof of completion of all education prescribed by Sections 6 and 7 of this Chapter and pay all required fees, in order to apply for an active license from the Commission.

Section 4. Required Education Classes

(a) The Commission and/or its staff shall approve educational seminars and classes for required education credit. Required seminars and classes may be delivered in classroom, online, distance learning and hybrid formats.

(b) Every September of the calendar year, the Commission shall elect an Education Chairman to oversee the processes articulated in Section 4 of these rules. This Chairman shall serve a term of one calendar year and may serve subsequent, consecutive terms.

(c) On March 1 of every calendar year, the Commission shall release and publish on its web site required course criteria and objectives to the public and solicit proposals from qualified instructors and institutions.

(d) Any institution or instructor desiring to deliver required education in the state of Wyoming shall submit the necessary forms prescribed by the Commission to the Commission office July 1 of each calendar year. All required class proposals shall be pre-approved, approved or denied by the Commission on or before September 1 of each calendar year.

(e) All approved required seminars and classes shall be deemed valid for one year starting January 1 following initial approval through December 31 of the following year. The Commission and/or its staff members may audit a class or seminar at any time free of charge.

(f) The Commission reserves the right to amend and update seminar and class outlines, objectives and materials, as well as, revoke approval of any required class at any time. If a required outline and/or objective is amended, all current instructors of these classes shall be notified of the changes within ten (10) business days and changes must be implemented to coursework as soon as reasonably possible.

(g) All instructors shall adhere to the rules and policies set forth by the Commission.

(h) All instructors delivering required education classes and seminars shall furnish proof of professional work and experience in the real estate industry for at least five (5) years. Instructors that have completed coursework in adult education and instruction shall receive favorable consideration.

(j) All required seminars and classes shall meet the following criteria:

(i) Every seminar or class shall be at least three (3) clock hours in duration. Each hour of direct instruction, discussion and evaluation shall count for one (1) credit hour for continuing education. A credit hour is considered fifty (50) minutes of instruction per clock hour.

(ii) All seminars and classes shall meet requirements of the Americans with Disabilities Act (ADA) and the promotion of any product or service is prohibited during instruction hours.

(iii) All online, distance learning and hybrid seminars and classes shall be certified by the International Distance Education Certification Center (IDECC), a subsidiary of the Association of Real Estate License Law Officials (ARELLO) after they are pre-approved or approved by the Commission.

(iv) All instructors and institutions delivering education shall keep records of attendance for each class for no less than five (5) years and submit this attendance record to the Commission within ten (10) days after each course is delivered. Attendance records shall contain the following information:

(A) The name of each participant

(B) The hours and dates each participant attended the class or seminar

(C) The title of the seminar/class

(D) The name of the seminar/class instructor

(v) All instructors and/or providers shall certify that attendees were present for at least ninety percent (90%) of the approved course. If directly observed, instructors must report any false reports of attendance to the Commission immediately.

(vi) Credit hours will not be awarded for only taking an examination.

(vii) All final attendance records and completion certificates and/or information shall be filed by the course provider with the Commission within ten (10) calendar days following each class offering.

(viii) All instructors or education providers shall provide class/seminar attendees with a class/seminar evaluation (paper or electronic) approved by the Commission. All completed evaluations shall be filed by the instructor or education provider with the Commission within ten (10) calendar days following each class offering.

Evaluations shall be reviewed by the Education Chairman, the Commission and/or Commission staff.

Section 5. Elective Education Classes

(a) The Commission and/or its staff shall approve educational seminars and classes for elective education credit. All seminars and classes must be relevant to the real estate industry in the areas of business management, ethics, customer relations/marketing, legal/regulatory compliance, sales, property management/leasing, financing, environmental issues/regulation, and construction. The Commission may approve other subject areas for seminars and classes when deemed appropriate. Seminars and classes may be delivered in classroom, online, distance learning and hybrid formats. Any institution or instructor desiring to deliver education in the state of Wyoming shall submit the necessary forms and fees prescribed by the Commission to the Commission office at least thirty (30) days before the class is delivered.

(b) All instructors shall adhere to the rules and policies set forth by the Commission, as well as, comply with all requirements prescribed in the Commission's forms. The Commission and/or its staff members may audit a seminar or class at any time free of charge.

(c) All online, distance learning and hybrid classes shall be certified by the International Distance Education Certification Center (IDECC), a subsidiary of the Association of Real Estate License Law Officials (ARELLO).

(d) All classes shall meet the following criteria:

(i) Every course shall be at least three (3) clock hours in duration. Each hour of direct instruction, discussion and evaluation shall count for one (1) credit hour for continuing education. A credit hour is considered fifty (50) minutes of instruction per clock hour.

(ii) All courses shall be relevant to the real estate industry and adhere to the most current education policies adopted by the Commission. The Commission reserves the right to revoke approval of a continuing education class or seminar at any time.

(iii) All courses shall meet requirements of the Americans with Disabilities Act (ADA) and the promotion of any product or service is prohibited during instruction hours.

(iv) All instructors and institutions delivering education shall keep records of attendance for each class for no less than five (5) years and submit this attendance record to the Commission within ten (10) days after each course is delivered. Attendance records shall contain the following information:

(A) The name of each participant

(B) The hours and dates each participant attended the course

(C) The title of the course

(D) The name of the course instructor

(v) All course providers shall certify that attendees were present for at least ninety percent (90%) of the approved course. If directly observed, instructors must report any false reports of attendance to the Commission immediately.

(vi) Credit hours will not be awarded for only taking an examination.

(vii) All final attendance records and completion certificates and/or information shall be filed with the Commission within ten (10) calendar days following each class offering.

(viii) All instructors and class providers shall provide attendees with a class/seminar evaluation (paper or electronic) approved by the Commission. All completed evaluations shall be filed with the Commission within ten (10) calendar days following each class offering. Evaluations shall be reviewed by the Commission and/or Commission staff.

Section 6. Responsible Broker Education Requirements

(a) All active responsible brokers shall complete thirty two (32) hours of required education (to include one broker management course) and twenty one (21) hours of elective education during each renewal cycle.

(b) On March 1 of every calendar year, the Commission shall issue a list of current national designations and credentials deemed adequate to qualify for elective education hours. Active responsible brokers pursuing a designation or credential recognized by the Commission may apply to the Commission for elective education credit hours per current Commission policies.

Section 7. Associate Brokers and Salesmen Education Requirements

(a) All active associate brokers and salesmen shall complete twenty four (24) hours of required education and twenty one (21) hours of elective education during each renewal cycle.

(b) On March 1 of every calendar year, the Commission shall issue a list of national designations and credentials deemed adequate to qualify for elective education

hours. All active associate brokers and salesmen pursuing a designation or credential recognized by the Commission may apply to the Commission for elective education credit hours per current Commission policies.

CHAPTER 5

BROKERS' TRUST ACCOUNTS

Section 1. Broker's trust accounts. The following rules apply to trust accounts held by licensed Brokers.

(a) All money belonging to others accepted by the responsible broker shall be deposited with a funds holder or in a bank, financial institution or other recognized depository in this state in a trust account separate from money belonging to the responsible broker. A banking trust account may be any type of checking, demand, passbook, or statement account insured by an agency of the United States government. The name of each trust account shall be identified by the word "trust" or "escrow". The account shall be maintained in the name of the responsible broker.

(b) Money belonging to others which is received by the responsible broker or licensees or employees acting on his behalf includes but is not limited to money received in connection with property management contracts; rent or lease contracts; advance fee contracts; or money belonging to others received for future investment or other purposes.

(c) If the responsible broker does business as a real estate company, such account shall be maintained in the name of the responsible broker acting for such real estate company and in the name of the real estate company. The name of the responsible broker is to be followed by the words "responsible broker".

(d) Each trust bank account heading shall include a label identifying the purpose/type of such account, i.e. "sales trust," "security deposit escrow," "property management trust."

(e) Unless otherwise permitted by other subsections of this rule, all money belonging to others shall be deposited accounting to the purpose of the transaction in separate types of escrow accounts. For example, sales escrow deposits separated from property management deposits separated from security deposits as follows:

For example:

Line 1 – XYZ Realty

Line 2 – John Doe, Responsible Broker

Line 3 – Meadows Homeowners' Association Escrow Account

(i) The responsible broker shall be able to withdraw money from such trust account without the benefit of a cosigner. Other authorized signatures of licensed or unlicensed people may also appear on the account.

(ii) Money belonging to others shall not be invested in any type of account or security or certificate of deposit which has a fixed term for maturity unless the written consent of all parties to the transaction has been secured.

(iii) Money held in a trust account which is due and payable to the responsible broker shall be withdrawn promptly. Monies earned by licensees affiliated with a responsible broker may not be paid directly from the responsible broker's trust account.

(iv) All money belonging to others in the form of cash or check received shall be deposited directly into the listing responsible broker's trust account or with the responsible broker's funds holder by the listing responsible broker per W.S. 33-28-122(a)(i), not later than the first banking day after receipt unless all persons having an interest in the funds have agreed otherwise in writing.

(v) When trust funds are held by a funds holder, the responsible broker shall obtain a receipt showing the date and the amount of the funds transferred to the funds holder. ~~(A)~~ The broker, for each funds holder account maintained, shall also maintain a recordkeeping system in his place of business, consisting of at least the following: Date Received/Paid, Check number, Amount, Buyer, Seller, Escrow Agent, Date Delivered, Description of the real estate, Disposition of Transaction.

(vi) The responsible broker, for all money belonging to others, shall also maintain a recordkeeping system in his place of business consisting of at least the following:

(A) A journal shall show the chronological sequence in which funds are received and disbursed. For funds received, the journal shall include the date, the name of the party who is giving the money, the name of the principal, address or description of the real estate, the amount. For disbursements, the journal shall also include the date, check number, amount, payee, principal, and the address or description of the real estate. The journal shall include a current running balance.

(B) A transaction ledger shall show the receipts and disbursements as they affect a particular transaction between buyer and seller or landlord and tenant, etc. The transaction ledger shall include the names of both parties to the transaction, the dates and amounts received, and the address and description of the real estate. When funds are disbursed, the date, payee, check number, and amount shall be shown.

(C) The responsible broker shall reconcile trust account journals and ledger liabilities monthly. The bank reconciliation shall prove agreement on the date

of reconciliation by (1) the cash balance showing in the account journal; (2) the sum of the cash balances for all ledgers; and (3) the corresponding bank account balance. This worksheet shall be maintained in hard copy or electronic form for later inspection and list

each beneficiary's ledger balance on the date of reconciliation. The responsible broker is not required to reconcile any trust account when no banking activity has occurred.

(D) Separate trust account journals shall be reconciled with the related bank statement monthly.

(f) Money belonging to one beneficiary shall not be used for the benefit of another beneficiary.

(g) Any instrument or equity or thing of value taken in lieu of cash shall be held by the listing responsible broker except as otherwise agreed to by all parties to the transaction.

(h) A nonresident responsible broker licensed in Wyoming engaged in real estate activity in this state shall maintain such separate trust accounts with a Wyoming funds holder or in a bank or recognized depository in Wyoming.

(j) A responsible broker is not limited to the number of separate trust accounts or funds holder accounts he may maintain for money belonging to others.

(k) When money is collected by a responsible broker for performance or services or for the expenses of performing such services, or for advertising expenses in regard to the sale of real estate, and such money is collected before the advertising or services have been performed, such responsible broker shall deposit such money with a funds holder or in a trust account. No money may be withdrawn from such principal's funds, except for actual expenses paid on behalf of the principal, until the responsible broker has fully performed the services for which the principal contracted. A full and itemized accounting shall be furnished the principal within twenty (20) days of any withdrawal of such principal's funds from such principal's account.

Section 2. Audits. The Commission may audit the responsible broker's records of his trust accounts and the responsible broker's records of monies deposited with his funds holders to assure compliance with Commission rules and statutes.

CHAPTER 6

REGULATORY ENFORCEMENT GROUNDS

Section 1. Regulatory enforcement grounds. The Commission may take disciplinary action, which includes an administrative fine, censure, probation, suspension, or revocation, including a combination thereof, with respect to a licensee, for any of the following acts or conduct:

- (a) Against a licensee and/or licensee's responsible broker for:
 - (i) Violating or failing to comply with any rule of the Commission or provision of the act;
 - (ii) Participating in real estate activity while a license is on inactive status;
 - (iii) Representing that a particular form or sales compensation rate has been approved by the Commission;
 - (iv) Violation or assisting in the violation of local, state or federal law or regulation;
 - (v) Using a form which does not describe the actual real estate transaction;
 - (vi) Making any false promise which influences, persuades, or induces action by another relating to a real estate transaction;
 - (vii) Failing to account for or to remit any moneys or documents coming into his possession which belong to others;
 - (viii) Commingling the money or property of others with his own;
 - (ix) Permitting the use of his license as a responsible broker to enable anyone to operate a real estate company without actual participations therein and control thereof by the responsible broker;
 - (x) Failing to provide information requested by the Commission relative to a complaint, investigation, or audit which could indicate a violation of the act;
 - (xi) Failing to disclose matters known to the licensee which are material to the real estate transaction;
 - (xii) Failing to notify sub-agents, multiple listing service or other interested parties when agency or non-agency has been terminated. Notice to multiple listing services shall constitute notice to all members thereof;

(xiii) Failing to remove signs and/or lock boxes after termination of a listing; continuing to advertise real estate which is no longer listed;

(xiv) Advertising and promoting another real estate company's or broker's listings without written permission;

(xv) Failing to pay a fine imposed or comply with all requirements of a Commission settlement agreement, stipulation and order;

(xvi) Compensating any unlicensed person for performing the services of a licensee for any real estate activity except anyone arranging non-consecutive short-term rentals.

(xvii) Failing to obtain and maintain errors and omissions insurance and provide proof of insurance to the Commission.

(xviii) Falsifying attendance and/or completion of required and elective education for licensure.

(b) Unless approved by the Commission, the voluntary surrender, expiration or lapse of a license by a licensee does not prevent the Commission from proceeding with its investigation of a complaint and taking appropriate disciplinary action against a licensee.

Section 2. Suspension/revocation requirements.

(a) When a responsible broker's license is suspended or revoked, he shall return his license and the licenses of his associate brokers and salesmen to the office of the Commission. ~~(i)~~ Licensees affiliated with a responsible broker who have had their license suspended or revoked may not perform any real estate activity until they have transferred to a new responsible broker.

(b) When an associate broker or salesman license has been suspended or revoked, the licensee shall return his license to the responsible broker who shall return the license to the Commission.

Section 3. Unlawful compensation; disputes between licensees.

(a) The Commission shall not entertain complaints between licensees regarding disputes concerning matters of compensation, the earning, splitting or the non-payment thereof.

(b) A responsible broker may compensate an unlicensed or inactive person for real estate activity performed if the person was actively licensed and under the responsible broker's supervision at the time the real estate activity was performed.

(c) W.S. 33-28-110 (a) does not apply to incentives offered or paid to persons, who on their own behalf, engage the services of a licensee to assist them with the sale or purchase of real estate, provided those persons do not perform any real estate activity. Advertising and/or paying such incentives does not violate any provision of the act or rule or regulation of the Commission.

(d) A licensee may pay their personal assistant a salary directly. The responsible broker shall pay a licensed personal assistant if that personal assistant is to receive a percentage of any compensation.

(e) A responsible broker's payment of earned real estate compensation to a corporation or LLC which is solely owned by a licensee working under the responsible broker shall not be considered a violation of W.S. 33-28-111(a)(xxiii), "compensating any unlicensed person." Any agreement between the responsible broker and the corporation or LLC does not relieve the responsible broker of the obligation to supervise the licensee or any other requirement of the act or Commission rules.

CHAPTER 7

ERRORS AND OMISSIONS INSURANCE

Section 1. Every Wyoming licensee shall provide proof of errors and omissions insurance which meets the criteria established by these rules.

Section 2. Definitions. The definitions in W.S. 33-28-102 apply.

Section 3 Insurance required. An applicant for issuance of a license on active status, a licensee renewing a license, or an inactive licensee activating a license shall submit proof of insurance coverage through the group plan or through certification of equivalent coverage.

Section 4. Minimum standards. The group policy obtained by the Commission shall provide to each individual licensee, at a minimum, the following terms of coverage:

(a) Not less than one hundred thousand dollars single-limit liability coverage for each licensee per occurrence or claim made, not including costs for investigation or defense;

(b) An annual aggregate limit of not less than five hundred thousand dollars per licensee;

(c) A deductible amount for each occurrence of not more than one thousand dollars for single-limit liability coverage and one thousand dollars maximum additional deductible for defense and investigation;

(d) An extended reporting provision of ninety days and an option to purchase an additional three years extended reporting provision for a premium not to exceed two hundred percent of the premium charged for the last year of the terminating coverage;

(e) Coverage under this section for covered acts in any state, United States territory, or Canada in which a covered individual, domiciled in Wyoming, holds a license;

(f) A conformity endorsement allowing a Wyoming resident licensee to meet the errors and omissions insurance requirement for an active license in another group mandated state without the need to purchase separate coverage in that state;

(g) Stacking of benefits;

(h) Proration of premiums for coverage that is purchased during the course of a calendar year but with no provision for refunds of unearned premiums;

(j) The ability of a licensee, upon payment of an additional premium, to obtain higher or excess coverage or to purchase additional coverages from the group carrier as may be determined by the carrier;

(k) The coverage is individual and license-specific and will cover the licensee regardless of changes in employing broker; and

(m) Prior acts coverage shall be offered to licensees with continuous past coverage.

Section 5. Exceptions to coverage.

(a) Except as provided in this section, coverage may not exclude claims brought against the insured licensee arising out of an act or failure to act by the licensee when performing a professional service for which a real estate license is required. Coverage may limit or exclude claims brought against a licensee which arise as follows:

(i) Out of claims or suits made or brought by any insured person against any other insured person within the same firm or from compensation disputes between licensees;

(ii) Out of loss assumed under contract or agreement, except for liability the insured would have had in the absence of such agreements;

(iii) From any criminal, dishonest, actual fraud, or willful act or omission. This exclusion does not apply to any insured person who did not personally participate in committing such an act or omission and who, upon having knowledge of the act or omission, reported it;

(iv) From unlawful discrimination committed by or for the insured person;

(v) From fines or penalties imposed by law;

(vi) From failure to maintain any type or amount of insurance for managed property;

(vii) From bodily injury, personal injury, advertising injury, or property damage;

(viii) From related business activities for which a license is not required under this chapter;

(ix) From involvement in any real estate investment contract or syndication as a partner, joint venture, or underwriter;

(x) From hazardous materials, nuclear materials, or pollutants;

(xi) From prior wrongful acts;

(xii) From management or sale of property in which the insured or spouse has more than a ten percent financial or ownership interest. This exclusion does not apply for one year from the date a property is acquired under a guaranteed sale listing contract if the property is listed for sale during that entire period;

(xiii) From any violation of the Securities Act of 1933, as amended through July 1, 1993, or the Securities Exchange Act of 1934, as amended through July 1, 1993, or any state blue sky or securities law or similar state or federal statutes; or

(xiv) Other standard exclusions that are typical in the professional liability insurance industry may be permitted, subject to the approval of the Wyoming Real Estate Commission.

Section 6. Group policy approval requirements.

(a) Any group policy to be issued shall conform to the standards and practices of the insurance industry and be approved by the Wyoming insurance department.

(b) The administrative fee the Commission shall charge and collect as outlined in W.S. 33-28-401 may be waived by the Commission if the total number of licensees enrolled in the group program is less than two thousand (2,000).

Section 7. Equivalent coverage. An active licensee who chooses the option of obtaining errors and omissions insurance independently from a carrier other than the group carrier under contract with the Commission shall show evidence of coverage by providing certification of coverage on a form prescribed by the Commission. The form shall show proof that the licensee has coverage in compliance with the minimum standards established by section 9. The form shall be signed by an authorized representative of the insurance company and shall contain a cancellation notification clause as required by section 10.

Section 8. Standards for equivalent coverage.

(a) Licensees or applicants may obtain errors and omissions coverage independent of the group plan from any insurance carrier subject to the following terms and conditions:

(i) The insurance carrier is licensed and authorized by the Wyoming insurance department to write policies of errors and omissions insurance in this state and is in conformance with all Wyoming statutes.

(ii) The insurance provider maintains an A.M. Best rating of "B" or better and Financial size category of class VI or higher.

(iii) The policy, at a minimum, complies with all relevant conditions set forth in this rule and the insurance carrier so certifies in an affidavit issued to the insured licensee or applicant in a form specified by the Commission and agrees to immediately notify the Commission of any cancellation or lapse in coverage. Independent coverage shall provide, at a minimum, the following:

(A) The contract and policy are in conformance with all relevant Wyoming statutory requirements.

(B) Coverage includes all acts for which a real estate license is required, except those illegal, fraudulent or other acts which are normally excluded from such coverage.

(C) Coverage cannot be canceled by the insurance provider except for nonpayment of premiums or fraud.

(D) Coverage is for not less than \$100,000 for each licensed individual and entity per covered claim, regardless of the number of licensees or entities to which a settlement or claim may apply, with an annual aggregate limit of not less than \$500,000 per licensed individual and entity.

(E) Payment of claims by the provider shall be on a first dollar basis and the provider shall look to the insured for payment of any deductible.

(F) The ability of a licensee, upon payment of an additional premium to obtain an extended reporting period of not less than 365 days.

(G) That the provider of the independent policy has executed an affidavit in a form or manner specified by the Commission attesting that the independent policy is in force and, at a minimum, complies with all relevant conditions set forth herein and that the provider will immediately notify the Commission in writing of any cancellation or lapse in coverage of any independent policy.

(b) Licensees or applicants who obtain equivalent coverage and wish to be on active status shall present the affidavit referred to in subsection (iii) of this section to the Commission:

(i) When renewing an active license, no later than at the time of renewal;

or

(ii) Upon any request for reinstatement or activation of a license; or

(iii) Upon application for an active license.

(c) Applicants for a license, activation, renewal and reinstatement shall certify compliance with this rule on forms or in a manner prescribed by the Commission. Any active licensee who so certifies and fails to obtain errors and omissions coverage or to provide proof of continuous coverage, either through the group carrier or directly to the Commission, shall be placed on inactive status:

(i) Immediately, if certification of current insurance coverage is not provided to the Commission; or,

(ii) Immediately upon the expiration of any current insurance when certification of continued coverage is not provided. Certification of equivalent coverage shall be filed with the Commission by 5 p.m. on the date of expiration of coverage. If the certification is not filed on time, the Commission shall place the license on inactive status on that date.

Section 10. Nonpayment of premium. If a licensee's insurance company or group plan notifies the Commission that a licensee has not paid a premium, the Commission shall place that license on inactive status as of the date of termination of coverage.

Section 11. Surrender of license for failure to provide proof of insurance. When a licensee receives notice of being placed on inactive status for failure to provide proof of insurance, the licensee shall immediately surrender the license to the Commission.

Section 12. Notification required for cancellation. If insurance under equivalent coverage is to lapse or not be renewed, the providing company shall notify the real estate Commission of the intent to lapse or not to renew, a minimum of thirty (30) days before the expiration date of the term.

Section 13. Proof of insurance required to activate license. A licensee whose license has been placed on inactive status for failure to provide proof of insurance may not conduct any activities for which a license is required until proof of insurance has been provided to the Commission and the license has been activated.

Section 14. Authenticity of coverage. A licensee may not willfully or knowingly cause or allow a certificate of coverage to be filed with the Commission that is false, fraudulent, or misleading.

CHAPTER 8

APPLICATION REVIEW, COMPLAINTS AND HEARING PROCEDURES

Section 1. Application Review Process.

(a) Upon receipt of a completed application, the Commission office shall review the application and, if it is complete and there are no known grounds for denial of the license requested, issue the license. If there are known grounds for denial, the Commission office shall forward the application to the Application Review Committee (ARC).

(b) The ARC shall review the application and all other information available and following the review may:

(i) Approve the application if the applicant meets all requirements; or

(ii) If there are questions as to whether denial is appropriate, forward the application and the ARC report to the Assistant Attorney General assigned to the Commission for prosecution for review.

(c) If, after review, and following consultation with the Assistant Attorney General, the ARC concludes that grounds exist to recommend denial of an application:

(i) A preliminary denial letter shall be sent to applicant. The letter shall:

(A) State the basis for the denial including relevant statutes and rules; and

(B) Advise the applicant of the right to request reconsideration.

(ii) If the applicant fails to request reconsideration in writing within thirty (30) days of the date of the preliminary denial letter, the preliminary denial becomes final.

(iii) If the applicant requests reconsideration within thirty (30) days, a reconsideration conference shall be held with the ARC, the Assistant Attorney General, and the applicant.

(iv) Following a reconsideration conference, the ARC shall either approve or deny the application and notify the applicant.

(v) If denied, the applicant shall submit a written request for a hearing before the Commission within thirty (30) days of the date of the denial letter or the denial is final.

(d) Application denial hearings

(i) An application denial hearing is a formal contested case hearing conducted pursuant to the Wyoming Administrative Procedure Act.

(ii) The applicant has the burden of proving that he/she meets all requirements for the license requested.

(e) The ARC may attend hearings, but shall not take part in the consideration of any contested case.

Section 2. Complaints.

(a) A disciplinary action is initiated against a licensee by submitting a sworn written complaint to the Commission office. A complaint concerning an alleged violation of the Act or Commission Rules may be submitted by any person or entity, a Commission member, or a member of the Commission staff. The sworn written complaint should provide as much of the following information as may be available and applicable:

(i) The name and address of the complainant;

(ii) The name, address, place of employment, and telephone number of the licensee against whom the charges are made;

(iii) The specific conduct alleged to constitute the violation;

(iv) The name and address of any other witnesses; and

(v) The signature of the complainant.

Section 3. Review of Sworn Written Complaint.

(a) Sworn written complaints shall be referred to an Liaison Commission Member (LCM) selected by Commission staff from a rotating schedule. License holders against whom charges are made will be advised of the investigation, the name of the LCM, and the nature of the complaint.

(i) The LCM shall not take part in the consideration of any contested case.

(ii) The LCM shall not, by this rule, be barred from attending any disciplinary hearing.

Section 4. Investigations and Commission Action. The LCM and Commission staff shall investigate those written complaints received which merit further investigation.

(a) Upon completion of the investigation, the investigator for the Commission shall prepare an investigative report and submit it to the LCM.

(i) The report shall include:

(A) The findings;

(B) A list of statutes and/or Commission rules believed to have been violated; and

(C) Any relevant additional information and/or documentation.

(b) The LCM shall review the investigative report, forward the report and his/her recommendations to the Assistant Attorney General assigned to the Commission for prosecution, and consult with the Assistant Attorney General.

(c) Following consultation with the Assistant Attorney General, the LCM may:

(i) Send the notice required by section 5;

(ii) Prepare and file a formal petition and notice of hearing setting the matter for a contested case hearing before the Commission;

(iii) Recommend the Commission accept an offer of conditional terms for settlement, which may include educational courses;

(iv) Recommend the Commission dismiss the complaint.

(d) The Commission may resolve a complaint at any time by:

(i) Accepting a voluntary surrender of a license;

(ii) Accepting conditional terms for settlement;

(iii) Dismissal.

Section 5. Service of Notice and Opportunity to Show Compliance. Prior to commencement of a formal hearing, the LCM shall give notice by mail to the licensee of the facts or conduct which warrants his/her intended action. The notice shall give the licensee an opportunity to show compliance with all lawful requirements for retention of the license within twenty (20) days of the mailing of the notice. Such notice shall be sent to the licensee's last known address both by certified mail with return receipt requested and by first class mail.

Section 6. Default. The Commission may enter an order based on the allegations in a notice of hearing or petition and notice of hearing in any case where the applicant or licensee has not answered or appeared in writing ten (10) working days before the hearing, or in any case in which the applicant or licensee or his/her representative has not appeared at a scheduled hearing for which he had notice.

Section 7. Formal Contested Case Hearing Incorporation by Reference.

(a) When required, Formal Contested Case Hearings shall be held in accordance with rules administered by the Office of Administrative Hearings.

(b) Any code, standard, rule or regulation incorporated by reference does not include any later amendments or editions of the incorporated matter beyond the applicable date identified in subsection (b) of this section.

(c) Each rule incorporated by reference is further identified as follows:

(i) Chapter 2 - Uniform Rules for Contested Case Practice and Procedure, adopted by the Office of Administrative Hearings and effective on October 17, 2014, found at <https://sites.google.com/a/wyo.gov/rec/real-estate-professionals/rules-and-regulations>.