

2023-2024 BICUP Course

Segment 6

Business News

BIC Policies



1. Does your office have a written policies and procedures manual?

2. What types of things does your manual address?

LEARNING OBJECTIVES

After completing this section, you should be able to:

- identify the BIC's responsibilities for supervising affiliated brokers;
- determine whether BICs should have written office policies;
- identify recommended issues and topics to be addressed in brokerage office policies; and
- identify the questions that the Commission may ask a BIC regarding their office policies.

TERMINOLOGY

- **ALERT:** The BIC has to ensure affiliated brokers: comply with **agency agreements and disclosures**, have **current, active licenses**, comply with **advertising** laws and regulations, create, maintain, and **retain transaction files**, and properly handle **trust money**.
- **Broker:** This is the primary license status for a broker license and includes any licensee who is affiliated with a firm or sole proprietorship.
- **Broker-in-Charge (BIC):** The broker who has been designated as the primary person having responsibility for the supervision and management of a brokerage office.
- **Provisional Broker (PB):** This is the entry-level license status for an individual broker license who has not completed the 90-hour Postlicensing education program. A PB must be under the supervision of a BIC to be on active status and legally provide brokerage services.

BROKER-IN-CHARGE RESPONSIBILITIES



According to Rule 58A .0110(a), every real estate firm shall designate one BIC for the firm's principal office and a different broker to serve in the same capacity at each branch office.

Additionally, a BIC may not be the BIC of more than one office location at a time, and no office of a firm shall have more than one designated BIC.

Even a broker practicing alone (i.e. sole proprietor) must designate a BIC if the brokerage:

- engages in any transaction where the broker is required to deposit and maintain monies belonging to others in a trust account;
- engages in advertising or promoting their services as a broker in any manner; or
- has one or more other brokers affiliated with them in the real estate business per Rule 58A .0110(b).

BIC Duties & Responsibilities



The designated BIC is the primary individual the Commission will hold responsible for the supervision and management of the office. Therefore, the BIC has the **responsibility** to supervise affiliated brokers, employees, and others who perform duties on behalf of the brokerage.

Commission Rule 58A .0110(g) lists the specific responsibilities of a broker-in-charge as follows:

- (1) assure that each broker affiliated at the office has complied with Rules .0503, .0504, and .0506 of this Subchapter;*
- (2) notify the Commission of any change of firm's business address or trade name and the registration of any assumed business name adopted by the firm for its use;*
- (3) be responsible for the conduct of advertising by or in the name of the firm at such office;*
- (4) maintain the trust or escrow account of the firm and the record pertaining thereto;*
- (5) retain and maintain records relating to transactions conducted by or on behalf of the firm, including those required to be retained pursuant to Rule .0108 of this Section;*
- (6) supervise provisional brokers associated with or engaged on behalf of the firm at such office in accordance with the requirements of Rule .0506 of this Subchapter;*
- (7) supervise all brokers affiliated at the office with respect to adherence to agency agreement and disclosure requirements;*
- (8) notify the Commission in writing that he or she is no longer serving as a BIC of a particular office within 10 days following any such change;*
- (9) complete the Commission's Basic Trust Account Procedures Course within 120 days of assuming responsibility for a trust account in accordance with N.C.G.S. §93A-6(g), however, the BIC shall not be required to complete the course more than once in three years; and*
- (10) supervise all unlicensed individuals employed at the office and ensure that unlicensed individuals comply with N.C.G.S. §93A-2(c)(6).*

Therefore, Rule 58A .0110 is very specific regarding a BIC's responsibility for both provisional brokers and full brokers contrary to some beliefs in real estate. Essentially, a BIC has **five** supervisory responsibilities related to **all** affiliated brokers.

The responsibilities are remembered best by using the acronym ALERT.

A BIC Must Be **ALERT To All of the Following for ALL Affiliated Brokers:**

- **A**gency Disclosures & Agreements
- **L**icenses, current and active
- **E**very Advertisement
- **R**ecord Keeping
- **T**rust Accounts

Rule 58A .0110(g)

For ALL affiliated brokers under the BIC's supervision

The BIC has to ensure affiliated brokers are:

- complying with **agency agreements and disclosures**;
- have **current, active licenses**;
- complying with **advertising laws and regulations**;
- creating, maintaining, and **retaining transaction files**; and
- properly handling **trust money**.

Takin' it to the Streets:



Red City, NC - On Wednesday, police were called to ABC Brokerage due to an argument between a BIC and their affiliated broker. The broker was irate because she could not affiliate with more than one brokerage at a time. The broker told the police that she wanted to practice property management at a different company because ABC Brokerage does not practice this type of real estate.

The BIC told us in a telephone interview that they did not know that an office policy could create so much aggression. The BIC was also shocked because the broker had acknowledged receipt of the office policies when they signed their employment agreement.

No arrests were made as of Wednesday afternoon. However, the broker filed a complaint with NCREC for them to review.

Can the brokerage prevent affiliated brokers from affiliating with more than one brokerage?

Does the Commission dictate the required office policies for brokerages?

WRITTEN OFFICE POLICIES

Written office policies are considered essential for all brokerages. Further, policies and procedures can assist BICs with standardizing operational tasks, establishing expectations, and providing guidance for all affiliated brokers, employees, and other individuals who perform duties on behalf of the brokerage. Also, when policies are developed, the BIC should uniformly apply and enforce them in the brokerage.

Although the Commission does not dictate the topics a BIC must include in their written office policies, the Commission recommends that a BIC's written office policies address:

- communication with the BIC or BIC delegate,
- training requirements,
- meeting schedules,
- transaction/document review process,
- client/consumer interaction,
- current regulatory information, and/or
- how to handle issues that may arise while practicing brokerage.



To assist BICs with developing written office policies, the Commission has created a [“Broker-in-Charge Best Practices Guide”](#) to provide BICs with guidance as they are developing their business practices and procedures for which rules and policies should be created. The *BIC Best Practices Guide* is intended only as a starting point for BICs.

The Guide is posted on the Commission's website (ncrec.gov) under *Resources*.

Lastly, brokerages differ in size and practice varying specializations of real estate. Therefore, there is not a one size fits all office policy that would meet the needs of each real estate office. BICs may want or need to create policies for many other topics or issues, depending upon the nature and complexity of their brokerage practice. Moreover, as real estate practices change, a firm's policies and procedures manual should be updated to provide guidance to affiliated brokers.

In regards to provisional brokers, the Rule is very specific regarding a BIC's supervisory obligations. A BIC must supervise all brokerage activities of PBs affiliated with the office. Generally, a PB may perform the same acts as a broker whose license is not on provisional status as long as they are supervised by a BIC. A PB may not operate *independently* in any way.

Commission Rule 58A .0506(d) states:

A broker-in-charge shall supervise the provisional broker in a manner that assures that the provisional broker performs all acts for which a real estate license is required in accordance with the Real Estate License Law and Commission rules. A supervising broker who fails to supervise a provisional broker as prescribed in this Rule may be subject to disciplinary action pursuant to Rule .0110 of this Subchapter.

According to Rule 58A .0506(c), the PB may engage in real estate brokerage activities immediately once the BIC has submitted the Commission's *License Activation and Broker Affiliation Form (REC 2.08)*. The [License Activation and Broker Affiliation Form \(Rec 2.08\)](#) sets forth the:



- (1) *provisional broker's:*
 - (A) *name;*
 - (B) *license number, type of license, and current license status;*
 - (C) *physical, mailing, and emailing addresses;*
 - (D) *public and private phone numbers;*
 - (E) *completed Postlicensing courses, if necessary;*
 - (F) *completed continuing education courses, if necessary; and*
 - (G) *signature.*
- (2) *broker-in-charge's:*
 - (A) *name;*
 - (B) *license number;*
 - (C) *firm's name and license number;*
 - (D) *physical, mailing, and emailing addresses;*
 - (E) *public and private phone numbers; and*
 - (F) *signature.*

If the PB and BIC do not receive written acknowledgement from the Commission confirming the PB's active status within 30 days of the date shown on the activation form, the BIC must immediately terminate the PB's real estate brokerage activities pending receipt of the written acknowledgement of license activation from the Commission.



Policies and Procedure Worksheet

Supervision of Provisional Brokers

1. Will the office policy allow for the affiliation of provisional brokers?

YES

NO

2. How many provisional brokers will the BIC supervise?

3. What initial orientation and training will be available for provisional brokers?

4. What consequences will be imposed if a provisional broker does not satisfactorily complete training?

Termination of Affiliation

Restriction of Activity

Warning Follow-Up

5. How will the BIC monitor completion of their Postlicensing courses?

6. Will the office policy require provisional brokers to complete Postlicensing sooner than 18 months?

7. What will be the office policy for reviewing and approving advertisements submitted by provisional brokers?

In Person with BIC

By a Mentor

Not Required

Prefilled Form

8. What is the office policy for using and/or advertising on social media?

9. What will be the office policy for reviewing agency agreements and contracts?

10. How will the BIC maintain contact and ensure provisional brokers are held accountable for their brokerage conduct?

Regular Staff Meetings

Regular One-on-One Meetings

11. Will provisional brokers be required to have mentors?

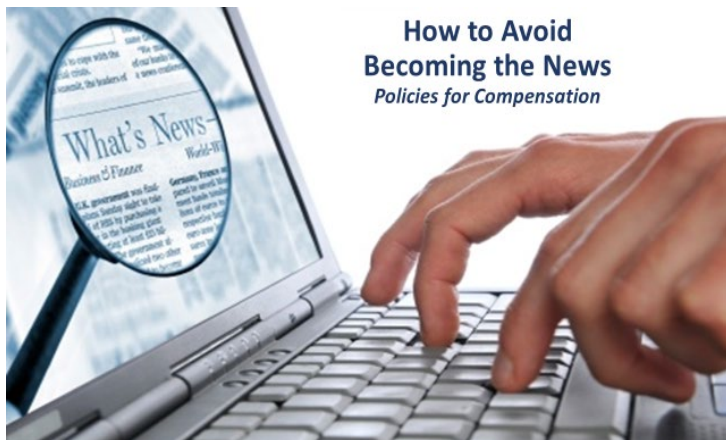
Compensation

Affiliated brokers must receive their compensation for brokerage activity from their BIC. Specifically, Rule 58A .0120(b), requires affiliated brokers to receive their compensation from their current BIC or the BIC at the time of their transaction. Therefore, BICs should develop written policies regarding how compensation for affiliated brokers will be disbursed as well as for unlicensed assistants and employees of the brokerage.



Further, the written office policies should address issues relating to compensation such as:

- the schedule for compensation;
- how compensation will be paid after termination of affiliation with the brokerage;
- how team members (e.g. employees and unlicensed assistants) will receive compensation;
- how commission splits amongst affiliated brokers and co-brokerage referrals will be handled;
- tax withholdings and how the brokerage handles requests from governmental entities to garnish the wages of an affiliated broker;
- permitted communications regarding disbursements with the closing attorney; and
- policies regarding commission disputes amongst affiliated brokers and co-brokers.



**How to Avoid
Becoming the News**
Policies for Compensation

Rule 58A .0120(b) requires affiliated brokers to be paid compensation directly from their BIC. BICs should not attempt to compel closing attorneys to pay their affiliated brokers directly or boycott the closing attorney if they refuse the request. If a BIC participates in this conduct, they may be in violation of Rule 58A. 0120.

Policies and Procedure Worksheet

Compensation

1. Will the office policy allow affiliated brokers to communicate with closing attorneys regarding commission disbursements?

YES

NO

2. How often will brokers be paid their compensation from brokerage activity?
-

3. How will the broker be paid any outstanding compensation if they are no longer affiliated with the brokerage?
-

4. Will the office policy allow licensees within the brokerage to agree to split their compensation?

Yes

No

It Depends

Explain: _____

5. How will the BIC annually report income to the affiliated brokers?
-

6. Will the office policy address how to handle commission amongst cooperating brokers, customers, and clients? If so, how?
-

7. How will the BIC garnish wages if ordered by the court or a government agency?
-

8. Will the BIC withhold taxes?

Yes

No

Active and Current Licensure

A BIC should create office policies that outline the requirements under the Rule to maintain an active real estate license. An individual or entity must have a CURRENT real estate broker license on ACTIVE STATUS while conducting real estate brokerage pursuant to Rule 58A .0505.

In the office policies, a BIC may decide to require affiliated brokers to pay their license renewal fees and complete their required continuing education and/or postlicensing educational courses by an earlier specified date to ensure they maintain active license status. If a broker has an expired license or a license on inactive status, brokerage activity is prohibited.

NOTE: A BIC may choose to have more restrictive office policies as long as the policies are not in violation of License Law and Commission rules.

Competence of Brokers

In North Carolina, there is only one type of real estate license for individuals and that is the broker license. An individual who has successfully completed the NC's Broker Prelicensing Course and passed the NC Real Estate License Examination is stated to have minimal competency to engage in brokerage in North Carolina. Although brokers have minimal competency, they should still evaluate whether additional knowledge and/or skills are needed to ensure they provide their fiduciary duties of skill, care, and diligence to their clients.

The Commission discussed how brokers could determine their competency to practice various areas of brokerage in the 2019-2020 Update Course section entitled, [“Competence of Licensees.”](#) Although the section focused on, residential sales/property management, vacation rental management, and commercial sales/property management, the “*competence road map*” can be used for any area of brokerage.



The “*competence road map*” provided by the Commission is instrumental to assist brokers with evaluating their competency. Prior to engaging in any brokerage services, the broker should ask themselves the following questions:

1. Am I authorized to engage in this type of transaction? *In other words, do I have my BIC's/company's permission?*
2. Do I have the necessary education and training to competently engage in this type of transaction?

Written office policies would also assist brokers by providing clarity regarding how the BIC determines competency. Due to the BIC being responsible for the supervision of all affiliated brokers, a BIC may allow or prohibit brokerage activity based on specific criteria. For clarity, a BIC may prohibit the affiliated broker from engaging in certain types of transactions because:

- the company does not engage in that type of brokerage;
- the company has special policies for newly affiliated brokers;
- the affiliated broker may lack the skill, knowledge, and experience needed to practice that specialty brokerage; and/or
- the BIC may lack the skill, knowledge, and experience to supervise that type of brokerage activity.

It is also essential that BICs are honest with themselves regarding their competence and areas of expertise.

Therefore, BICs should perform a self-evaluation to ascertain their level of competence *prior* to allowing an affiliated broker to practice a specialty area of brokerage. A BIC can utilize the following questions to determine whether they possess the competence to supervise affiliated brokers in various brokerage practice areas:

1. Have I obtained specialized education?
2. Have I engaged in all types of brokerage transactions?
3. Will I allow mentors to assist my affiliated brokers?

If a BIC is going to allow various types of transactions to be practiced in their brokerage, the BIC must ensure that they have the knowledge to provide appropriate supervision to their affiliated brokers involved in the transaction. Moreover, a BIC should:

- take specialized classes/necessary education in all brokerage areas in which they allow affiliated brokers to practice;
- limit the types of brokerage activity the company allows if the BIC does not possess the education and skill; and
- delegate authority to experienced mentors to assist affiliated brokers with their transaction.



Although it is permissible for BICs to delegate authority to mentors, the Commission will still hold the BIC solely responsible because a BIC cannot delegate responsibility for their supervision of the affiliated brokers. So if a BIC fails to exercise their duty of supervision, they may be in violation of License Law and Commission rules.

NOTE: A reasonable BIC would not allow affiliated brokers to practice a specialty area of brokerage in which the BIC is not competent.

Policies and Procedure Worksheet

Competence

1. Will the office policy allow affiliated brokers to practice multiple specialties of brokerage?

YES

NO

2. How will the BIC determine whether or not the affiliated broker is competent to practice a specialty area of brokerage?

3. What ongoing training will the brokerage provide for specialty areas of brokerage, if any?

4. What consequences will be imposed if training is not satisfactorily completed?

Termination of Affiliation

Restriction of Activity

Warning Follow-Up

5. How will the BIC monitor the affiliated broker who practices in a specialty area of brokerage that is unfamiliar to the BIC?

6. Will the office policy require affiliated brokers to certify their completion of requisite training and/or experience *prior* to practice in a specialty area of brokerage? _____

7. What is the office policy for reviewing agency agreements and contracts when the BIC is unfamiliar with the specialty area of brokerage?

8. How will the BIC maintain contact and ensure affiliated brokers are held accountable for their conduct while practicing this specialty area of brokerage?

Regular Staff Meetings

Regular One-on-One Meetings

9. Will the affiliated broker be required to have a mentor?

Best Practices for Office Policies

A BIC should establish a checklist to assist them with ensuring that all affiliated brokers are in compliance with License Law and Commission rules while conducting brokerage activity.



Further, the written office policies must be applicable to all affiliated brokers and uniformly enforced. A BIC may consider including in their checklist:

- a reminder to check for active firm licenses for business entities;
- a reminder to check for active licensure for brokers;
- a policy regarding how compensation will be paid;
- a plan for reviewing all advertisements;
- policies for using social media for brokerage activity; and
- a policy regarding requirements brokers must meet to ensure continued competence while practicing brokerage.

NOTE: BICs may find checklists beneficial when creating their office policies. These questions are not all inclusive; however, they will provide BICs with some preliminary information regarding what should be included in their brokerage policies.

QUESTIONS FROM THE COMMISSION REGARDING COMPLIANCE



In an effort to determine whether the BIC was aware or reasonably should have known about the alleged brokerage misconduct. The Commission will ask BICs detailed questions regarding the brokerage's office policies and request specific documentation regarding the transaction.

The following information provides a general overview of the questions and/or documentation that may be requested by Commission staff during an investigation.

1. Does the brokerage have a written policies and procedures manual?
2. Does the brokerage enter into written employment/independent contractor agreements with affiliated brokers?
3. Does the brokerage have a written policy regarding the issue/conduct in question in the policies and procedures manual or in the broker's employment agreement? If so, provide a copy of it.
4. Did the BIC provide training on the policy to the affiliated broker involved in the transaction? If so, describe that training and provide records confirming broker's attendance/participation in the training.
5. Did the BIC enforce the firm's policy? If so, how?
6. Describe your role in the transaction that is the subject of the complaint.
7. Describe your supervision of the affiliated broker in the transaction that is the subject of the complaint.
8. Provide copies of all written communications (e.g. emails, text messages, etc.) that the BIC exchanged with the affiliated broker involved in the transaction regarding the issue in the complaint.
9. Provide copies of all additional documentation necessary to support your position.
10. Provide any additional information you believe will help us better understand this matter.



Often times during an investigation, the Commission is made aware that a brokerage may not have written office policies, although they are highly encouraged.



The Commission will take into consideration whether a brokerage has an office policy manual (preferably written).

BICs should keep in mind that having an office policy manual and providing regular need-based training about the correct way to handle/address various issues may shift more of the responsibility and liability

for inappropriate brokerage activity directly to the individual broker-respondent.

However, merely having written office policies may not be adequate if the policies are not enforced at all or consistently. The Commission expects BICs to be aware of what is going on in their offices and the brokerage activities of their affiliated brokers.

Therefore, there are some factors that the Commission evaluates when determining whether the BIC is providing appropriate supervision for their affiliated brokers. The factors are as follows:

- the type of transaction conducted (e.g. agency representation or broker personal transaction);
- the extent/nature of harm to the consumer;
- the timeline in which the BIC reviewed the transaction file for compliance;
- the geographic location of the BIC and the affiliated broker (i.e. including the method of supervision to account for the distance);
- the cooperativeness of the BIC during the investigation;
- whether an agreeable resolution was achieved;
- whether the BIC provided corrective/remedial action against the affiliated broker;
- the extent of cooperation of the BIC;
- whether the BIC acknowledged the wrongful conduct of the broker; and
- the attitude/remorse of the BIC.



The above factors are not all inclusive; therefore, the Commission will take into consideration all factual findings derived from a review of the evidence, interviews of the parties, and written documentation/correspondence to determine the liability of the BIC.

Therefore, it is imperative for BICs to supervise affiliated brokers, create office policies, enforce office policies objectively/consistently, timely intervene to resolve any issues during a transaction, and cooperate with any Commission investigation upon notice of a complaint.

Further, BICs are likely to face disciplinary action when:

- an issue exists for an extended period of time without their knowledge, and/or
- they attempt to conceal an issue rather than intervene and correct it.

Consider this, a BIC who attempts to intervene and resolve an issue and even voluntarily inform the Commission of the situation will be in a better position with the Commission than a BIC who refuses to accept responsibility for the actions of themselves and their affiliated brokers.

NOTE: In conclusion, during an investigation, the Commission may review the written office policies of the brokerage. If a BIC has written office policies, it may reduce the brokerage's liability and risk if a complaint is filed with the Commission. It would be wise for the BIC to have all affiliated brokers sign a dated statement acknowledging receipt of an agreement to abide by the company's policies.



SUMMARY OF IMPORTANT POINTS

- **ALERT:** The BIC has to ensure affiliated brokers: comply with **agency agreements and disclosures**, have **current, active licenses**, comply with **advertising laws and regulations**, create, maintain, and **retain transaction files**, and properly handle **trust money**.
- **Broker:** This is the primary license status for a broker license and includes any licensee, other than the BIC, who is affiliated with the firm.
- **Broker-in-Charge (BIC):** The broker who has been designated as the primary person having responsibility for the supervision and management of an office.
- **Provisional Broker (PB):** This is the entry-level license status for an individual broker license who has not completed 90-hours of the Postlicensing education program. A PB must be under the supervision of a BIC to be on active status and legally provide brokerage services.
- According to Rule 58A .0110(a), every real estate firm is required to have a broker that is designated by the Commission who meets the qualification requirements to serve as BIC of the firm's principal office and a different broker to serve in the same capacity at each branch office.
- Further, a BIC may not be the BIC of more than one office location at a time, and no office of a firm shall have more than one designated BIC.
- The BIC has to be ALERT to ensure affiliated brokers are:
 - complying with **agency agreements and disclosures**,
 - have **current, active licenses**,
 - complying with **advertising laws and regulations**,
 - creating, maintaining, and **retaining transaction files**, and
 - properly handling **trust money**.
- Policies can assist BICs with standardizing operational tasks, establishing expectations, and providing guidance for all affiliated brokers, employees, and other individuals who perform duties on behalf of the brokerage.
- Written office policies must be applicable to all affiliated brokers and the BIC should uniformly enforce all of the policies.
- A BIC may consider including in their checklist:
 - a reminder to check for active firm licenses for business entities;
 - a reminder to check for active and current licensure for brokers;
 - a policy regarding how compensation will be paid;
 - a plan for reviewing all advertisements;
 - policies for using social media for brokerage activity; and
 - a policy regarding requirements brokers must meet to ensure continued competence while practicing brokerage.
- Commission staff will determine whether the BIC was aware/participated in the transaction, and/or reasonably knew or should have known about the affiliated broker's alleged actions.

- The following questions may be asked and/or documentation may be requested by Commission staff during an investigation:
 - Does the brokerage have a written policies and procedures manual?
 - Does the brokerage enter into written employment/independent contractor agreements with affiliated brokers?
 - Does the brokerage have a written policy regarding the issue/conduct in question in the policies and procedures manual or in the broker's employment agreement? If so, provide a copy of it.
 - Did the BIC provide training on the policy to the affiliated broker involved in the transaction? If so, describe that training and provide records confirming broker's attendance/participation in the training.
 - Did the BIC enforce the firm's policy? If so, how?
 - Describe your role in the transaction that is the subject of the complaint.
 - Describe your supervision of the affiliated broker in the transaction that is the subject of the complaint.
 - Provide copies of all written communications (e.g. emails, text messages, etc.) that the BIC exchanged with the affiliated broker involved in the transaction regarding the issue in the complaint.
 - Provide copies of all additional documentation necessary to support your position.
 - Provide any additional information you believe will help us better understand this matter.
- There are some factors that the Commission evaluates when determining whether the BIC is providing appropriate supervision for their affiliated brokers. The factors are as follows:
 - the type of transaction conducted (e.g. agency representation or broker personal transaction);
 - the extent/nature of harm to the consumer;
 - the timeline in which the BIC reviewed the transaction file for compliance;
 - the geographic location of the BIC and the affiliated broker (i.e. including the method of supervision to account for the distance);
 - the cooperativeness of the BIC during the investigation;
 - whether an agreeable resolution was achieved;
 - whether the BIC provided corrective/remedial action against the affiliated broker;
 - the extent of cooperation of the BIC;
 - whether the BIC acknowledged the wrongful conduct of the broker; and
 - the attitude/remorse of the BIC.

ANSWERS TO DISCUSSION QUESTIONS

Newsroom Roundtable Discussion on page 143

1. Does your office have a written policies and procedures manual?

Answer: Answers will vary. The Commission does not have a rule that specifically mandates each brokerage to have a written office policies and procedures manual. However, it is strongly recommended for each brokerage practice.

2. What types of things does your manual address?

Answer: Answers will vary. The Commission has provided sample topics for a brokerage to include in their written office policies and procedures. The Broker-in-Charge Best Practices Guide contains some suggestions and can be found on the Commission's website at www.ncrec.gov/Pdfs/bicguide.pdf.

Takin' it to the Streets on page 147

Red City, NC - On Wednesday, police were called to ABC Brokerage due to an argument between a BIC and their affiliated broker. The broker was irate because she could not affiliate with more than one brokerage at a time. The broker told the police that she wanted to practice property management at a different company because ABC Brokerage does not practice this type of real estate.

The BIC told us in a telephone interview that they did not know that an office policy could create so much aggression. The BIC was also shocked because the broker had acknowledged receipt of the office policies when they signed their employment agreement.

No arrests were made as of Wednesday afternoon. However, the broker filed a complaint with NCREC for them to review.

Can the brokerage prevent affiliated brokers from affiliating with more than one brokerage?

Answer: Yes. Although the Commission allows for full brokers to dually affiliate with multiple brokerages, the BIC of ABC Brokerage can create written office policies that restrict affiliated brokers from dually affiliating. BICs have the authority to create written office policies that are more restrictive than License Law and Commission rules. However, BICs must ensure that they are uniformly and consistently applying all of the written office policies to each affiliated broker.

Does the Commission dictate the required office policies for brokerages?

Answer: *No. The Commission does not dictate the written office policies for brokerages. However, the Commission has created the Broker-in-Charge Best Practices Guide to assist BICs with recommendations on suggested policies they should include in their office policy manual. The Broker-in-Charge Best Practices Guide can be found on the Commission's website at www.ncrec.gov/Pdfs/bicguide.pdf*