

BROKER-IN-CHARGE REQUIREMENTS

2014-2015 BROKER-IN-CHARGE UPDATE

OUTLINE

- ◆ [Introduction](#)
- ◆ [Broker-in-Charge Qualifications](#)
- ◆ [Broker-in-Charge Eligibility](#)

INTRODUCTION

This section will review the requirements under the Commission's Broker-in-Charge rule (**Rule A.0110**) regarding:

- 1) how to become a broker-in-charge initially,
- 2) what one must do to maintain broker-in-charge eligibility, and
- 3) how to regain broker-in-charge status if eligibility is lost.

This Rule was substantially rearranged in the Spring 2013 rule revisions without many changes to content, except as to reinstating BIC status after losing eligibility. A copy of the current Rule A.0110, "Broker-in-Charge," effective July 1, 2014, is reprinted at the end of this section.

HOW TO BECOME A BROKER-IN-CHARGE

The qualification requirements to become a broker-in-charge (BIC) of a firm or sole proprietorship have not changed since April 1, 2006. They are set forth in current subparagraphs (g) and (h) of the rule. To qualify to become a BIC, a broker must:

- Have a non-provisional broker license on **active** status;
- Possess at least **two years full-time real estate brokerage experience, or equivalent part-time experience, within the previous five years** (i.e., 4000 hours of real estate brokerage experience within the previous 5 years) or real estate education or experience which the Commission finds to be equivalent; **AND**
- complete the Commission's **12-hour Broker-in-Charge Course** *either* within three years *prior* to designation *or* within 120 days following designation. [Brokers will receive **four hours** of continuing education *elective* credit for the 12-hour course.]

To become a broker-in-charge initially, a broker must *submit a "Broker-in-Charge Declaration" form to the Commission (REC 2.04) requesting designation as a BIC. By signing this form, the broker certifies, among other things, that s/he has the equivalent of two years full-time brokerage experience within the past five years and thus satisfies the experience prerequisite.*

The requisite experience may be acquired through any *lawful* brokerage activity, whether as a salesperson, provisional broker, or broker, either in North Carolina or any other state. A broker may be required to provide evidence of this experience upon request by the Commission. Status as a broker-in-charge shall be *terminated immediately* if the Commission finds that the broker-in-charge does *not* possess the required experience. ***Just having a license on active status is not enough. You must have been:***

- ***actively engaged in real estate brokerage activities***
- ***on a full-time basis for two years (or equivalent part-time) within the preceding five years to satisfy the experience qualification.***

Upon the Commission's receipt of a Broker-in-Charge Declaration form, the Commission first will check to ensure that the broker is not on provisional status and has had a license on active status for *at least* two of the preceding five years. If the declarant is on provisional status or has not had an active license for at least two years, then the declaration form will be rejected and returned to the broker. If the broker is a "full" broker and has had an active license for at least two of the preceding five years, then the Commission will accept the broker's certification as to experience on the declaration and will check the broker's continuing education record to see if s/he has taken the Commission's 12-hour *Broker-in-Charge Course* within the preceding three years. If so, then the Commission will mail the broker a change of status notice confirming that s/he has been made a broker-in-charge at a specified location. If the broker has not had the 12-hour course within the preceding three years, s/he will receive a notice from the Commission confirming his/her designation as a broker-in-charge, but also advising the broker that s/he must complete the 12-hour *Broker-in-Charge Course* within 120 days and the deadline date will be given.

Broker-In-Charge Course

Once a broker submits the declaration form (REC 2.04) to the Commission and is designated as a broker-in-charge, s/he generally will be required to *take the Commission's 12-hour Broker-in-Charge Course (the BIC Course) within 120 days of becoming a broker-in-charge unless the broker has taken the course within the preceding three years.* If the broker has had the 12-hour *Broker-in-Charge Course* within the preceding three years, then s/he will *not* be required to repeat the course prior to *initial* designation. However, if it has been more than three years, or if the broker has never had the 12-hour course, then s/he will be required to take the course within 120 days of being designated broker-in-charge. [The only exceptions are if the broker has maintained "broker-in-charge eligibility," which will be discussed shortly, or if the broker is a non-resident, also discussed later.]

The ***Broker-In-Charge Course*** is offered approximately three times per month at various locations around the state and is taught by Commission staff with assistance from contract instructors. Any broker may take the course and receive **four hours of CE elective credit** for the license year in which the course is taken. The course is primarily intended for brokers who are becoming a new BIC.

Failure to Take the BIC Course within 120 Days

If a newly declared broker-in-charge, who has *not* had the *Broker-in-Charge Course* within the previous three years, fails to take the 12-hour course within 120 days following designation, then *s/he will be removed as a broker-in-charge by the Commission* for failure to satisfy this part of the qualification requirement. Thereafter, the broker will not be able to

redeclare him/herself as broker-in-charge anywhere until s/he *first completes the 12 hour class* and resubmits a new Declaration form.

Understand that **no broker will become a broker-in-charge until s/he sends the Broker-in-Charge Declaration form (REC 2.04) to the Commission** requesting designation. You cannot begin or achieve a status until you first request the status. A broker will not have *perfected* broker-in-charge status until s/he submits the Declaration form *and* satisfies both qualification requirements, namely, possession of at least two years full-time brokerage experience within the past five years at the time of designation **and** completion of the 12 hour Broker-in-Charge Course.

How a Broker Perfects Broker-in-Charge Status

Example #1: Bob Broker has been a “full” broker in North Carolina for three years and actively engages in brokerage with a firm. While still an affiliated broker, Bob takes the 12-hour *Broker-in-Charge Course* and receives 4 hours of elective CE credit. Eighteen months later, Bob decides to set up his own company and submits the BIC Declaration form to the Commission requesting designation as a broker-in-charge at some location. Bob’s status as broker-in-charge is perfected upon the Commission’s acceptance of the Declaration form, as Bob already has satisfied the two qualification requirements, i.e., Bob certifies that he has the requisite experience by signing the form, and he has taken the *Broker-in-Charge Course* within the preceding three years.

Example #2: Betty Broker has been asked to take over as BIC at her company as soon as possible because the current BIC must suddenly leave. Betty submits the Declaration form to the Commission requesting designation and certifying the requisite experience. The Commission accepts the form, designates Betty as the BIC, and sends her a notice reminding her to complete the 12-hour *Broker-in-Charge Course* within 120 days. Betty then takes the 12 hour *Broker-in-Charge Course while still serving as a broker-in-charge*. Upon completing the course, Betty has satisfied both qualification requirements, thereby perfecting her broker-in-charge status.

“Temporary BIC.” What if Betty was replaced as BIC before she completed the 12 hour *Broker-in-Charge Course*? A broker who is temporarily designated as a broker-in-charge, but who steps down as a broker-in-charge prior to completing the 12-hour course *will not have perfected broker-in-charge status* and will **not** be broker-in-charge eligible.

Example: Sandra has been an associated broker with Super Realty for six years, but has never taken the *Broker-in-Charge Course*. Her current broker-in-charge, Deborah, is taking a sixty day vacation and has asked Sandra to take over as broker-in-charge. Sandra completes and mails the Broker-in-Charge Declaration form to the Commission requesting designation as broker-in-charge replacing Deborah as of August 10, 2014. She receives a letter from the Commission informing her that she has been designated as a BIC, but must take the *Broker-in-Charge Course* by December 8, 2014. She does not take the class. Deborah returns from vacation October 15 and redeclares herself broker-in-charge replacing Sandra.

Must Sandra still take the Broker-in-Charge Course? No, because she no longer is a broker-in-charge. *Has Sandra perfected her broker-in-charge status? No*, because she has not satisfied both qualification requirements.

If Deborah went on family medical leave in March 2015, *could she again have Sandra declare herself broker-in-charge replacing Deborah? Yes*. *Would Sandra again have 120 days within which to take the 12 hour class? Yes*, because she previously was *voluntarily* replaced as broker-in-charge **before** her time period expired, *rather than being removed by the Commission* for failure to take the class. Thus, she has a fresh 120 days. If Sandra completes the 12 hour *Broker-in-Charge Course* while still serving as broker-in-charge, she will have perfected her broker-in-charge status and will become “broker-in-charge eligible.”

If Sandra had taken the Broker-in-Charge Course December 3 & 4, 2014 while Deborah was acting as BIC, would Sandra have become broker-in-charge eligible? No, because she was not a broker-in-charge on Commission records at the time she took the course, having been replaced by Deborah on October 15, 2014. However, when Sandra sends the Commission her Declaration form in March 2015 replacing Deborah, she will have perfected her broker-in-charge status once the Commission processes her Declaration form. Why? Because she has satisfied both qualification requirements, i.e., experience and completion of the 12 hour BIC Course within the preceding three years.

BROKER-IN-CHARGE ELIGIBILITY

The concept of “**broker-in-charge eligible**” was introduced into the broker-in-charge rule effective January 1, 2008. BIC eligibility allows a broker who has served as a BIC and completed the 12-hour *Broker-In-Charge Course* to remain “BIC Eligible” indefinitely thereafter by:

- 1) renewing his/her broker license by June 30 every year, and
- 2) completing the required four-hour *Broker-in-Charge Update Course (BICUP)* and an approved continuing education *elective* course by June 10 each year.

Both renewal and course completion must be done on time or BIC eligibility is lost.

Prior to July 1, 2014, all BICs and BIC-eligible brokers were required to take the *BICAR Course* every year as their CE elective course, as well as the mandatory Real Estate Update course. *The BICAR course has been discontinued as of the 2014-2015 license year.* Instead, as of this license year, brokers who are BICs or BIC-eligible must now complete the four hour **Broker-in-Charge Update** for their mandatory Update course and any four hour approved elective course they choose.

Once a broker has been designated as a BIC and completed the 12-hour Broker-In-Charge Course, s/he becomes “BIC Eligible” and may retain that eligibility indefinitely by timely renewing his/her broker license each year and timely completing the mandatory four-hour BICUP (Broker-in-Charge Update) Course and an approved four-hour continuing education elective course. So long as a broker has BIC status or eligibility at the time s/he takes the BICUP course, then s/he will receive CE credit for the BICUP, but a BIC is not *required* to begin taking the BICUP course each year until the first full license year following the license year in which s/he was designated as a BIC.

Example: Assume you are a non-provisional broker. You are approved to be a broker-in-charge between July 1, 2013 and June 30, 2014. You will be required to first take the **BICUP Course** as your Update course during the 2014-2015 license year and each year thereafter in order to remain broker-in-charge eligible. Of course, you must also take an approved four-hour continuing education elective course every year. Together, the BICUP and elective course will satisfy your annual 8 hour CE requirement *AND* allow you to remain BIC-eligible.

Benefit of Being BIC Eligible

The benefit of retaining BIC eligibility is that a BIC-eligible broker who steps down as an active BIC for any reason but maintains his/her BIC eligibility may subsequently reinstate his/her BIC status by simply filing a BIC declaration without having to again satisfy the basic BIC qualification requirements. This status allows a broker to remain “BIC eligible” even during periods when not actively serving as a BIC.

BICUP (Broker-in-Charge Update) Course

The **BICUP** course is a four-hour mandatory continuing education course written by the Commission and taught by the Commission’s approved Update instructors. Each year, the BICUP course will be comprised of *all material being covered in the current year’s General Update course plus information intended solely for Brokers-in-Charge and BIC-eligible brokers*. The BICUP counts as four hours of continuing education **Update credit for brokers who are brokers-in-charge or broker-in-charge eligible**.

Once designated a broker-in-charge and after satisfying the initial experience and 12-hour course requirements, a broker now may remain “broker-in-charge eligible” indefinitely merely by: 1) timely renewing his/her license and 2) taking the mandatory BICUP course and a four-hour continuing education (“CE”) elective course each and every year as his/her 8 hours of continuing education. Continuing education credits for the 12 hour Broker-in-Charge Course and the mandatory BICUP course will always be credited to the license year in which the course was taken and will never carry over to the following license year.

Brokers can confirm that they are a broker-in-charge or broker-in-charge eligible by going to the Commission’s website and clicking on the **BIC Only** link and inserting their license number and password (the last 4 digits of your Social Security number unless you changed it). ***If the BIC Only section of the website doesn’t let the broker in, then most likely s/he is neither a broker-in-charge nor broker-in-charge eligible on Commission records.*** If admitted to the BIC Only section, one of several options is “Print BIC Eligible Document,” which allows a broker to print a confirmation of his/her status as broker-in-charge eligible. Brokers may also check their status by clicking on “Licensees Only” and providing their license number and password.

Example: Bill Broker declared himself broker-in-charge of his sole proprietorship in March 2003 and took the original Broker-in-Charge Course in May 2003. He timely renewed his license and did his continuing education each year. With the advent of the *Broker-in-Charge Annual Review (BICAR) Course* in July 2006, he began taking that course each year as his elective, in addition to the mandatory Update course. In **March, 2014**, Bill decides to become an associated broker with XYZ Realty, Inc. and sends an affiliation form to the Commission. Because Bill had been a broker-in-charge, he was

classified by the Commission as “broker-in-charge eligible.” Bill may remain broker-in-charge eligible by timely renewing his license and continuing to take the *BICUP Course* and a four-hour elective each year, *even though he is not actively managing an office after he affiliates with XYZ Realty.*

Note: Only brokers who are designated on the Commission’s records as a broker-in-charge or broker-in-charge eligible are permitted to take the BICUP Course for continuing education credit. Licensees who are not brokers-in-charge or broker-in-charge eligible will not receive any continuing education credit if they take the BICUP Course.

Exemption from Special BIC Education for Nonresident BIC

There is one exemption from the educational requirements for brokers-in-charge. Rule **A.0110(o)** provides that a **non-resident broker** who has been designated by the Commission as broker-in-charge of an **office not located in North Carolina** is not required to take either the 12-hour *Broker-In-Charge Course* or the four-hour *BICUP Course*, provided that the BIC:

- does not have a primary residence in North Carolina, *and*
- does not have an office in North Carolina, *and*
- does not have a mailing address in North Carolina.

However, if the non-resident moves to North Carolina or begins managing an office located in North Carolina, or notifies the Commission of a mailing address in North Carolina, then s/he will be required to take the 12-hour *Broker-In-Charge Course* within 120 days of the change. S/he also will be required to take the BICUP course each year thereafter to maintain broker-in-charge eligibility so long as s/he has a presence in North Carolina.

Loss of Broker-in-Charge Status/Eligibility

Under **Rule A.0110(i)**, a broker will be terminated as broker-in-charge, if currently so designated, or will lose broker-in-charge eligible status if:

- the broker fails to timely renew his/her license (i.e., license expires); *or*
- the broker’s license is suspended, revoked or surrendered; *or*
- the broker allows his/her license to go inactive because the broker fails to complete eight hours of CE, including the Update course, in any given year; *or*
- the broker fails to take the BICUP course as his/her Update each year beginning the first full license year after designation; *or*
- the broker is found to have not possessed the requisite experience at the time of designation or redesignation.

How to Become Reinstated as a Broker-in-Charge

When a broker loses his/her BIC status or eligibility for one of the reasons listed above, and the broker wants to be redesignated as a BIC, the broker must take the following steps *in the order listed*:

1. **FIRST**, restore his/her broker license to **active status**.
 - If the license was renewed but is **inactive** due to a CE deficiency, the broker must complete all CE required to make up any CE deficiency for the previous license period and to qualify for active status (could be 0-4 courses), then submit a Request to Activate License form (REC 2.08) to the Commission. *The broker should contact the Commission to determine exactly what CE s/he needs to take!*
 - If the license is **expired**, the broker must reinstate the license (\$55 fee), take any needed CE required to make up any CE deficiency for the previous license period, if applicable, to qualify for active status (could be 0-4 courses), then submit a Request to Activate License form (Form 2.08) to the Commission. *The broker should contact the Commission to determine exactly what CE s/he needs to take!*
 - ***Do NOT take the 12-hour BIC Course or the 4-hour BICUP Course to make up a CE deficiency!!!***
2. **SECOND**, possess two years full-time brokerage experience within the previous five years (or equivalent experience).
3. **THIRD, ONLY AFTER COMPLETING STEPS 1 AND 2, take the 12-hour Broker-In-Charge Course AFTER his/her license is on active status in Commission records. Taking the 12 hour BIC Course is required for any broker to reinstate his/her BIC status. There are no exceptions. It does not matter when the broker previously took the 12-hour BIC Course, the broker must retake the course BEFORE s/he can redesignate as a BIC.**
4. **FOURTH**, submit a Broker-In-Charge Declaration form (Form 2.04) to the Commission.

TO BECOME REINSTATED AS A BIC AFTER LOSING BIC STATUS OR ELIGIBILITY, TAKE THE STEPS IN THE ORDER STATED ABOVE! If you take the 12 hour BIC Course before you reactivate your license, you will be required to take the 12 hour course again after license activation and prior to designation, even if only a few weeks or days have passed since you last took the class, as you did things in the wrong order.

The Commission hopes that by imposing this strict requirement to repeat the 12-hour course, it will finally be able to get the attention of the hundreds of brokers-in-charge and BIC-eligible brokers who every year fail to take the proper CE or fail to renew their license on time and thereby lose their BIC status or eligibility.

For a handy reference about **what CE a broker needs** in various situations to be redesignated as a BIC after BIC status or eligibility has been terminated, **see the chart at the end of this Section Six**. NOTE that in *EVERY SITUATION* on the chart, the broker must retake the 12 hour *Broker-in-Charge Course* AFTER his/her license is back on active status but BEFORE s/he may redeclare as BIC, because the broker lost his/her BIC eligibility. *The 120 day grace period within which to take the 12 hour BIC Course only applies to initial designation or brokers who never perfect their BIC status and thus never achieve BIC-eligible status.*

Text of revised BIC Rule effective July 1, 2014:

21 NCAC 58A .0110 BROKER-IN-CHARGE

(a) When used in this Rule, the term:

- (1) "Office" means any place of business where acts are performed for which a real estate license is required or where monies received by a broker acting in a fiduciary capacity are handled or records for such trust monies are maintained;
- (2) "Principal Office" means the office so designated in the Commission's records by the qualifying broker of a licensed firm or the broker-in-charge of a sole proprietorship; and
- (3) "Branch Office" means any office in addition to the principal office of a broker which is operated in connection with the broker's real estate business.

(b) Except as provided in Paragraphs (d) and (e) of this Rule, every real estate firm, including a sole proprietorship, shall have a broker designated by the Commission as provided in Paragraph (f) of this Rule to serve as the broker-in-charge at its principal office and a broker to serve as broker-in-charge at any branch office. No broker shall be broker-in-charge of more than one office at a time. No office of a firm shall have more than one designated broker-in-charge.

(c) If a firm shares office space with one or more other firms, the same broker may serve as broker-in-charge of multiple firms at that location. All firms at that location having the same designated broker-in-charge shall maintain with the Commission as a delivery address the same delivery address as that of the single designated broker-in-charge.

(d) A licensed real estate firm is not required to have a broker-in-charge if it:

- (1) has been organized for the sole purpose of receiving compensation for brokerage services furnished by its qualifying broker through another firm or broker;
- (2) is treated for tax purposes as a Subchapter S corporation by the United States Internal Revenue Service;
- (3) has no principal or branch office; and
- (4) has no licensed or unlicensed person associated with it other than its qualifying broker.

(e) A broker who is a sole proprietor shall obtain the Commission's designation of himself or herself as a broker-in-charge if the broker 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 his or her services as a broker in any manner, or has one or more other brokers affiliated with him or her in the real estate business. Maintenance of a trust or escrow account by a broker solely for holding residential tenant security deposits received by the broker on properties owned by the broker in compliance with G.S. 42-50 shall not, standing alone, subject the broker to the requirement to designate himself or herself as a broker-in-charge.

(f) A broker desiring to be a broker-in-charge shall request in writing his or her designation as broker-in-charge by the Commission on a form provided by the Commission. The form shall include the

broker's name, license number, firm affiliation, and a certification that he or she possesses the experience described in Subparagraph (g)(2) of this Rule. Upon receipt of notice from the Commission that the broker has been designated as broker-in-charge, the broker shall assume the duties of broker-in-charge.

(g) To qualify to become a broker-in-charge, a broker shall:

- (1) have a license on active status but not on provisional status;
- (2) possess at least two years of full-time real estate brokerage experience or equivalent four years of part-time real estate brokerage experience within the previous five years or real estate education, such as the completion of the North Carolina GRI program or other education with a subject matter relating to brokerage practice and the supervision of brokers, or experience in real estate transactions that the Commission finds equivalent to such experience, such as a licensed attorney with a practice that consisted primarily of handling real estate closing and related matters in North Carolina for three years immediately preceding application or full-time, lawful experience selling new homes owned by a corporate homebuilder as a bonafide employee of the corporate home builder for three years immediately preceding the application; and
- (3) complete the Commission's 12 classroom hour broker-in-charge course either within three years prior to designation as a broker-in-charge or within 120 days following designation as a broker-in-charge.

Upon the request of the Commission, a broker shall provide evidence to the Commission that he or she possesses the requisite experience. A broker-in-charge designation shall be immediately terminated if a broker-in-charge fails to complete the broker-in-charge course during the required time period or if the Commission finds the broker-in-charge does not possess the required experience. A broker who is removed as broker-in-charge for failure to timely complete the Commission's 12 hour broker-in-charge course must first complete the 12 hour broker-in-charge course before he or she may again be designated as broker-in-charge.

(h) By submission of a broker-in-charge designation request to the Commission, a broker certifies that he or she possesses the experience required to become a broker-in-charge and upon designation by the Commission, the broker shall be authorized to act as a broker-in-charge. Upon his or her designation as broker-in-charge and completion of the broker-in-charge course within the time period prescribed in Subparagraph (g)(3) of this Rule, the designated broker-in-charge acquires the eligibility to be re-designated as a broker-in-charge at any time in the future after a period of not actively serving as a broker-in-charge without having to again satisfy the qualification requirements for initial designation stated in this Paragraph so long as the broker continuously satisfies the requirements to retain such eligibility described in Paragraph (k) of this Rule.

(i) The broker-in-charge shall, in accordance with the requirements of G.S. 93A and the rules adopted by the Commission, assume the responsibility at his or her office for:

- (1) the retention of current license renewal pocket cards by all brokers employed at the office for which he or she is broker-in-charge; the display of licenses at such office in accordance with Rule .0101 of this Section; and assuring that each broker employed at the office has complied with Rules .0503, .0504, and .0506 of this Subchapter;
- (2) the notification to the Commission of any change of business address or trade name of the firm and the registration of any assumed business name adopted by the firm for its use;
- (3) the conduct of advertising by or in the name of the firm at such office;
- (4) the maintenance at such office of the trust or escrow account of the firm and the records pertaining thereto;

- (5) the retention and maintenance of records relating to transactions conducted by or on behalf of the firm at such office, including those required to be retained pursuant to Rule .0108 of this Section;
- (6) the supervision of 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) the supervision of all brokers employed at the office for which he or she is broker-in-charge with respect to adherence to agency agreement and disclosure requirements.

(j) A broker who was the broker-in-charge of a real estate office on April 1, 2006, whose broker-in-charge declaration was received by the Commission prior to that date, and who completed the Commission's broker-in-charge course prior to April 1, 2006 or within 120 days following designation as a broker-in-charge, may continue to serve as a broker-in-charge thereafter until his or her eligibility to serve as a broker-in-charge is terminated as provided in Paragraph (l) of this Rule.

(k) Once a broker has been designated as a broker-in-charge and completed the 12 hour broker-in-charge course as prescribed by Paragraph (g) of this Rule, the broker may maintain broker-in-charge eligibility by timely annual renewal of his or her broker license and completion each license year of the four hour mandatory continuing education update course for brokers-in-charge known as the "Broker-In-Charge Update Course" described in Rule 58E .0102(b), and any Commission-approved four hour continuing education elective course described in Rule 58E .0305. The Broker-In-Charge Update Course shall be taken initially by a broker-in-charge during the first full license year following the license year in which the broker was designated as a broker-in-charge and each license year thereafter in order for the broker to maintain broker-in-charge eligibility. Enrollment in the Broker-In-Charge Update Course shall be limited exclusively to current brokers-in-charge, and brokers who are not currently acting as a broker-in-charge but who desire to retain their broker-in-charge eligibility. Only these brokers shall receive continuing education credit for taking the Broker-In-Charge Update Course. A broker-in-charge or broker who is broker-in-charge eligible who takes the General Update Course described in Rule .1702 of this Subchapter rather than the Broker-In-Charge Update Course shall receive continuing education update course credit for taking such course only for the purpose of retaining his or her license on active status and shall not be considered to have satisfied the requirement to take the Broker-In-Charge Update Course in order to retain his or her broker-in-charge status or eligibility.

(l) A broker's broker-in-charge eligibility and, if currently designated as a broker-in-charge, his or her broker-in-charge designation shall be terminated upon the occurrence of any of the following events:

- (1) the broker's license expires or the broker's license is suspended, revoked or surrendered;
- (2) the broker's license is made inactive for any reason;
- (3) the broker fails to complete the Broker-In-Charge Update Course described in Paragraph (k) of this Rule; or
- (4) the broker is found by the Commission to have not possessed the experience required in Paragraph (g) of this Rule at the time of either initial designation as a broker-in-charge or re-designation as a broker-in-charge.

(m) When a broker who is a former broker-in-charge desires to be re-designated as a broker-in-charge following termination of his or her broker-in-charge designation or eligibility, he or she must first have a license on active status. The broker then must satisfy the experience requirements for initial designation set forth in Paragraph (g) of this Rule, and the broker must complete the 12 hour broker-in-charge course prior to re-designation as broker-in charge.

(n) A broker-in-charge shall notify the Commission in writing that he or she no longer is serving as broker-in-charge of a particular office within 10 days following any such change.

(o) A non-resident broker who has been designated by the Commission as the broker-in-charge of an office not located in North Carolina is not required to complete the broker-in-charge course or the Broker-In-Charge Update Course prescribed for brokers-in-charge under Paragraph (k) of this Rule. However, if such broker-in-charge either becomes a resident of North Carolina or becomes broker-in-charge of an office located within North Carolina, then he or she must take the 12 hour broker-in-charge course within 120 days of such change, unless he or she has taken the 12 hour course within the preceding three years. Such broker-in-charge shall take the Broker-In-Charge Update Course prescribed in Paragraph (k) of this Rule during the first full license year following the change and each license year thereafter so long as the broker-in-charge remains a resident of North Carolina or continues to manage an office located in North Carolina.

(p) A nonresident commercial real estate broker licensed under the provisions of Section .1800 of this Subchapter shall not act as or serve in the capacity of a broker-in-charge of a firm or office in North Carolina.

*History Note: Authority G.S. 93A-2; 93A-3(c); 93A-4; 93A-4.1; 93A-4.1(c)(8); 93A-4.1(e); 93A-4.2; 93A-9; 93A-9(a);
Eff. September 1, 1983;
Amended Eff. July 1, 2014; May 1, 2013; July 1, 2010; July 1, 2009; January 1, 2008; April 1, 2006; July 1, 2005; July 1, 2004; April 1, 2004; September 1, 2002; July 1, 2001; October 1, 2000; August 1, 1998; April 1, 1997; July 1, 1995; July 1, 1994.*

Education Needed before Broker who lost BIC status or BIC Eligibility May Qualify for Redesignation

CE Taken in Previous Year (2013-2014)			CE Needed in Current Year To Reactivate (2014-2015)			
Update (9914)	BICAR = Elective CE credit (8814)	Elective OTHER than BICAR	GENERAL UPDATE	Elective (other than BICUP)	Total Courses Needed	12 – Hour BIC course Needed Prior to BIC Designation but AFTER license is on active status with NCREC
YES (1)	YES	NO	NO	NO	0	YES
YES (2)	NO	YES	NO	NO	0	YES
NO (3)	YES	YES	YES	YES (1 course)	2	YES
YES	NO	NO	YES	YES (2 courses)	3	YES
NO	YES	NO	YES	YES (2 courses)	3	YES
NO	NO	YES	YES	YES (2 courses)	3	YES
NO	NO	NO	YES	YES (3 courses)	4	YES

(1) Broker lost status because didn't timely renew license; once pays \$55 reinstatement fee, may immediately send REC Form 2.08 to activate license since broker had 8 hours of CE preceding year, including the Update, but must then take 12 hour BIC Course before may redeclare as BIC.

(2) Broker lost status because failed to take BICAR in 2013-2014, but so long as timely renews license, it is still active as of July 1, 2014 as broker had 8 hours of CE preceding year, including Update. Broker must take 12 hour BIC Course and may then redeclare as BIC.

(3) In the final 5 scenarios, the broker loses BIC status/eligibility because his/her license goes inactive July 1 because the broker failed to take 8 hours of CE, including the mandatory Update, in 2013-2014. In these cases, the broker must always do the current year's General Update (not the BICUP, because they no longer are BICs or BIC-eligible) and elective, plus 1 or 2 additional electives to satisfy the 4 or 8 hour deficiency from the preceding year, and *then send REC Form 2.08 to reactivate the license. ONLY AFTER THE FOREGOING*, should the broker then take the 12 hour BIC Course to enable the broker to redeclare as BIC. *In every situation where a broker loses BIC status because his/her license is inactive July 1, the broker must take the 12-hour BIC course **prior to** requesting redesignation as a BIC, but after taking all CE required to reactivate the license and sending REC Form 2.08 to activate the license.*