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**TITLE 876 INDIANA REAL ESTATE  
COMMISSION**

LSA Document #02-300(F)

**DIGEST**

Adds 876 IAC 4-2-3.5 to establish an outline for the mandatory continuing education courses under IC 25-34.1-9-11(a)(1). Effective January 1, 2004.

**876 IAC 4-2-3.5**

SECTION 1. 876 IAC 4-2-3.5 IS ADDED TO READ AS FOLLOWS:

**876 IAC 4-2-3.5 Outline for curricula for salespersons and brokers under IC 25-34.1-9-11(a)(1)**

**Authority:** IC 25-34.1-9-21

**Affected:** IC 25-34.1-9-11

**Sec. 3.5. (a) Except as allowed by subsection (b), the subject areas required in sections 2 and 3 of this rule shall be taught under the following recommended outlines:**

**(1) The following under the Indiana licensure and escrow law:**

- (A) Purpose and basic provisions of licensing statutes and administrative rules.**
- (B) Real estate broker and salesperson licensure requirements.**
- (C) Educational requirements.**
- (D) Enforcement of statutes and rules.**
- (E) Seller agency.**
- (F) Buyer agency.**
- (G) Limited agency.**
- (H) Disclosure issues.**
- (I) Unlicensed assistants.**
- (J) Current topics of importance.**

**(2) The following under the agency law:**

- (A) General agency law.**
- (B) Agency relationships, including agent's duty to the following:**
  - (i) Principal.**
  - (ii) Third parties.**
- (C) Creation of an agency.**
- (D) Enforcement of agency, including the following:**
  - (i) Intentional misrepresentation.**
  - (ii) Negligent misrepresentation.**
  - (iii) Fraud.**
- (E) Liabilities and consequences of breach of duties, including the following:**
  - (i) Disciplinary action by the Indiana real estate commission.**
  - (ii) Civil liability.**
  - (iii) Criminal liability.**
- (F) Seller agency.**
- (G) Buyer agency.**
- (H) Limited agency.**

**(3) The following under the fair housing and civil rights laws:**

- (A) Historical context of legislation.
  - (B) Discriminatory acts and penalties, including the following:
    - (i) Theories of discrimination.
    - (ii) Items of specific prohibition.
    - (iii) Definitions.
  - (C) Exemptions.
  - (D) Enforcement.
  - (E) Testing for compliance.
  - (F) Advertising.
  - (G) Protected classes.
  - (H) Record keeping.
  - (I) Fair housing procedures.
- (4) The following under the listing contracts and purchase agreements:
- (A) Basic contract law.
  - (B) Statute of frauds.
  - (C) Indiana license law.
  - (D) Essential elements of a contract.
  - (E) Enforcement and defenses to enforcement of contracts.
  - (F) Listing contracts, including the following:
    - (i) Types.
    - (ii) Seller disclosure.
    - (iii) Duties and responsibilities of both parties.
    - (iv) Extension/protection clause.
  - (G) Purchase agreement, including the following:
    - (i) Duties and responsibilities of both parties.
    - (ii) Contingencies.
    - (iii) Real property and personal property issues.
- (5) The following under the settlement procedures:
- (A) Principles and sources of contract law.
  - (B) Contract terms and definitions.
  - (C) Contract essentials.
  - (D) Legal objective.
  - (E) Performance and nonperformance.
  - (F) Sources of contract law.
  - (G) Listing contract and purchase agreements.
  - (H) Agent's role in closing, including the following:
    - (i) Financing.
    - (ii) Inspections.
    - (iii) Environmental.
    - (iv) Insurance.
    - (v) Appraisal and survey.
    - (vi) Title.
    - (vii) Closing and possession.
  - (I) Escrow deposits and disbursement.
  - (J) Controlling problems.
- (6) The following under antitrust laws:
- (A) Sherman Act.
  - (B) Clayton Act.
  - (C) Federal Trade Commission.
  - (D) Indiana act.
  - (E) Penalties for antitrust violations.
  - (F) Potential violations with clients and customers.
  - (G) Potential violations with competitors.
  - (H) Potential violations with providers and other organizations.

- (I) Enforcement.
- (J) Compliance policies.
- (7) The following under environmental issues:
  - (A) Historical perspective.
  - (B) Federal environmental laws.
  - (C) Indiana environmental laws, including the following:
    - (i) Insecticide and pesticide.
    - (ii) Wells.
    - (iii) Water quality.
    - (iv) Sewage disposal systems.
    - (v) Radon.
    - (vi) Asbestos.
    - (vii) Lead.
    - (viii) Storage tanks.
    - (ix) Electric and magnetic fields.
    - (x) Wet lands.
    - (xi) Mold and other biological contaminants.
- (8) The following under ethics and standards:
  - (A) Ethics, standards, regulations, and laws.
  - (B) Business versus personal ethics.
  - (C) Ethical considerations, including the following:
    - (i) Management.
    - (ii) Record keeping.
    - (iii) Confidentiality.
  - (D) Standards discussions.
  - (E) Duties and responsibilities of parties involved.
  - (F) Mediation.
  - (G) Arbitration.
  - (H) Litigation with regulations.

(b) As an alternative to following the outlines in subsection (a), the subject areas required in sections 2 and 3 of this rule may be taught under outlines substantially similar under subsection (a). (*Indiana Real Estate Commission; 876 IAC 4-2-3.5; filed May 27, 2003, 11:01 a.m.: 26 IR 3342, eff Jan 1, 2004*)

**SECTION 2. SECTION 1 of this document takes effect January 1, 2004.**

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