



EAA Launches a New Scheme for Disciplinary Cases

(18 December 2013) To heighten the estate agency trade’s vigilance against non-compliances and improve their compliance in the long run, the Estate Agents Authority (“EAA”) will soon launch a New Scheme (“the Scheme”) for handling disciplinary cases. The Scheme will take effect from 1 January 2014.

Upon reviewing the non-compliance in the trade, the EAA Disciplinary Committee found that a number of cases commonly breached by the trade were relatively straight forward in nature. In this connection, the Committee recently endorsed the Scheme to address the issue. The Scheme covers eight breaches of requirements under the Estate Agents Ordinance and its subsidiary legislation, which are listed at the **Annex**.

Under the Scheme, if a licensee commits these specified breaches for the first time (with effect from 1 January 2014), he will not be, subject to the terms of the Scheme, disciplined if he opts for the Scheme and agrees to the facts and allegations. However, if the licensee is found to have breached any requirements in the following two years, irrespective of whether it is one of the specified breaches or not, the licensee may be subject to more severe sanctions imposed by the Disciplinary Committee.

If the licensee has opted for the Scheme, every admission of breach made by the licensee will be recorded in the Memorandum of Admitted Breaches, which will be published on the EAA website. The record in the Memorandum will only be shown on the website for two years. However, such a record will be retained together with the licensee’s disciplinary record for sentencing consideration in future cases.

Any licensee who has not been disciplined for any breaches from 1 January 2014 is eligible to opt for the Scheme. Non-compliances committed by licensees who do not opt for the Scheme will be handled in accordance with the usual disciplinary procedures.



地產代理監管局
ESTATE AGENTS AUTHORITY

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Press Release

Ms Elaine Liu, Chairman of the EAA Disciplinary Committee, said, “The Scheme will, on the one hand, streamline and expedite the process of handling straight forward breaches without compromising the effectiveness of the EAA’s regulatory role; on the other hand, it will encourage the trade to rectify straight forward breaches in a timely manner. It is also hoped that the Scheme will raise the trade's alertness in compliance, and professionalism of the trade could be enhanced in the long run.”

A letter has been issued to all licensees to inform them of the Scheme. In addition, a specific web page has been created on the EAA’s website setting out the details of the Scheme and a set of frequently asked and answered questions. The EAA will also organise relevant Continuing Professional Development courses to improve the licensees’ understanding of the specified requirements covered by the Scheme.

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Eight Specified Breaches of Requirements

1. Failure to possess prescribed information
2. Failure to enter into an estate agency agreement with client
3. Failure to complete form in accordance with the directions and instructions specified in the form. Failure to accompany form by documents specified in the form.
4. Failure to give notice to the EAA within 31 days of
 - (i) ceasing to be engaged in estate agency work;
 - (ii) employment of salespersons or termination thereof;
 - (iii) appointment of managers for the purposes of the Estate Agents Ordinance or termination thereof;
 - (iv) appointment of directors or termination thereof; and
 - (v) the becoming or ceasing to become a member of a partnership engaged in estate agency work
5. Failure to keep (i) a record of all listings received and (ii) a copy of all estate agency agreements entered into for not less than three years
6. Failure to notify the EAA in writing of a change of registered address
7. Failure to retain a copy of receipt issued to clients for not less than three years
8.
 - (i) Failure to state the number of licence or statement of particulars of business, the business name and place of business in any document ; and
 - (ii) Failure to state the number of licence or statement of particulars of business and the business name in advertisement