

CHAPTER 6  
TERMINATION AND TRANSFER

**193E—6.1(543B) Terminating employment or association.** When a licensee is discharged by the affiliated broker or the licensee terminates the employment or association with the affiliated broker, the licensee shall immediately cease all activities that require an active real estate license until such time as a new affiliated broker makes written request for the license and the license is reassigned to the new affiliated broker.

**6.1(1)** When a broker discharges a salesperson or broker associate, the broker shall comply with all requirements of Iowa Code section 543B.33 and immediately deliver or mail the discharged person's license to the commission. If the license is returned by mail, the releasing broker shall make reasonable effort to ensure that the commission receives the license within 72 hours of the discharge date.

**6.1(2)** The licensee may terminate the employment or association by providing written notice to the affiliated broker advising the effective date of the termination and requesting that the license be immediately returned to the commission. The affiliated broker shall not refuse to comply with the request. If the license is returned by mail, the releasing broker shall make every reasonable effort to ensure that the commission receives the license within 72 hours of the termination date.

**6.1(3)** If in the unlikely event that the license of a terminated or discharged salesperson or broker associate is misplaced or lost, this should not delay the transfer of the license to a new affiliating broker. The releasing broker shall provide written notification to the commission and attest that, if located, the license will be immediately shredded or otherwise destroyed. The releasing broker shall make every reasonable effort to ensure that the commission receives the written notice within 72 hours of the termination date.

**193E—6.2(543B) Immediate transfer of license and required transfer form.** All requests for immediate transfer of license must be made on the required license transfer form available from the commission. The license transfer form shall only be used for transferring the license from the affiliated broker to a new affiliated broker. This transfer form may only be used if the transferring licensee has obtained the required information from and dated signature of a new affiliating broker. The license transfer form shall not be used for licensees who are terminated or who quit prior to obtaining a new affiliating broker.

**6.2(1)** The immediate license transfer process involves three steps, and each step must be correctly completed in the proper order to qualify as a valid transfer. The steps are as follows:

*a. Step 1.* The transferring licensee must obtain certain identifying information and the signature of a new employing or affiliating broker.

*b. Step 2.* If a new affiliating broker has completed and signed step 1 of the Application to Transfer, the releasing broker shall, within 48 hours, make every reasonable effort to sign and return the form to the requesting licensee. The releasing broker shall retain copies for records to demonstrate compliance with Iowa Code section 543B.33.

*c. Step 3.* The transferring licensee must sign the transfer form, certifying that the information on the form is true and correct and acknowledging that providing false information would be a violation of Iowa Code section 543B.29(1), which could result in disciplinary action against the license.

**6.2(2)** After all three steps are completed, the new affiliating broker shall return the completed form and old license to the commission. If the form and license are returned by mail, the new affiliating broker shall make every reasonable effort to ensure that the commission receives the completed form and old license within 72 hours. To demonstrate compliance with this rule, the new affiliating broker shall retain copies of the completed transfer form and the old license until the new license has been reissued and received.

**6.2(3)** Transfer effective date. If all three steps to the transfer are completed in the required order, the effective date of the the transfer shall be the date of release from the releasing broker.

*a.* All signature dates must correspond to each of the three steps in the transfer process in the required order.

b. The releasing broker shall not sign a transfer form releasing a licensee unless a new affiliating broker has signed and dated the transfer form.

c. If the release date is prior to the effective date of the new affiliation, the required steps were not followed in the required order and the application does not qualify as an immediate transfer. The transfer effective date shall be the date of the new affiliation. The license will be placed on inactive status for that interim period when the transferring licensee does not have an affiliating broker and, as such, is prohibited from engaging in any real estate activity requiring an active license.

d. In the event the required transfer items are incomplete, the transfer shall not be effective until the date all items have been completed.

**6.2(4)** If all transfer steps are completed in the required order, the transferring licensee may begin working immediately and is not required to wait until a new license has been issued to the new affiliated broker. The new affiliated broker shall make a reasonable effort to deliver or mail, preferably by certified mail, the completed form and old license to the commission office to ensure that it is received within 72 hours. When the commission receives the completed form and old license, a new license will be reissued and mailed to the new affiliated broker with an effective date as provided in 6.2(3).

**6.2(5)** The required form for immediate transfer is available from the commission and on the commission's Web site at <http://www.state.ia.us/irec>. The following Application to Transfer Form is required to request the immediate transfer of a license pursuant to this rule:

IOWA REAL ESTATE COMMISSION 1918 S.E. Hulsizer Avenue, Ankeny, Iowa 50021 APPLICATION TO TRANSFER	
<b>Notice:</b> This form is to be completed <u>only</u> if a licensee is transferring from one firm or broker to another firm or broker. When this transfer form has been completed, it <u>must</u> be mailed or hand-delivered with the old license to the Commission without delay within 72 hours. <b>DO NOT FAX.</b> When the completed and correct transfer form and old license are received, a new license will be issued with an effective date of transfer of either (1) the effective date of the new affiliation, or (2) the date of release from the previous broker, whichever is later. <b>There are three steps to transfer AND THEY MUST be completed in the order in which they appear on this form.</b>	
<b>Step 1</b> (To be completed by new affiliating broker)	
Name of transferring licensee _____	License number _____
Type of license _____ (Salesperson or Broker Associate)	
Effective date of new affiliation _____	
Business name _____	
Name of new broker _____	License number _____
(Print or type)	
Your signature _____	Telephone _____ Date _____
(New broker)	
<b>Step 2</b> (To be completed by releasing broker)	
Name of releasing broker _____	License number _____
(Print or type)	
Business name _____	
The license of the transferring individual is attached to this form in compliance with the immediate return of a license to the Commission as required by Iowa Code section 543B.33, Change of employment.	
Your signature _____	Date of release _____
(Releasing broker)	
<b>Step 3</b> (To be completed by transferring licensee)	
I, _____, hereby certify that the above information is true and correct.	
(Print name of transferring licensee)	

I further acknowledge that providing false information on this transfer form would be in violation of Iowa Code section 543B.29(1), fraud in procuring a license, which could result in disciplinary action against my license.

Your signature \_\_\_\_\_ Telephone \_\_\_\_\_ Date \_\_\_\_\_  
(Signature of transferring licensee)

[ARC 8284B, IAB 11/18/09, effective 12/23/09]

**193E—6.3(543B) Broker authorized.** Authorization from the following actively licensed brokers is required to return the license of a discharged or terminated salesperson or broker associate, to request that a license be issued, and to sign the license transfer form:

1. Sole-proprietor or single broker.
2. Broker officer of a corporation or firm.
3. Broker partner.
4. Designated broker in charge.
5. Broker in charge of a branch office.

These rules are intended to implement Iowa Code chapters 17A, 272C and 543B.

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