**Section 1445.300 Unprofessional Conduct**

The Department may suspend or revoke a license, refuse to issue or renew a license or take other disciplinary action based upon its finding of dishonorable, unethical, or unprofessional conduct likely to deceive, defraud or harm the public (see Section 85 of the Act). Dishonorable, unethical, or unprofessional conduct may include, but is not limited to, the following acts or practices:

a) Failing to be knowledgeable about and comply with the applicable governing documents, and policies and procedures of the client association.

b) Knowingly misrepresenting material facts, making inaccurate statements, or acting in any fraudulent manner while representing client associations.

c) Providing legal advice to client associations, or any of their members, or otherwise engaging in the unlicensed practice of law.

d) Failing to promptly disclose to client associations any actual or potential conflicts of interest, including, but not limited to, the procurement of and/or payment for goods or services or any policy of insurance on behalf of a community association from a third party in which the licensee has greater than a 1% ownership interest or from which the licensee receives or may receive dividends or other profit sharing distributions, other than a publicly held or traded company.

e) Failing to act in a manner consistent with the licensee’s fiduciary duty.

f) Failing to conduct oneself, when acting in the scope of employment, in accordance with the terms and conditions of the contractual agreement, and in accordance with all local, State, and federal laws.

g) Failing to maintain a duty of confidentiality to all current and former clients; or failing to reasonably safeguard confidential information, or improperly using confidential information; or failing to take reasonable steps to safeguard confidential information from unauthorized disclosure.

h) Failing to ensure that homeowners receive timely notice; and the production of documents pursuant to direction by the community association’s board as required by State statutes or legal documents.

i) Failing to disclose any affiliation agreements, and the terms thereof, binding on a client association.

j) Aiding or assisting a licensee or unlicensed individual to violate the Act or this Part.

k) Obstructing an inspection, audit, investigation, examination, or disciplinary proceeding.

l) Failing to return to a community association all original records that are the property of the community association within 30 days following termination of a management agreement or other contract between the Community Association Management Firm and the community association or an unaffiliated Community Association Manager and the community association.

m) Charging fees not disclosed to a community association at the time of execution, amendment to, or renewal of, a management agreement or other contract between the Community Association Management Firm and the community association or an unaffiliated Community Association Manager and the community association without prior authorization.

n) Converting, diverting, or expending funds from a community association account without written authorization other than to pay expenses incurred by or on behalf of the community association.

(Source: Added at 47 Ill. Reg. 8409, effective June 2, 2023)