**Section 1450.700 Sponsoring Broker Responsibilities**

a) The sponsoring broker, other than a sole proprietor with no other sponsored licensees, shall establish a written company policy and remain ultimately responsible for compliance with Section 10-55 of the Act and Section 1450.705. The sponsoring broker shall name a designated managing broker who will be responsible for the oversight of every office. The designated managing broker shall have the authority to act on behalf of the sponsoring broker.

b) A sponsoring broker may delegate to unlicensed personnel, including but not limited to accountants, office managers, or unlicensed assistants (see Section 1450.740), activities or duties not prohibited by the Act or this Part. Any licensee who supervises unlicensed personnel shall be responsible for the unlicensed person's actions, in accordance with Sections 1450.705(b) and 1450.740(d).

c) The sponsoring broker shall inform the Division in writing of the name and license number of all designated managing brokers employed by the sponsoring broker and the offices each designated managing broker is responsible for managing.

d) The sponsoring broker is ultimately responsible for maintaining a registry of sponsored licensees. If the sponsoring broker maintains no physical office, the registry shall be included on a virtual office website or digital platform.

e) No fewer than 14 days prior to a sponsoring broker ceasing operations, the sponsoring broker shall provide written notice to all sponsored licensees to allow the sponsored licensees to secure new sponsoring brokers and shall provide written notice to all active clients to allow the clients to secure brokerage agreements with new sponsoring brokers.

f) Any violation of the Act by any licensees employed by or associated with a sponsoring broker, or by any unlicensed assistant or other unlicensed employee of a sponsoring broker, shall not be cause for suspension or revocation of a sponsoring broker's license, unless a sponsoring broker had knowledge of a violation of the Act. A sponsoring broker's failure to provide an appropriate written company policy or failure to properly supervise shall be cause for discipline, including suspension or revocation, of the sponsoring broker's license.

g) All provisions of this Section shall apply to self-sponsored managing broker licensees.

(Source: Amended at 45 Ill. Reg. 2851, effective February 23, 2021)