

Regional Rules and Regulations for the Supra Keybox System for REALTOR® Members

*Dulles Area Association of REALTORS®
Fredericksburg Area Association of REALTORS®
Greater Piedmont Area Association of REALTORS®
Northern Virginia Association of REALTORS®
Prince William Association of REALTORS®
(collectively, the "Associations")*

I. Definitions:

- A. Keybox refers to Supra Information System.
- B. Key refers to the e key/d key or any future product introduced by Supra.
- C. Keyholder ("Holder") is any licensed real estate associate or licensed appraiser under the supervision of a Designated REALTOR®
- D. DR ("Designated REALTOR®") is any principal broker or his/her designee or principal appraiser in accordance with NAR rules.
- E. User Agreement is the Supra User Agreement for the e key/d key.
- F. Person means an individual or entity.

II. Policies:

The policies governing the Keybox and Key systems are as follows:

Upon execution by the Keyholder, co-signed by the Keyholders' Designated REALTOR®, of Supra User Agreement, the Holder agrees to all the terms and conditions of that Agreement. Violation of any of such terms and conditions may constitute grounds for termination of the agreement and deactivation of key, and/or imposition of fines and/or charges under provisions as stated in Section 9. The association reserves the right to deactivate the key upon any complaint of a violation or potential risk to the safety of the lockbox system at the sole discretion of the Board of Directors. In exercising this right the Board of Directors shall afford such due process as it deems in its discretion fair and feasible in light of the circumstances; and any period of deactivation prior to opportunity of the Keyholder for a hearing shall be kept to the minimum period of time deemed reasonably feasible by the Board of Directors in its discretion.

1. Keybox

The Associations will sell Keyboxes to Holders.

- a. The Associations will maintain a separate inventory of boxes sold.
- b. Should ownership of any Keybox be transferred between members, the Holders will immediately notify their Association so that the Holder's ledger entries may be updated.
- c. Receiver of the Keybox will supply their Association with a copy of the "Bill of Sale" indicating the serial code of the Keybox/Shackle Code for the Association's files.

2. License to Use

Upon execution of the "User Agreement" Holder will be granted a revocable license to use the Key in connection with the Holder's normal and customary activities while acting as a real estate agent or appraiser on the terms and conditions set forth in the referenced User Agreement. Each Association's User Agreement shall require the Holder to comply with these Regional Rules and Regulations.

3. Purpose

- a. Holder shall use the Key only for the purposes of gaining authorized entry into real property on which a system Keybox has been installed pursuant to an agreement with the owner(s) of such real property. Use of a Key to gain

entry to a property for any purpose other than the exercise of authority or responsibility derived from the agency, sub-agency, or other legally recognized brokerage relationship granted by the owner in the listing agreement or offer of cooperation by the Agent, or from an appraisal relationship with the owner or contract buyer, is specifically forbidden.

- b. Utilization of information derived from viewing properties shall not be used or conveyed to anyone for any purpose other than to facilitate the sale or lease of real property.

4. Revocation/Refusal of License

Holder's license to use the Key for entry into the system shall be revoked or refused immediately upon the happening of any one or more of the following events:

- a. Termination of Holder's affiliation with an eligible DR.
- b. Failure of Holder to comply with any of the terms and conditions set forth herein, including but not limited to, the provisions for security in paragraph 5 below, or the provisions of the User Agreement or their Association's Bylaws, Rules and Regulations, and policies.
- c. The Association may refuse to sell or lease lock box keys, may terminate existing key lease agreements and licenses, and may refuse to activate or reactivate any key held by an individual convicted of a felony or misdemeanor if the crime, at the sole determination of the Association's Board of Directors, relates to the real estate business or poses a potential risk to clients, customers, or other real estate professionals.
- d. The Association may suspend the right of lock box key holders to use lock box keys following their arrest and prior to their conviction for any felony or misdemeanor which, in the sole determination of the Association's Board of Directors relates to the real estate business or which poses a potential risk to clients, customers, or other real estate professionals. In exercising this right the Board of Directors shall afford such due process as it deems in its discretion fair and feasible in light of the circumstances; and any period of suspension prior to an opportunity for a hearing on the issue of whether Keyholder engaged in the conduct for which Keyholder was arrested and if so whether that conduct relates to the real estate business or poses a potential risk to clients, customers or other real estate professionals, shall be kept to the minimum period of time deemed reasonably feasible by the Board of Directors in its discretion.
- e. Factors that can be considered in making such determinations with respect to (c) and (d) above include, but are not limited to:
 - i. the nature and seriousness of the crime
 - ii. the relationship of the crime to the purposes for limiting lock box access
 - iii. the extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
 - iv. the extent and nature of any prior convictions
 - v. time since criminal activity was engaged in
 - vi. evidence of rehabilitation while incarcerated or following release and
 - vii. evidence of present fitness to hold a key.

5. Security of Key and Property Key

Upon execution of the User Agreement, Holder acknowledges that it is necessary to maintain security of the Key and the property key to prevent their use by unauthorized persons. Upon execution of the User Agreement, Holder agrees:

- a. To keep the Key in Holder's possession or in a safe place at all times;
- b. Not to allow Holder's PIN to be attached to the Key;

- c. Not to disclose Holder's PIN to any third party;
- d. Not to lend the Key or the property key to any person, for any purpose whatsoever, or to permit the Key or the property key to be used for any purpose by any other person;
- e. Not to duplicate the Key or the property key or allow any other person to do so;
- f. Not to assign, transfer or pledge the Key or any other rights thereto, except as noted in Paragraph 16.
- g. Not to allow anyone who has been admitted to the property by Holder, to remain in the property after the Holder has left the property without the consent of the property owners.
- h. To return the property key(s) to the Keybox when leaving the property.
- i. Prior to leaving the property, close and lock any windows or doors opened or unlocked by the Holder or by anyone admitted by the Holder.
- j. To follow all additional security procedures as specified by the Association, from time to time amended.

6. Lost or Stolen Key

In the event a Key is lost, stolen, or otherwise unaccounted for, Holder shall notify their Association within forty-eight (48) hours, by telephone and in writing. The Holder shall promptly report any such theft to the appropriate law enforcement agency.

- a. If the lost Key is found and returned to the Association in good working order, the cost of the replacement Key will be refunded, less an administrative fee.
- b. If the Key is lost or stolen, the Holder agrees that the Key will immediately be deactivated by the Association.

7. Audit/Inspection

- a. The Association reserves the right to conduct an audit of all Keys at its discretion.
- b. Holders shall submit the Key for inspection within a reasonable time at the Association's office after receipt of a written notice.
- c. The Key shall be deemed unaccounted for if the Holder does not demonstrate that the Key is within Holder's physical control and Holder shall be subject to appropriate fines and/or penalties and deactivation of key.

8. Failure to Comply and Violation

Any failure to comply with any of the terms herein or of the User Agreement or the Bylaws, Rules and Regulations and polices of the Association shall constitute an event of default.

- a. Upon the occurrence of any such event of default, the User Agreement may be terminated in accordance with these Rules and Regulations by the association party to such User Agreement.
- b. Holder shall be subject to loss of access to the system, fines, and other penalties as determined by the Bylaws, rules and regulations, and policies of his/her Association.
- c. If the alleged default is an alleged violation of the Security Provisions contained in II (5) of these Rules and Regulations it will be processed according to the ethics enforcement procedures of the NAR Code of Ethics and Arbitration Manual. The complaint will be reviewed by the Holder's association's Grievance Committee and either dismissed or forwarded to Professional Standards for a Hearing.
- d. If a violation of these Rules and Regulations is determined by a Hearing Panel (which shall be of Holder's association) sanctions are imposed as listed in II(9) of these Rules and Regulations .

- e. If the alleged default involves an alleged violation of the Code of Ethics and Standards of Practice of the National Association of REALTORS® the sanctions for any ethics violations will be determined by a Hearing Panel of Holder's association in accordance with the procedures of the NAR Code of Ethics and Arbitration Manual.
- f. If the alleged default involves an arbitration claim the Arbitration Hearing will be held first in a separate Hearing by a different Hearing Panel (which shall be of Holder's association) from the Arbitration Committee and processed according to arbitration procedures of the NAR Code of Ethics and Arbitration Manual.
- g. Failure to comply with all Key procedures may result in the deactivation of Key. The Association will not be obligated to re-activate Keys unless and until holder again becomes authorized to utilize the System.
- h. Failure to pay appropriate Association dues and fees will result in deactivation of Key. A reactivation fee will be charged.

9. Fines and Penalties

In the event a complaint is forwarded to a Professional Standards Hearing and the Hearing Panel (which shall be of Holder's association) determines that a member is in violation of any Article of the Association Rules and Regulations for Keyboxes and Keys for REALTORS®, the following sanctions may be imposed against the member.

- a. First Offense: Within ten (10) days of receipt of the Final Action of the Board of Directors, the member must pay a \$500 fine. If the fine is not paid within ten (10) days after the receipt of the final action, the Association will disable the member's ability to update his Key until, the \$500 fine is received by the Association. Upon receipt of the \$500 fine. The Association will reinstate the member's ability to update his Key.
- b. Second Offense: The member must pay a \$1,000 fine and will receive a 30-day suspension of his/her key privileges. Upon receipt of the Final Action of the Board of Directors, the member will be denied the ability to update his Key until 30 days after the expiration date of the Key. If after 30 days following the expiration date of the Key, the member has not paid the \$1,000 fine, the member will continue to be denied the ability to update his/her Key until the fine is paid.
- c. Third Offense: The Association shall permanently terminate Key system subscription.
- d. All Regional Participating Associations will be notified of all violations.

10. Designated REALTORS® and Holder's Responsibilities

For as long as Holder shall have an activated Key, the Designated REALTOR® shall maintain supervisory authority over Holder. Holder shall be actively engaged in the real estate profession as defined by the National Association of REALTORS®.

- a. Designated REALTOR® and Holder shall maintain current Virginia real estate licenses or appraiser's licenses.
- b. By executing the User Agreement, Holder agrees that Holders are liable for all duties, responsibilities, and obligations consistent with use of the Key.
- c. Holder shall promptly notify their Association should they cease to hold a valid license.
- d. Holder must comply with all Regional Rules and Regulations and Policies for use of Keybox and Key.

- e. Holder must keep their Association advised in writing of the current address at all times. Address changes must be reported to their Association within forty-eight (48) hours.
- f. Should Holder transfer ownership of the Keybox(es) to another authorized individual, holder will immediately notify their Association in writing, of the transfer and identify by serial number/Shackle Code of the box(es) involved.
- g. Holder must attend an instructional training program on the operation and use of the Key and Keybox

11. Requirement of Identification

Should Holder need to obtain Holder's PIN number, their Association shall require Holder to appear personally at the Association's office or produce appropriate identification as identified in the User Agreement.

- a. Appropriate identification shall consist of a valid Virginia Driver's License or in the absence thereof a valid picture ID) and Holder's Virginia Real Estate License (pocket Key).
- b. The Association shall maintain an accurate accounting of all information disseminated under this provision. Should a Holder need to obtain a shackle code for Holder Keybox, Holder or DR may do so by calling their Association and giving Holder's Key PIN to the staff. (DR's shall not be required to provide the PIN code). Staff may then release the shackle code via telephone. Staff may only release shackle codes for Keyboxes owned by the caller or the DR of the owners. Since PINs are confidential, the Association will assume no responsibility for lost or stolen Keyboxes or their contents since the owner of their Keyboxes would have revealed the PIN to someone else in order for staff to have given out the shackle code.

12. Action to Enforce

Any action for the enforcement of these Rules and Regulations or of the User Agreement may be made in the name of the member's Association, in any court holding jurisdiction over the geographic location of the Association's business address, and shall include payment of collection fees and attorney's fees by Holder.

13. Authorization

Prior to installing or using the Keybox on any property, the holder shall secure written authorization from the owner of such property.

- a. Holder shall be obligated to supply their Association with a copy of the written authorization from the owner, should such be requested by the Association.
- b. Holders shall include in a listing agreement or some other agreement signed by the owners of such property prior to installation and use of this system a provision whereby the owners acknowledges the risk of using the system and releases the Association, and the other REALTOR® Associations participating in the keybox system covered hereby, and the officers, directors, members, employees, independent contractors, and agents of the Associations and of such other REALTORS® Associations, from any and all liability in connection with the system.

14. Costs and Fees

- a. Each Association shall assess an annual fee to be charged to each Holder ("User Fee") each year. Each Association shall develop and maintain its own fee schedule. Each Association also shall develop and maintain a price schedule for new and used products.
- b. Holder, by executing the "User Agreement," agrees to pay the annual fee.

- c. If Holder has not paid the annual fee by the due date, the Association may assess a late penalty and/or reactivation fee, and de-activate Holder's Key until the fees and late penalty are paid in full.
- d. The User Fee shall be reviewed annually and adjustment made as necessary.
- e. Associations may sell new and used Keys.

15. Repurchase/Resale of Key/Keyboxes

Keyboxes may be sold or transferred between Keyholders, subject to Section 10 (f) above.

16. Holder's Termination of the User Agreement

Upon written notice to their Association, Holder may terminate the User Agreement at any time. Reporting of a Key lost, stolen, or otherwise unaccounted for shall not be construed as Notice of Termination. **Upon termination all leased equipment shall be returned to their Association.**

17. Proper Use of Key System

- a. Keys and lockboxes may be used on properties listed with Designated REALTORS® in Prince William, Greater Piedmont, Dulles, Northern Virginia and Fredericksburg Associations, and must be used on the property when so indicated on the published listing.
- b. Lockboxes are normally programmed to exclude entry between 9:00 pm and 7:00 am EST and 10:00 pm to 8:00 am DST. Properties listed in MLS that are programmed for 24 hours entry should have "24 HR" as the leading entry in line one of the remarks in the computer system.
- c. Lockboxes that have been programmed for CBS (Call Before Showing) should be so indicated in the computer. In no case shall CBS codes be published or distributed. CBS codes are confidential and should only be provided on a case by case basis according to the needs of the specific transaction.
- d. Keys that have been programmed for restricted hours should be so indicated in one of the remarks sections of the MLS.
- e. When leaving a property it is the responsibility of the Agent to ensure that the property key is replaced in the lockbox and that the lockbox is properly closed. If a lockbox is found not properly closed, the agent should contact the Listing Broker immediately. The listing Broker/Agent should read the lockbox. The last person found to have entered the property (provided this was not the agent to report the violation) will be held responsible.
- f. Care should be taken when entering a property by use of a Key. The property should be left in the same condition in which it was found. It is common courtesy for an agent (even when previewing) to leave a business card in the property. Should an agent find a property left in an unsatisfactory condition it should be reported to the Listing Broker immediately.
- g. Lockboxes shall be removed within 48 hours of settlement.

18. Allocation of Keys:

The Association will not issue more than one key per holder except that an agent may have 1 e key and 1 d key at the discretion of the individual Association.

19. Various Fees

The Associations reserve the right to invoke a variety of fees and/or price schedule and may, at their respective discretion, alter these fees and prices as each association sees fit on an individual association basis.

Hardware Costs: Lockbox and Keys

Maintenance Fees: Annual maintenance Fees for Keys

Warranty Fees: For Lockboxes and Keys

Administrative Fees: For lost/stolen keys, return of replacement key.

Late Fees: For late payment of any of the above fees.

Reactivation Fee: For reactivating a terminated key.

20. **Miscellaneous**

If any provision of the User Agreement or these Rules and Regulations shall be held to be invalid, illegal, or unenforceable, such holdings shall not affect the validity, legality or enforceability of the remaining provisions. These Rules and Regulations shall include any and all amendments thereto which may be adopted from time to time by written consent of all participating associations. No association shall adopt any Bylaws provision, or any other rule or regulation or policies, any of which are in conflict with these Rules and regulations, without the written consent of all associations.