

COMMON LOCKBOX RULES FOR THE TWIN CITY METROPOLITAN AREA

The Electronic Keybox System is a service of the Minneapolis Area Association of REALTORS®, the St. Paul Area Association of REALTORS® hereafter referred to as Participating Associations. Supra is the Electronic Keybox System vendor. The Participating Associations have adopted the following Electronic Keybox System Rules to be administered by the Associations.

1) Qualified Keyholders. REALTOR members are eligible for application to hold a DisplayKEY or eKEY, subject to approval of their application and their execution of a lease agreement. Licensed Real Estate Appraisers who are members in good standing of the Associations may be eligible to lease keys subject to approval of their application and their execution of a lease agreement.

The following are also eligible for application to hold a DisplayKEY or eKEY, subject to approval of their application and their execution of a lease agreement. Affiliate members of the Associations, actively engaged in a qualified field of real estate practice, may lease a DisplayKEY or eKEY, provided a lease agreement is signed by the Keyholder and by a principal, partner or corporate officer of the Keyholder's firm. Affiliate members of the Associations who are not licensed by the state in which they work will require satisfactory completion of a criminal background check at their expense. Criminal background checks shall be required every three years to maintain Keyholder privileges. For the purpose of this section, qualified Affiliate members eligible shall be:

- a) Radon Inspectors who are members in good standing of the Associations may be eligible to lease keys subject to approval of their application and subject to satisfactory completion of a criminal background check at their expense.
- b) Home Inspectors who are members in good standing of the Associations may be eligible to lease keys subject to approval of their application and subject to satisfactory completion of a criminal background check at their expense.
- c) Photographers who are members in good standing of the Associations may be eligible to lease keys subject to approval of their application and subject to satisfactory completion of a criminal background check at their expense.
- d) Home Stagers who are members in good standing of the Associations may be eligible to lease keys subject to approval of their application and subject to satisfactory completion of a criminal background check at their expense. 08/16

Unlicensed REALTOR® personal assistants and administrative/clerical staff who are members in good standing of the Associations and are under the direct supervision of an Association REALTOR® member, MLS Participant, or their licensed designee, may be eligible to lease keys subject to approval of their application and subject to satisfactory completion of a criminal background check at their expense. The lease agreement must be signed by the applicant, the sales associate/broker for whom the applicant works and the firm's principal or office manager. All parties who sign the lease agreement on behalf of an unlicensed assistant or other staff are completely responsible for any non-conforming actions, misuse of equipment or the service, or any outstanding fees.

2) No member of a participating Association is required to subscribe to the Electronic Keybox System. Each member who wishes to subscribe to the System must sign a lease agreement, which outlines the obligations to Supra and to the Associations. Lockbox lease agreements shall spell out the responsibilities of the parties and shall by reference incorporate any applicable rule or other governing provisions of the Multiple Listing Service or the Associations that relate to the operation of the Electronic Keybox System.

3) When a DisplayKEY or eKEY holder, whether an Association member, Affiliate member, or

unlicensed personal assistant, decides to A) no longer participate in the Electronic Keybox System B) no longer remain an active licensed sales associate or C) transfer to a different firm, the DisplayKEY or eKEY holder is responsible for notifying the Association of record that leased the DisplayKEY or eKEY of such action. In the case of discontinuing the service, the DisplayKEY holder is responsible for turning in the DisplayKEY within 30 days, and both DisplayKEY and eKEY holders are responsible for fulfilling any other terms agreed to in the lease agreement. Unlicensed personal assistants and administrative/clerical staff who are under the supervision of the DisplayKEY or eKEY holder and have signed a lease agreement are included in this rule.

4) Electronic Keyboxes may not be placed on a property without the written authority of the seller. This authority may be established in the listing contract or in a separate document created for that purpose. Members participating in the Electronic Keybox System are not required to place a keybox on a listed property.

5) A DisplayKEY or eKEY holder may not use the DisplayKEY or eKEY to access an Electronic Keybox without first receiving confirmation from a showing scheduling system or the listing company unless instructed otherwise, in writing by the listing agent or company. A Keyholder may not access an electronic keybox unless they hold an active license in the state which the property is located. A Keyholder may only access a keybox to perform the duty allowed by the Keyholder's membership category as described in Paragraph 1. Violations of this rule will result in significant penalties, including but not limited to a fine of up to \$5,000 for each violation of this rule and/or suspension from use of the Electronic Keybox System for a specified period of time.

6) DisplayKEY or eKEY holders shall not allow their DisplayKEY or eKEY to be loaned, given or used by other persons at any time. Violations of this rule will result in significant penalties, including but not limited to a fine of up to \$5,000 for each violation of this rule and/or suspension from use of the Electronic Keybox System for a specified period of time. The only exception to this rule is the temporary loaning of a DisplayKEY or eKEY to another authorized DisplayKEY or eKEY holder as a result of the electronic failure of a key holder's DisplayKEY or eKEY. Both DisplayKEY / eKEY holders must be affiliated with the same broker. The DisplayKEY / eKEY holder temporarily borrowing a DisplayKEY or eKEY due to the failure of a DisplayKEY or eKEY must notify the Association in writing within 48 hours that the DisplayKEY or eKEY is defective, that the defective DisplayKEY or eKEY is being returned to the Association for replacement with this written notice, and that a DisplayKEY or eKEY was borrowed from [*name of Association member*] who is affiliated with the same broker. The defective DisplayKEY or eKEY must be returned to the Association for replacement within 48 hours.

A Designated REALTOR® principal or an office's broker of record may purchase or lease additional DisplayKEY or eKEY to be issued on a temporary basis to other DisplayKEY or eKEY holders in the same office in the event their DisplayKEY or eKEY becomes non-functional outside normal business hours or under circumstances where a replacement DisplayKEY or eKEY is not reasonably available from the issuing Association. When a DisplayKEY or eKEY is issued on a temporary basis, it shall be the responsibility of the REALTOR® or broker of record to advise the Association in writing that the DisplayKEY or eKEY has been issued, to whom, the date and time of issuance immediately. It shall also be the responsibility of the REALTOR® principal or the broker of record to advise the Association in writing immediately after possession of the previously issued DisplayKEY or eKEY has been reassumed.

7) Electronic DisplayKEY or eKEY holders acknowledge that it is necessary to maintain security of the DisplayKEY or eKEY and its personal identification number (PIN) to prevent use by unauthorized persons. Data integrity is also vital to the successful operation of the keybox system. DisplayKEY or eKEY holders agree to the following rules:

a) To keep the DisplayKEY or eKEY in a safe place at all times.

- b) To never store the PIN number with the DisplayKEY or eKEY, in or on the key pouch or eKEY cover/protective device, or where it would be accessible if the key were lost or stolen.
- c) To never duplicate the DisplayKEY or eKEY or allow another to do so.
- d) To never assign or transfer the DisplayKEY or eKEY or Keybox to another person, unless done in compliance with Paragraph 7.
- e) To never destroy, alter, modify disassemble, or tamper with the key.
- f) To notify the Association immediately upon of the loss or theft of the DisplayKEY or eKEY.
- g) To follow any additional security procedures specified by Supra, The Multiple Listing Service or the Association.
- h) To never write shackle codes on electronic key boxes.
- i) To never program rude or offensive electronic text into an iBox.

Violation of any portion of Rule 7 could result in a fine of up to \$5,000 for each violation and/or suspension from use of the service for a specified period of time.

8) The Association may refuse to sell or lease DisplayKEYs or eKEY's, may terminate existing DisplayKEY or eKEY lease agreements and may refuse to activate or reactivate any DisplayKEY or eKEY held by an individual convicted of a felony or misdemeanor if the crime, in the determination of the Association, relates to the real estate business or puts or threatens to put clients, customers, or other real estate professionals at risk. The Association may suspend the right of DisplayKEY or eKEY holders to use DisplayKEY or eKEY following their arrest and prior to their conviction for any felony or misdemeanor which, in the determination of the Association, relates to the real estate business or which puts or threatens to put clients, customers, or other real estate professionals at risk.

Factors that can be considered in making such determinations include, but are not limited to:

- a) The nature and seriousness of the crime
- b) The relationship of the crime to the purposes for limiting keybox access
- c) The extent to which access (or continued access) might afford opportunities to engage in similar criminal activity
- d) The extent and nature of past criminal activity
- e) Time since criminal activity was engaged in
- f) Evidence of rehabilitation while incarcerated or following release and
- g) Evidence of present fitness.

9) The listing participant shall remove the Electronic Keybox from the property within 48 hours after the listing expires, results in a closed sale or property rental, or whenever notified by the RMLS or the Association to remove the Electronic Keybox.

Associations have the right to confiscate any electronic keybox that they must arrange to be removed from any non-active listing. Associations also have the right to charge time, penalty, and travel fees related to removal or exchange of electronic keyboxes where the association must arrange for an on-site visit to either active or non-active listings.

10) If a DisplayKEY or eKEY holder accesses an Electronic Keybox and finds the property key missing, or the property is unlocked or damaged, the DisplayKEY or eKEY holder is required to notify the listing office immediately.

11) A DisplayKEY or eKEY holder will be allowed a maximum of 2 successive undocked key updates (courtesy updates). The third or subsequent update must be done via the DisplayKEY.

12) Complaints about violations of the Common Lockbox Rules for the Twin Cities Metropolitan Area must be sent in writing to the Keyholder's association within 60 days of the alleged violation.

13) Any DisplayKEY or eKEY holder, party to a Supra lease agreement or any other authorized users of the Electronic Keybox System may be assessed penalties, including fines for violations of these Electronic Keybox System Rules. Penalties may include a letters of reprimand, suspension from use of the Electronic Keybox System for a period of time, and/or a fine up to \$5,000.

14) A DisplayKEY or eKEY holder and/or responsible person/entity, shall be required to pay damages to offset all of the costs in re-establishing the security of the overall Supra Electronic Keybox System if it is determined the security has been compromised through the negligence or fault of the DisplayKEY or eKEY holder.

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