

VIRGINIA PENINSULA ASSOCIATION OF REALTORS®
POLICY AND PROCEDURES FOR KEYBOXES AND ENTRY CARDS

The Virginia Peninsula Association of REALTORS® (VPAR) owns and operates an electronic KeyBox system, "Supra ActiveKey™ or other authorized device and KeyBoxes", for the benefit of its members.

The ownership of this system is solely held by the Virginia Peninsula Association of REALTORS®, which shall, lease, sub-lease or license Entry Cards and Keyboxes to every REALTOR® and REALTOR®-ASSOCIATE® and every non-principal broker, sales licensee and licensed or certified appraiser affiliated with a REALTOR®, under these policies and procedures, which may from time-to-time be amended and/or revised.

I. DEFINITIONS:

- A. **Keybox** refers to the Supra iBOX™
- B. **Entry Card** refers to the Supra ActiveKey™ or eKEY and related equipment and/or software.
- C. **Shackle Code** is a special code unique to each keybox which allows the shackle to be released.
- D. **Personal Identification Number (PIN)** is a four (4) digit number issued unique to each Entry Card which will permit entry into the System.
- E. **Holder** ("Keyholder") is any licensed real estate associate or licensed appraiser under the supervision of a Participant.
- F. **Participant** is any REALTOR® Principal Member of VPAR or any other Board or Association of REALTORS or his/her designee as described in the VPAR Bylaws.
- G. **Lease Agreement** is the VPAR Supra ActiveKey™ Sublease Agreement or the eKEY Sublicense Agreement.
- H. **Keybox Lease Agreement** is the VPAR Supra iBOX™ Keybox Receipt and Sub-Lease Agreement.
- I. **Affiliate members** are individual affiliate members (Primary Affiliate Members) and persons who are employed by affiliate members firms (Secondary Affiliate Members) as described in the VPAR Bylaws, Article IV, Section 1C.

- J. **Personal Assistants** (who qualify for Affiliate Card Access) are unlicensed individuals who work for a Participant or Holder or licensed individuals who work for a Participant or Holder.
- K. **Affiliate Card** refers to the Supra product used by both VPAR Affiliate Members and Personal Assistants. Affiliate Cards are similar to the Entry Cards used by Holders as defined in section I except they are programmed to operate with restricted access.
- L. **SUPRAWEB** is a website where the keyholder can manage their key and keyboxes.

II. **POLICIES GOVERNING PARTICIPANT AND HOLDER:**

The policies governing any and all Keybox and Entry Card systems owned by the Virginia Peninsula Association of REALTORS® are as follows:

- A. Upon execution of the VPAR Supra iBOX™ Keybox Receipt and Sub-Lease Agreement by the Participant, the Participant and his/her Holder(s) agrees to all terms and conditions of that Agreement. Violation of any of the terms and conditions may constitute grounds for termination of the agreement, imposition of fines and/or charges under VPAR's professional standards enforcement procedures.

1. **Right to Free Use**

VPAR grants to each Participant who enters into a Keybox Receipt and Sub-Lease Agreement the revocable right to use the Keyboxes (assigned to the Participant by VPAR) in connection with the Participant's and his/her Holder's normal and customary activities as a real estate agent or appraiser. So long as Participant observes and performs all of the applicable terms and conditions, the Keyboxes will be provided to Participant at no additional charge, otherwise, Participant will be required to pay the amounts set forth in the Sub-Lease Agreement, the Policies, or as specified by the Board of Directors of VPAR.

2. **Maximum Number of Keyboxes**

Participant or their authorized agent will be provided Keyboxes based on the following formula:

number of active, excluding pendencies, exclusive right to sell, exclusive agency and "office exclusive" residential and rental listings which are published in the MLS by the Participant's firm x 1.10

The entitlement of 110% Keyboxes to listing inventory is contingent upon all active licensees within the firm maintaining Holder status with VPAR. When this

requirement is not met, the allowance of keyboxes will be reduced by the percentage of agents within the firm who do not participate in the VPAR system. Licensees who do not have access to VPAR Keyboxes will not be included in this requirement.

3. Audit

VPAR will perform an annual audit of each Participant's listing inventory which includes all active residential and rental listings which are currently listed in the REIN MLS. These audits will be for the purpose of recalling Keyboxes that exceed the 110% of inventory or to determine that a Participant is entitled to additional Keyboxes. Failure to return the requested Keyboxes which are assigned to the Participant will subject the Participant to Keybox replacements costs and other charges as stated in the Policies or Procedures or as determined by the Board of Directors.

4. Ownership

Keyboxes are the sole property of VPAR and each Participant will be responsible for all Keyboxes issued to the Participant's firm.

5. Authorization

Each Participant or Holder will secure written authorization from the owner of property listed for sale or rental for the installation and use of a Keybox on such property. Extreme care should be taken by a Participant/Holder to ensure that all doors to the listed property and the Keybox are locked. The Participant/Holder shall disclose to the property owner that the Keybox is not designed or intended as a security service or device.

6. Security

No party to whom access is granted by virtue of that party's affiliation with a Holder may be left unattended in the listed property unless authorized by the seller.

7. Termination/Revocation of Services

Use of the Keyboxes will be revoked forthwith and Keyboxes must be returned to VPAR in good working order and condition (or Participant will be required to pay the then Keybox replacement cost) within two (2) business days of the happening of any one of the following events:

- a. Participant ceases to be a member of VPAR.
- b. Failure of Participant or his/her Holder(s) to observe the terms and conditions set forth in the Sub-Lease Agreement or any other agreements with VPAR or to observe any of the Policy and Procedures of the Keybox System.

8. Lost/Stolen Keyboxes

Participant must immediately notify VPAR within two (2) business days by telephone and in writing of the loss or theft of any Keyboxes and the circumstances surrounding such loss or theft.

9. Defective Keyboxes

Participant must return a defective or malfunctioning Keybox to VPAR who will issue Participant another Keybox: provided there has been compliance with all agreements and policies. Participant shall be responsible for the repair or replacement cost of any Keybox, including shipping and handling, necessitated by the negligent handling or abuse by Participant or Holder as determined by VPAR.

10. Keybox Access Hours

Keyboxes are factory set to allow access from 7:00 a.m. to 9:00 p.m., non-daylight savings time or 8:00 a.m. to 10:00 p.m. daylight savings time. Listing real estate agents may bring a Keybox to the VPAR office to reprogram the Keyboxes for hours other than the predetermined timed access currently in the Keybox. Each individual Participant may, at the Participant's discretion, **turn on** or **turn off** the predetermined timed access on each Keybox using his or her Entry Card. When the timed access is turned off, the Keybox may be entered twenty-four (24) hours each day.

11. Removal of Keyboxes from Properties

Participant or his/her Holder(s) is responsible to remove a Keybox within 24 hours of the settlement of the sale of the property or within 24 hours of the withdrawal or expiration of the listing of the property, or as otherwise directed by the seller.

If VPAR Staff goes to a property to remove a malfunctioning keybox, there is no cost. If VPAR Staff goes to a property to remove a malfunctioning keybox and it releases normally there will be a fine of \$25.00.

12. Confidentiality of Shackle Codes and Affiliate Access Codes

Each Participant and his/her Holder(s) will be allowed access to shackle codes and affiliate codes for those Keyboxes issued to their firm. Should a Participant need to obtain a shackle code for his/her Keyboxes, he/she may do so by calling the Association and giving his/her Personal Identification Number (PIN) to the VPAR staff member. Staff may then release the shackle code via telephone. Staff may only release shackle codes for boxes issued to the Participant. Since PINs are confidential, VPAR will assume no responsibility for lost or stolen Keyboxes or their contents since the Participant would have revealed his/her PIN to someone else in

order for staff to have given out the shackle code.

- B. Upon execution by a Holder of the Lease Agreement, which is co-signed by the Holder's Principal Broker, the Holder agrees to observe and perform all the terms and conditions of the Policies and Procedures for Keybox and Entry Card. The Holder's breach or violation of any of the terms and conditions of the Lease Agreement and these policies and procedures will constitute grounds for VPAR's termination of the Lease Agreement, imposition of costs, charges and liquidated damages and suspension of Holder's access to, and use of, the System and all other VPAR services under VPAR's professional standards enforcement procedures.

1. Receipt of Entry Card and PIN

Participant must grant VPAR permission to lease to Holder an electronic Entry Card which will permit entry into the System.

- a. VPAR will require Holder to attend an Instructional Training Program on the operation and use of the Entry Card and Keybox before Entry Card and Personal Identification Number (PIN) will be issued.

2. License to Use

Upon execution of VPAR Sub-Lease Agreement Holder will be granted a **revocable** license to use the Entry Card in connection with his/her normal and customary activities while acting as a real estate agent or appraiser on the terms and conditions set forth in the referenced Lease Agreement.

3. Purpose

Holder shall use the Entry Card 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.

4. Revocation of License

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

- a. Suspension or termination of Participant or Holder.
b. Upon payment of any and all delinquent fees, if any, and returning to VPAR the Entry Card and Cradle.
c. Termination of Holder's affiliation with Participant for any reason or failure to notify VPAR of transfer within 10 days. When Holder again becomes affiliated with an eligible Participant, license may be reinstated upon such other Participant's authorization.
d. Termination of Holder's affiliation with Participant for any reason or failure to notify VPAR of transfer within 10 days. When Holder again becomes affiliated with an eligible REALTOR®, license may be reinstated upon such

other REALTORS® authorization.

- d. Failure of Participant or Holder to comply with any of the terms and conditions set forth within the Lease Agreement, including but not limited to, the provisions for security in paragraph 6 below, or provision of the VPAR Bylaws and these policies and procedures.

VPAR may and shall immediately de-activate the Entry Card upon notification of any of the above events, and shall not be obligated to re-activate Entry Card unless and until Holder again becomes authorized to utilize the System.

5. Current Update Code

Upon execution of VPAR Sub-Lease Agreement Participant and Holder acknowledge that the Entry Card has an update code and that this code expires daily.

- a. Holder cannot use the Entry Card unless he/she updates electronically or obtains a new current update code from the VPAR's KIM Voice or www.supraekey.com each day and enters it into the Entry Card. If Holder has obtained an update code via KIM or the internet 2 times, holder must communicate data to KIM via cradle or computer e-sync before receiving the next update.
- b. Holder will not be updated electronically or issued a new current update code if his/her Entry Card license is revoked pursuant to paragraph 4 above or if Holder's monthly Keybox System User fees are not paid.

6. Security of Entry Card

Upon execution of VPAR Sub-Lease Agreement Participant and Holder acknowledge that it is necessary to maintain security of the Entry Card to prevent its use by unauthorized persons. Upon execution of Lease Agreement Holder agrees:

- a. To keep the Entry Card in Holder's possession or in a safe place at all times.
- b. Not to allow his/her PIN to be attached to the Entry Card.
- c. Not to disclose his/her PIN to any third party.
- d. Not to loan the entry card to any person, for any purpose whatsoever.
- e. Not to duplicate the Entry Card or allow any other person to do so.
- f. Not to assign, transfer, or pledge the Entry Card or any rights thereto, except as noted in IID - Termination of Lease Agreement.
- g. To follow all additional security procedures as specified by VPAR from time to time.

7. Lost or Stolen Entry Card

In the event an Entry Card is lost, stolen, or otherwise unaccounted for, Participant and Holder shall notify VPAR immediately by telephone and in writing and promptly thereafter execute and deliver to VPAR a notarized affidavit as to the facts surrounding the loss, theft or inability to account for the Entry Card. Participant and

Holder shall promptly report any such theft to the appropriate law enforcement agency.

8. Audit/Inspection

Upon receipt of written notice from VPAR, Holder shall submit the Entry Card for inspection at such place and time as VPAR shall designate. The Entry Card shall be deemed lost if a Holder fails or refuses such request or is unable to demonstrate that the Entry Card is within the Holder's physical control and possession. Cards which are deemed lost will be deactivated.

9. Failure to Comply and Violation

Any failure to comply with any of the terms of the Sub-Lease Agreement or the VPAR Bylaws and the Keybox and Entry Card Policies and Procedures of VPAR shall be considered an event of material default. Upon the occurrence of any such event of default, this Agreement and all licenses hereunder shall be terminated and Participant and Holder shall be subject to loss of access to the system, fines, and other penalties as determined by the VPAR Bylaws and Keybox and Entry Card Policies and Procedures under VPAR's professional standards enforcement procedures. VPAR will provide a due process hearing before the Association's Professional Standards Committee if a Participant or Holder who is found in violation of KeyBox Policies and Procedures requests such a hearing.

10. Participant and Holder's Responsibilities

For as long as Holder shall have an Entry Card, Participant shall maintain supervisory authority over Holder. Holder shall be actively engaged in the real estate or appraisal profession as defined by the National Association of REALTORS®.

- a. Participant and Holder shall maintain current real estate licenses or appraiser licenses.
- b. Participant and Holder shall promptly notify VPAR should either cease to hold a valid license and/or supervision of Holder is terminated.
- c. Holder must keep VPAR advised in writing at all times as to the address and current e-mail address of the Holder.

11. Requirement of Identification

Should Holder need to obtain his/her PIN number, VPAR and its employees, shall require Holder to personally appear at the VPAR office and produce appropriate identification.

- a. Appropriate identification shall consist of a valid Driver's License and Holder's Real Estate License or appraiser's license.
- b. VPAR shall maintain an accurate accounting of all information disseminated under this provision.

12. Participant as Holder

The Participant can also be a Holder and shall have all of the obligations assigned to Holder.

13. Indemnity

Each Holder shall indemnify VPAR against and hold VPAR harmless from any and all actions, suits, costs, expenses, damages and liabilities, including attorney's fees arising out of, connected with, or resulting from the use of the Keybox, Entry Card or System including, but not limited to, Participant or Holder's loss of use of the Keybox or Entry Card, use of the Entry Card by any other person, any breach of this Agreement or the VPAR Bylaws and Keybox and Entry Card Policies and Procedures and damage or injury to property or persons arising out of the entry by any person into any premises by the use of the Entry Card.

C. Costs and Fees

1. Monthly Usage Fee

VPAR shall assess a monthly fee "Usage Fee" to be billed quarterly to each Participant and each Holder licensed with the firm. VPAR shall also develop and maintain a new and used product price schedule. Violation of any of the terms and conditions may constitute grounds for termination of the agreement, imposition of fines and/or charges under VPAR's professional standards enforcement procedures.

- a. Participant and Holder, upon executing the Lease Agreement agree to pay the monthly fee.
- b. VPAR shall annually review the "Usage Fee" and make any necessary adjustments based on the cost to operate the System.
- c. VPAR shall Lease Entry Cards in accordance with the product price schedule.
- d. VPAR shall develop a Fines and Penalties Schedule and assess fines and penalties for violations of the Sub-Lease Agreement and/or these policies in accordance with the schedule. VPAR shall annually review the Fines and Penalties Schedule and make any necessary adjustments.

D. Termination of Lease Agreement

Use of the Entry Card will be terminated and the Key deactivated if Holder ceases to be directly affiliated with a Participant Member of the Virginia Peninsula Association of REALTORS®.

Upon written notice to VPAR Holder may terminate the Sub-Lease Agreement at any time upon payment of any and all delinquent fees, if any, and returning to VPAR the Entry Card and related equipment and/or software

- a. Reporting of an Entry Card lost, stolen or otherwise unaccounted for shall not be construed as Notice of Termination.

At the termination of the Sub-Lease or the expiration of the Term, Holder, at his/her expense, shall immediately return to VPAR or its designee, all of the equipment with all software and other components of the service which have been sub-leased to Holder, in good condition, repair and working order, except for ordinary wear and tear. Failure to do so will result in an equipment assessment as determined by the Board of Directors.

III. **AFFILIATE CARD ACCESS**

In an effort to provide continuing services to its members, VPAR has arranged for Affiliate Members and Personal Assistants to have limited access to the Supra Advantage Express Keybox System. Access to listings will be obtained by use of the CBS (Call Before Showing) code. The CBS code is a seven digit code that is known only by the Lessee of the Keybox and is required to be programmed into an Affiliate Entry Card in order to open an Electronic Keybox.

A. **Policies**

The policies governing the use of the Affiliate Card are as follows:

1. Upon execution of the Sub-Lease Agreement, co-signed by that individual's Participant Holder or Primary Affiliate, a Personal Assistant or Affiliate Member agrees to all the terms and conditions of that agreement. Violation of any of such terms and conditions may constitute ground for termination of the agreement and imposition of such fines and/or charges as may be determined by VPAR from time to time under VPAR's professional standards enforcement procedures.
2. Personal Assistants. The Participant and/or Holder for whom the Personal Assistant works must be active and in good standing. The Participant Holder will purchase the Affiliate Card for his/her Personal Assistant and pay all annual usage fees. The Sub-Lease Agreement for the Entry Card must be signed by the following people:
 - a. The unlicensed or licensed Personal Assistant
 - b. The Participant of the firm.
 - c. The Holder(s) for whom the Unlicensed/Licensed Assistant works, if applicable.
3. Affiliate Members. VPAR Affiliate Membership must be active and in good standing for an individual to receive an Affiliate Card. The Affiliate Member will sub-lease the Entry Card and pay all annual usage fees.
4. The Affiliate Card can only access the listing for which it has a CBS entry code. The Affiliate Card is updated each day, exactly as the Entry Card.
5. Loaning of the Affiliate Card is strictly prohibited, and would be considered a

security breach.

B. Affiliate Card Fees

1. Affiliate Cards are leased to Affiliate members and Personal Assistants on an annual basis. The annual fee is due up front at the time of issue and is non-refundable. Card Holders will have the opportunity to renew each year.
2. If not renewed, failure to return the Entry Card will result in a fine as determined by the Board of Directors.

C. Security Breach

No Affiliate Card Holder may permit public access to the listed property.

A security breach of the Keybox system will be acted upon consistent with the Policies and Procedures for Keybox and Entry Card herein. Participant and Holder will be liable for the actions of their Personal Assistants.

D. Termination of Service

Upon termination of Affiliate Membership, the employment of the Personal Assistant by the Participant or Holder or the membership of the Participant or Holder, the Affiliate Card will be deactivated.

IV. MISCELLANEOUS

If any provision of the Keybox Sub-Lease Agreement, Entry Card Sub-Lease Agreement or these policies shall be held to be invalid, illegal, or unenforceable, such holding shall not affect the validity, legality, or enforceability of the remaining provisions.

- a. VPAR Bylaws and Keybox and Entry Card Policies and Procedures as referred to in the Keybox Lease Agreement and Lease Agreement shall include any and all amendments thereto which may be adopted from time to time.

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