

MULTIPLE LISTING SERVICE OF ELKHART COUNTY
RULES AND REGULATIONS

COMMON LOCK BOX SYSTEM OF THE MLS OF ELKHART COUNTY

(Last Updated 6/09)

The MLS of Elkhart County is the administrator and owner of the Lock Box System. The MLS leases the Lock Box System from an approved vendor and offers authorized persons access to electronic lock boxes, herein referred to as a lock box, and electronic devices/software to operate the lockboxes, herein referred to as an entry card. The MLS adopted NAR's lock box security requirements as outlined in the MLS Handbook along with the following local requirements: (Amended 2/09)

SECTION 7 **AUTHORIZED PERSONS:** An entry card is available to Participants, and their salespeople (and licensed or certified appraisers affiliated with participants) and persons who are authorized by the MLS Board of Directors including non-member licensees who are affiliated with REALTOR® members and Affiliate members appropriately applying. No one shall be required to lease an entry card, except on a voluntary basis. (Amended 2/09)

SECTION 7.1 **ISSUANCE PROCEDURES:** Before an entry card will be issued, the individual salesperson (or appraiser) affiliated with the Participant shall sign a written agreement with the MLS stipulating the responsibilities and liabilities of both the salesperson and the Participant. An annual lease fee, maintenance fee, and a \$50 administration fee is required to be paid at the time the entry card is issued or billed to the office. The lease and maintenance fee will be determined annually by the Board of Directors. In an agent transfer situation, the agent will retain their original entry card pursuant to the terms set out in the lease contract. Effective January 1, 2006, a \$50 reinstatement fee will be charged to reactivate entry cards turned off for nonpayment of annual fee. (Amended 2/09)

Before a lock box will be issued, the Participant shall sign a written agreement with the MLS stipulating the responsibilities to maintain a record of the location of each lock box and liabilities should boxes be lost or otherwise unaccounted for. Such liability is established at current cost of lock boxes plus shipping and handling, however, the MLS reserves the right to adjust this amount in accordance with cost adjustments by the supplier. Initial distribution will be in an amount equal to all of each office's Elkhart County and St. Joseph County (IN) active and pending residential, residential lease, farm, income, business/commercial/industrial, and business/commercial/industrial lease plus 15% or maximum of 10 excess, with a minimum of two boxes per office. After initial distribution, lock boxes in stock will be issued by written request made by the Participant accompanied by documentation that all boxes currently issued to that office are being used. The documentation must show the serial number and location of each box. Lock boxes will be available on a loan basis to Participants. The staff reserves the right to limit the number of lock boxes issued. As part of the Audit process, each office will receive an allocation of lockboxes based on the number of active & pending Residential, Residential Lease, Income, BCI and BCI Lease listing in Elkhart & St. Joseph Counties entered into the MLS system. In addition, a 5% inventory allowance, or maximum of 10 and minimum of 1 lockbox, will be allocated if the MLS has lock box inventory available. Inventory shall be considered lockboxes over and above the amount allowed per the current policy. The board reserves the right to request the return of lock boxes not in use. The MLS will charge the Participant for each lock box not returned twenty days after an audit. The MLS may charge a cleaning fee of \$5 per lock box if cleaning and shackle code is needed when lock boxes are returned to the MLS office. (Amended 6/09)

Participants who use the Lock Box Service but who do not use an entry card themselves will be billed an annual lease fee. Participants who do not use the Lock Box Service will not be billed. (Amended 2/09)

SECTION 7.2 **RECORDS:** The MLS shall maintain records as to all entry cards in inventory and all entry cards that have been issued. The entry cards that have been issued shall have the following information recorded: Date entry card issued, entry card number, pin number, person to whom the entry card was issued, and date entry card was returned. (Amended 6/03)

SECTION 7.3 **LOSS OF ENTRY CARD:** If an entry card is lost, stolen or otherwise unaccounted for, the following procedures shall be followed before a new entry card will be issued:

- a. The entry cardholder shall sign a notarized statement certifying the circumstances under which the entry card was lost, stolen or misplaced. This statement shall be presented to the MLS and a report made to the proper police authorities. The annual lease fee on the missing entry card will be forfeited. A new annual lease fee and \$150.00 non-refundable Lost/Stolen Key fee will be required along with a new lease agreement for the replacement entry card. (Amended 6/03)

SECTION 7.4 **ANNUAL AUDIT:** At least annually, the MLS shall audit all entry cards that are issued to authorized persons and those in inventory. If there is evidence of any serious compromise of security or at the Board of Directors discretion, there shall be a change of entry cards for the entire system. (Amended 9/96)

SECTION 7.5 **UNAUTHORIZED ENTRY:** Cooperating brokers and sales licensees, whether functioning as agents of potential purchasers or not, must contact the listing broker to disclose their agency status and to arrange appointments to show listed property even if the property has a lock box affixed to it, unless the listing broker has given specific permission (through information published in the MLS or otherwise) to show the property without first contacting the listing broker. In the event of an unauthorized entry, the listing agent may file a complaint with the MLS against the cooperating agent. The procedure is as follows: (Amended 7/99)

First Complaint - Warning

1. Complaint must be received by the MLS office within seven days of the unauthorized lock box entry date in question.
2. Documentation (complaint in writing plus lock box read-out) must be received from the listing agent.
3. Letter from board office sent to the showing agent and their Principal Broker.
4. Showing agent may choose to respond in person or by letter to the Board of Directors at their next scheduled meeting to request the warning be waived.
5. If the showing agent chooses to respond, the listing agent may also appear in front of the Board of Directors at their next scheduled meeting or may let the documentation provided stand alone.
6. Warning letter sent to showing agent or warning dismissed. Documentation put in showing agents file.

Second Complaint - Fine

1. Complaint must be received by the MLS office within seven days of the unauthorized lock box entry date in question.
2. Documentation (complaint in writing plus lock box read-out) must be received from the listing agent.
3. Letter from board office sent to the showing agent and their Principal Broker.
4. Showing agent may choose to respond in person or by letter to the Board of Directors at their next scheduled meeting to request the fine be waived or pay the fine.
5. If the showing agent chooses to respond, the listing agent may also appear in front of the Board of Directors at their next scheduled meeting or may let the documentation provided stand alone.
6. \$50 fine levied in showing agents name on next MLS office billing statement or fine dismissed. Documentation put in showing agents file.

Third Complaint - Fine

1. Complaint must be received by the MLS office within seven days of the unauthorized lock box entry date in question.
2. Documentation (complaint in writing plus lock box read-out) must be received from the listing agent.
3. Letter from board office sent to the showing agent and their Principal Broker.

4. Showing agent may choose to respond in person or by letter to the Board of Directors at their next scheduled meeting to request the fine be waived or pay the fine.
5. If the showing agent chooses to respond, the listing agent may also appear in front of the Board of Directors at their next scheduled meeting or may let the documentation provided stand alone.
6. \$100 fine levied in showing agents name on next MLS office billing statement or fine dismissed. Documentation put in showing agents file.

Fourth Complaint - Keypad privileges revoked

1. Complaint must be received by the MLS office within seven days of the unauthorized lock box entry date in question.
2. Documentation (complaint in writing plus lock box read-out) must be received from the listing agent.
3. Letter from board office sent to the showing agent and their Principal Broker.
4. Showing agent may choose to respond in person or by letter to the Board of Directors at their next scheduled meeting to request the revoking of keypad privileges be waived or lose keypad privileges.
5. If the showing agent chooses to respond, the listing agent may also appear in front of the Board of Directors at their next scheduled meeting or may let the documentation provided stand alone.
6. Keypad privileges revoked/user fee and deposit forfeited or complaint dismissed. Documentation put in showing agents file.

SECTION 7.6 OWNERS AUTHORIZATION: The listing broker, prior to placing a lock box on a property, must obtain written authorization from the property owner to place a lock box on his/her property. Nothing shall prevent the owner's right to refuse to have a lock box on his/her property. (Amended 5/97)