



**SEDONA VERDE
VALLEY
ASSOCIATION OF
REALTORS®, INC.**

**2022
POLICY STATEMENTS**

**APPROVED AND ACCEPTED BY
THE BOARD OF DIRECTORS
February 23, 2022**

Policy Statements are for the purpose of developing guidelines and standards for internal Association operations. Policy statements shall be approved by the Board of Directors on a continuing basis as needed and must be re-approved each year by the Board of Directors. Policy recommendations may be made by Staff, Officers, Directors or Committee Chairmen.

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SECTION 000 – ADMINISTRATIVE

SECTION 100 – TRAVEL REIMBURSEMENTS

- 100.10 The President, Executive Vice President and the Board of Directors through the budget process shall designate which members of the SVVAR will be reimbursed for travel.
- 100.20 The President, President-Elect, Executive Vice President, and Treasurer shall be reimbursed for attendance at all AAR business meetings and related AAR events in conformity with budget restraints.
- 100.30 The SVVAR shall reimburse the President, President-Elect and Executive Vice President for travel incurred in conjunction with the NAR Annual Convention and other NAR related events. Said reimbursement not to exceed the budgetary limits.
- 100.35 While attending NAR meetings, the President, President-Elect and Executive Vice President must attend a minimum of the Member/Director Forum, Medium Sized Board Sub-Forum, Board President/AE Roundtables, AAR Caucus and the Region 11 Caucus and submit a signed Attendance Certification form to receive reimbursement of expenses. (approved 02/24/15)
- 100.40 Additional travel may be authorized by a simple majority vote of the Board of Directors.
- 100.50 The Association will maintain a MasterCard or Visa in the name of the Executive Vice President for the purpose of covering travel expenses and deposits for members on Association business.

SECTION 101 – ALLOWABLE TRAVEL EXPENSES

- 101.10 All claims for travel reimbursement from members authorized to receive reimbursement shall be submitted to the SVVAR within 30 days from the time such expense was incurred. All requests for reimbursements shall be evidenced by itemized written receipts and a completed and signed Travel Expense Report along with a written report on meetings/events attended. (amended 2/25/15)
- 101.20 Claims for automobile mileage shall be paid at the current IRS rate.
- 101.30 Claims for automobile parking shall be paid at the normal hotel rate, or in the event of travel originating from Phoenix Sky Harbor airport at the “park and fly” rate.
- 101.40 Reimbursement for airfare and hotels shall be at the most economical rate available at the time of making reservations. Normally coach, 14-day notice for airfare and convention rate for hotels.
- 101.50 The SVVAR will reimburse members for travel expenses incurred by an accompanying spouse only to the extent of a fee for additional per person room charge. No other fees for accompanying spouses will be covered. Such expenses will be evidenced to the traveling spouse by the issuing of an IRS 1099 form.
- 101.60 Extraordinary fees and charges incurred by members will not be reimbursed. Such extraordinary fees included but not limited to sports, health and spa facilities, laundry and cleaning, special event tickets (except for normal AAR & NAR functions as part of a meeting or convention), UPS and/or FedEx deliveries, personal and business telephone calls other than to the SVVAR office.

- 101.70 Members traveling on behalf of the SVVAR shall be reimbursed a meal and expense allowance only to the extent as evidenced by itemized written receipts and deemed reasonable and appropriate as approved by the Executive Vice President and President.

SECTION 200 – FINANCES AND BUDGET

- 200.10 The President and/or the Executive Vice President with approval of the Board of Directors may reallocate budget line items so long as such reallocations do not increase the total expenditures allowed by the budget.
- 200.20 An amendment or proposal to increase expenditures in the SVVAR approved Annual Budget in excess of \$500.00 (individual or cumulative) in any budget line item must be submitted to the Board of Directors.
- 200.30 The Executive Vice President shall work with the accountant to ensure that all quarterly and yearly state and national reports are accurate and filed in a timely manner.
- 200.40 The Executive Vice President shall review the monthly data and report to the Board of Directors the financial status of the Association.
- 200.50 The Executive Vice President shall present the Finance Committee with a preliminary budget by October 1st of each year.
- 200.60 The Finance Committee shall review the proposed budget and make a recommendation to the Board of Directors at the November meeting.
- 200.70 The Finance Committee shall establish all member dues and fees subject to the approval of the Board of Directors.
- 200.80 The Executive Vice President is charged with the responsibility of operating the Association within the guidelines of the budget.
- 200.85 Two (2) signatures will be required on all Sedona Verde Valley Association of REALTORS® checks for amounts of \$1,000.00 or more. Check signers will be the Executive Vice President, President, President-Elect, and Treasurer. The Executive Vice President is authorized to sign all checks up to \$1,000.00 for the recurring operating expenses of the Association. Checks made payable for the Association credit card, any out of the ordinary expenses and all checks for \$1,000.00 or over requires the signatures from any 2 of the following: the President, President-Elect, or Treasurer.
(Approved by Board of Directors June 25, 2003 and amended to delete Vice President 01/01/2010)
- 200.90 Each Committee Chairman will submit a proposed budget for the coming year to the Executive Vice President by January 1st of each year.
- 200.95 Member requests for review of confidential or sensitive SVVAR information will be referred to the “Request for Association Documents Policy”. Copies of such information will not be made available, but can be reviewed at the SVVAR office upon proper request. (approved by the Board of Directors April 30, 2014).

SECTION 300 – DUES AND FEES

- 300.10 There shall be no refund of Association dues paid for any reason after those funds have been deposited into accounts earmarked for SVVAR, AAR and NAR.

300.20 MLS participation fees will be billed annually at the end of the 4th quarter, due by January 15 every year.

300.30 Dues and MLS fees not paid by the due date will result in suspension of MLS privileges of the member until the past due amounts are paid with notification to the broker. A \$50.00 reinstatement fee will be assessed to re-activate MLS privileges. After 60 days, a \$300.00 reinstatement fee will be charged.

300.40 Dues and MLS fees past due by more than 30 days shall be brought to the attention of the Board of Directors for action.

300.50 Members are notified in multiple broadcast e-mails, the Flex MLS log-in page, and the SVVAR website that billings are available for payment by logging into their account. The due date for annual dues and MLS fees is January 15 every year, Members are allowed to pay their invoices directly to the Association with cash, check, or credit card. However, payment is still the responsibility of the Designated Broker/MLS Participant per the SVVAR Bylaws, SVVAR Policy Statements and the MLS Rules & Regulations. (amended 02/25/15)
The Payment Plan option was discontinued by the Board of Directors in November 2016)

300.60 Past Due Accounts:

1. Billings more than 2 weeks past due will incur a late fee of \$25.00.
2. After 15 days past due, the office/member access to the MLS shall be suspended until outstanding bills and late charges are paid.
3. After 60 days, member must pay a \$300.00 re-instatement fee.

300.70 The effective date for all dues and participation fees shall be the date of hire as listed by the Arizona Department of Real Estate.

301.00 **Schedule of Dues and Fees** (Approved 02/2022 by the Board of Directors)

301.10 **REALTOR DUES FOR 2022**

NOTE: NAR dues are prorated monthly, AAR dues are prorated by half year and SVVAR dues are prorated by half year.

	<u>NAR DUES</u>	<u>NAR IMAGE</u>	<u>AAR DUES</u>	<u>SVVAR DUES</u>	<u>TOTAL</u>
January	150.00	35.00	175.00	148.00	\$508.00
February	140.00	35.00	175.00	148.00	\$498.00
March	130.00	35.00	175.00	148.00	\$488.00
April	120.00	35.00	175.00	148.00	\$478.00
May	110.00	35.00	175.00	148.00	\$468.00
June	100.00	35.00	175.00	148.00	\$458.00
July	87.00	35.00	88.00	74.00	\$287.00
August	75.00	35.00	88.00	74.00	\$277.00
September	62.50	35.00	88.00	74.00	\$267.00
October	50.00	35.00	88.00	74.00	\$257.00
November	37.50	35.00	88.00	74.00	\$247.00
December	25.00	35.00	88.00	74.00	\$237.00

301.20 **NEW OFFICE** (REALTOR® and MLS only):
REALTOR® Organization Fee: \$500.00
MLS Organization Fee: \$700.00
(Newly established Primary or Branch office opened without change of ownership)

301.30	PRINCIPAL CHANGE: (Designated Broker/Designated REALTOR®)	\$ 25.00
301.40	OWNERSHIP CHANGE (Using Same Name):	\$ 25.00
301.50	NAME CHANGE BY NEW OWNER: (At time of ownership change) NOTE: Relates to buy out of an existing firm, purchase of a corporation, partnership, or sole proprietor creating a new principal.	\$ 25.00
301.60	OFFICE NAME CHANGE (No change in ownership): NOTE: Change defined as independent to franchise or reverse, new DBA or any kind of identification change.	\$ 25.00
301.70	NEW REALTOR® APPLICATION FEE:	\$ 200.00
	NEW REALTOR® MLS SET-UP FEE: (This is a one-time fee unless the member drops out of the Association and then rejoins less than 14 days later)	\$ 200.00
301.80	REACTIVATION FEE: (For members rejoining the Association) This fee will be charged if a member is unpaid for over 60 days.	\$ 300.00
301.90	OFFICE TRANSFER FEE: (For members transferring from one office to another)	\$ 25.00
302.00	AFFILIATE DUES: Individual Membership:	\$ 125.00
303.00	MLS FEES:	
303.10	MLS SERVICE FEES: (approved 02/2022) MLS Service Fees are not prorated	\$ 460.00
303.15	MLS REACTIVATION FEE: (approved 07/26/2006) (After suspension of MLS privileges) if more than 60 days a re-activation fee of \$300.00 will be charged.	\$ 25.00
303.20	MLS FIELD TOOL FEES: The Association shall provide to the members an option of selecting for their personal use depending on future technological advances some other instrument which is commonly referred to as a "field tool".	
	b) SUPRA E-KEY (BASIC OR PROFESSIONAL) LEASE: (Member contacts SUPRA directly to provide credit card or checking account information for auto-debit of monthly fees for Smartphones, etc).	

c) **SUPRA KEYBOXES:** Per Keybox: \$ 24.00

SUPRA keyboxes may be leased from the Association for a yearly fee to be determined annually by the Board of Directors.

d) **SUPRA COOPERATING KEY FEE:** (one-time fee) \$ 50.00

All SUPRA Active Keys, Active Key USB Cords & Chargers, Keyboxes and all related equipment are the property of the Sedona-Verde Valley Association of REALTORS and must be returned immediately upon the member leaving the Association.

303.25

FOR MLS ONLY:

MLS Participant Only (aka "Designated Broker")

New MLS Only Office Fee: **\$700.00** (one time)

MLS Only Office Maintenance Fee: **\$1200.00** annually (billed annually - \$1,200.00 per year)

MLS Only Quarterly Participant Fee: **\$460.00** per year

Total due with Broker MLS Participant application: **\$2360.00**

If the Broker desires to become a Secondary Member of SVVAR to avoid the monthly MLS Only Office Maintenance Fee, **the additional fees** listed below must be included:

MLS Participation & SVVAR Secondary Membership (aka "Designated Broker")

SVVAR Application Fee: **\$500** (one time)

SVVAR Annual Local Dues: **\$148** (pro-rated at application time)

Total due for MLS Participant fees and SVVAR Secondary membership: **\$1,808.00**
(\$700 + \$460 + \$500 + \$148)

The agents licensed under that broker have the option to become an MLS Subscriber and/or to join as a Secondary Member of SVVAR. Any agents that wish to subscribe and/or to join must complete all forms including the Application for Membership and include a letter of good standing from his/her primary association, show a copy of his/her photo ID and the appropriate payment. The fees for the agents are listed below.

MLS Subscriber Only (aka "Agent") (Broker must also be MLS Only)

MLS Application Fee: **\$200.00** (one time)

MLS Subscriber Fee: **\$460.00** per year

Total due with Agent MLS Subscriber application: **\$860.00**

If the Agent desires to become a Secondary Member of SVVAR, the **additional fees** must be included:

SVVAR Application Fee: **\$200.00** (one time)

SVVAR Annual Local Dues: **\$148.00** (pro-rated at application time)

Total due for Agent MLS Subscriber fees and SVVAR Secondary membership: **\$1008.00**
(\$200 + 460 + \$200 + \$148)

Optional: SUPRA Cooperating Key Fee: **\$50.00** (one time)

303.30 **IDX FTP ACCESS**

Vendor Charge for IDX FTP Access: \$200.00 *

* This fee is determined annually by the Board of Directors.

303.50 **PROFESSIONAL STANDARDS**

Effective January 1, 2003, all Arbitration & Ethics complaints and requests for Mediation are administered by the Arizona Association of REALTORS® per the SVVAR Bylaws.

303.60 **WAIVERS OF MLS FEES**

Under no circumstance will a waiver be granted for the basic quarterly MLS fee.

303.62 Prior to May 1998, upon proper application, a member who was verified by their Designated Broker to be involved solely in the real estate business as a property manager, a personal assistant to a licensed real estate salesperson or a secretary was granted a waiver of payment of the fee known as the “bundled” fee relating to books, handheld readers or other field tools only. The “bundled fee” was discontinued in May 1998 and members were allowed to select the option of a book, a handheld reader or to not select either one. Waivers were never granted for MLS quarterly service fees.

303.63 Effective July 1, 2018, the National Association of REALTORS® requires that Associations offer a no-charge Waiver of MLS fees according to the following requirements: (see Attachment A – “Multiple Listing Service Waiver/Certification of Non-Use”).

SECTION 400 – CAPITAL EXPENDITURES AUTHORIZATION

400.10 The President and/or the Executive Vice President shall be authorized to make such capital expenditures as are required but not to exceed \$500.00 per expenditure or more than \$1,000.00 cumulative in any budget year. Capital expenditures over \$500.00 shall require the approval of the Board of Directors. A list of such expenditures shall be provided to the Board of Directors at the next meeting.

SECTION 500 – SOLICITATIONS AND DONATIONS

500.10 All requests for financing for projects and endorsements must be submitted in writing to the Board of Directors for approval before implementation. In addition, a budget must be established and submitted to the Board of Directors for approval for any project where SVVAR finances will be pledged against losses or advance payment of costs.

500.20 The SVVAR, as an organization, will budget an amount determined annually by the Board to be used by the Public Relations Committee to fund local activities that provide public relations opportunities for the SVVAR REALTORS®. Local organizations that request monetary support shall be directed to the Community Outreach Chairperson for review. The Chairperson will make a recommendation to the Board of Directors for approval of funding requests on a local level only. (Revised BOD 01/01/2017)

SECTION 600 – RETURNED CHECKS

- 600.10 Any office or individual having tendered three checks returned for non-sufficient funds will be placed on a cash, certified check or money order only basis for a period of 24 months or until such time as the Executive Vice President is confident that the financial responsibilities of the company or individual have been reinstated.
- 600.20 Any company or individual who has tendered a non-sufficient funds check to the Association for any fee, dues or cost shall become responsible for payment of any charges levied upon the Association by its financial depositories.

SECTION 700 – AUTHORIZATION TO CONTRACT OR ENCUMBER

- 700.10 The President and/or the Executive Vice President with input from the appropriate committee(s) and approval of the Board of Directors and legal counsel, when needed, shall be the only individuals authorized to enter into contracts or agreements which incur financial or other liabilities to the Association up to \$1,000.00. All contracts in excess of \$1,000.00 shall be presented to the Board of Directors for approval prior to execution. The Board of Directors shall receive copies of all contracts.

SECTION 800 – OPERATING FUNDS AND INVESTMENTS

- 800.10 All operating funds not immediately required shall be invested in interest bearing accounts through federally insured financial institutions. Investments shall be made in such institution(s) that pays the highest rate of return at the time of deposit. Total deposit with any institution shall not exceed the amount insured plus any interest earned, with the exception of the Association's operating account where the limits shall not be applicable.
- 800.20 Primary investment oversight shall be the responsibility of the Executive Vice President and Finance Committee.
- 800.30 Transfers from the interest bearing accounts to the operating account(s) are at the discretion of the Executive Vice President but shall be noticed to the Board of Directors.

SECTION 900 – COMMUNICATIONS AND CORRESPONDENCE

- 900.10 The Association through its Executive Vice President shall keep on file a copy of all current governing documents including: Bylaws, MLS Rules and Regulations and all Policies and Procedures.
- 900.20 Bylaws shall be updated every two years per NAR guidelines.
- 900.30 Policies and Procedures shall be updated at least once a year, more often as needed.
- 900.40 Correspondence from a Committee to members concerning that Committee's functions, responsibilities and programs shall come only from the Chairman or at the discretion of the Chairman, another person so designated by the Chairman. Copies of all correspondence shall be kept on file at the Association office.
- 900.50 All dates for functions involving members of the Association should be cleared through the Executive Vice President for possible conflicts and so that they can be included on the master calendar.

900.60 The President, President-Elect and the Executive Vice President, in that order, shall be the only persons authorized to speak for or on behalf of the Association.

SECTION 1000 – ASSOCIATION COMMITTEES

- 1000.10 The President and Executive Vice President shall be ex-officio members of all Association Committees and Focus Groups.
- 1000.20 All Committees and Focus Groups of the Association will report to the Board of Directors and any action of a Committee or Focus Group, other than budgeted items, will be with the approval of the Board of Directors.
- 1000.30 Committee Chairman and other individuals appearing before the Board of Directors shall file with the Executive Vice President a written report of items to be covered not less than two days prior to the scheduled meeting date unless specific exception has been made. Copies of all such reports shall be provided to the Board of Directors.
- 1000.40 There shall be at least three members appointed to a Standing Committee.
- 1000.50 Quorum for a Standing Committee shall be at least 2 members plus the Chairman or the Chairman's designee.
- 1000.55 Any Committee member who fails to attend three (3) regular or special meetings of the Committee shall be deemed to have resigned from the Committee and a vacancy shall be filled with a new appointee.
- 1000.60 Appointments to the MLS Committee may be for two year periods on a staggered basis.
- 1000.65 Quick Response Team (QRT). The President shall appoint, subject to the confirmation by the Board of Directors, special Quick Response Teams (QRT) as deemed necessary who will report their research and recommendations back to the Board of Directors.
- 1000.70 The President shall appoint the Chairman of each Committee who will serve as such chairman during the President's term of office.
- 1000.80 The President-Elect shall name the Vice-Chairman of each Committee.
- 1000.90 The Chairman of each Committee is responsible for preparing and submitting to the Executive Vice President a Project Budget on each separate event when Association funds will be expended.
- 1001.00 The Association recognizes the volunteer efforts of members in organizing educational and social functions. However, no more than two such Committee members shall be granted free admission to any such function. The Committee Chairman shall have the sole discretion as to which two members are granted free admission.
- 1001.10 Recognizing that the Association becomes obligated to "guaranteed reservations" for social and educational functions, it is the policy of the SVVAR not to honor requests for refunds for educational sessions made less than seven days prior to the event. For social events, requests must be made at least three days prior to the event and will be honored only if the Association has not yet been committed to a guarantee.

SECTION 1100 – MEETINGS

- 1100.10 With exception of Executive Sessions of the Board of Directors, all meetings of the SVVAR are open to members.
- 1100.20 The President and/or the Executive Vice President shall be responsible for all communications, correspondence and logistics between the Association and meeting facilities and hotel properties relative to Association meeting functions.
- 1100.30 There shall be a no-smoking policy at all education and business meetings, with the exception of social functions where a smoking area will be designated.
- 1100.40 The Installation Banquet shall be held as close to the 4th Quarter of each year as possible without conflicting with other events.
- 1100.50 A Program/Functions QRT will meet with the in-coming and out-going Presidents as early in the year as possible to set the time and place for the program.
- 1100.60 The Finance Committee shall establish a budget every year to help defray the overhead cost of the banquet: i.e. awards, decorations, complimentary meals.
- 1100.70 The following complimentary meals shall be provided: in-coming and out-going President and guest, NAR or AAR dignitaries and guest, Region 3 Vice President and guest, all Association staff and their guests.
- 1100.80 The Annual Awards and Recognition Banquet shall be held in conjunction with the Annual Installation of Officers and shall be held during the 4th quarter of each year.

SECTION 1200 – PERSONNEL

- 1200.10 The Board of Directors may hire an Executive Vice President (EVP) to manage the Association and MLS Service as per the NAR Executive Vice President job description.
- 1200.20 All SVVAR staff members are directly responsible to the Executive Vice President. Requests for staff time other than normal staff liaison functions shall be coordinated through the Executive Vice President.
- 1200.30 A yearly personnel review shall be given to the Board of Directors at the September Board of Directors meeting.
- 1200.40 Eleven paid holidays for staff shall be selected by staff from among the following:

New Year's Day	Labor Day
Martin Luther King Day	Columbus Day
President's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Friday after Thanksgiving
	Christmas Day

Staff will also receive their birthday (or other day of their choice) off as a paid holiday. (approved by the Board of Directors in 2007)

- 1200.50 In the event such holidays fall on Saturday or Sunday, the Executive Vice President may designate the Friday before or the Monday after as the day off.
- 1200.60 Association personnel shall accumulate sick days of one and one half days per month. No more than 18 days can accumulate at any one time.
- 1200.70 Date of employment determines vacation eligibility. After one full year of employment – one week of vacation. After two full years of employment – two weeks' vacation. Starting with the third year of employment, an additional day per year will be granted. Vacation time cannot be accrued from year to year. Maximum annual vacation cannot exceed 20 days.

SECTION 1300 – MISCELLANEOUS

- 1300.10 The Association President and the Executive Vice President shall be the only individuals authorized to contact the Association's legal counsel directly on behalf of the Association.
- 1300.20 Only individuals authorized by the President, Executive Vice President or the Board of Directors may charge long distance calls to the Association. All such charges shall be made at the most economical rate available.
- 1300.30 Calls for Action shall be authorized by the President or the Chairman of the SVVAR Government Affairs Committee only.
- 1300.40 A Call for Action may be requested by the Chairman of the Government Affairs Committee, the Government Affairs Committee by a 2/3 vote or the President of the Association.
- 1300.50 Whenever possible, requests for Calls for Action by the Government Affairs Chairman shall be reviewed and approved by the Government Affairs Committee. In the absence of such action, requests for Calls for Action shall be approved by the Association President.
- 1300.60 In all instances the President should be made aware of any Calls for Action.
- 1300.70 When political Calls for Action are received, the Government Affairs Chairman shall contact the Executive Vice President with the information and the substance of the Call for Action, persons who should receive the Call and the time frame for completion of the Call.
- 1300.80 Mailing labels of member rosters to office addresses will no longer be available to Members, Non-members or Affiliates. (approved by BOD 07/26/2006)
- 1300.85 The use of membership mailing lists and rosters for commercial purposes is expressly prohibited with the exception of uses authorized by the EVP in fulfillment of contractual obligations. Any non-commercial use of membership mailing list and rosters must be authorized by the EVP. Under no circumstances shall member email addresses or phone numbers be provided electronically.
- 1300.90 A list of member companies can be made available to out of town prospective clients for the purpose of buying or selling real estate.
- 1301.00 The SVVAR does not and will not establish or maintain fixed or recommended rates of commission. Commissions are a matter of negotiations between the principal and the agent. The SVVAR will not interfere in those negotiations.

- 1301.10 Flowers, or a card when appropriate, will be sent to a member when hospitalized, or in the event of the death of an immediate family member, or at the discretion of the President or the Executive Vice President.
- 1301.20 When applicable, the President shall appoint a task force consisting of previous REALTOR® of The Year (ROTY) recipients to review and select the upcoming SVVAR REALTOR® of the Year if any nominations are received. (Changed to Distinguished Service & Vision Awards in 2014)
- 1301.30 The task force shall be appointed at the September Director's meeting. The selection process shall proceed in order to announce any Distinguished Service or Vision awards at the Installation Banquet to be held in December.
- 1301.40 Liquor is not part of Association business. The Association hereby adopts the policy that the Association or any Committee of the Association shall not provide alcoholic beverages free or at a charge at functions conducted by the Association or a Committee of the Association. This does not preclude the serving of alcoholic beverages where the Member purchases his or her drinks from a vendor or "cash bar" provided by the hosting facility such as a hotel, benevolent association, etc.

SECTION 1400 – ELECTRONIC KEY/KEYBOX SYSTEM

1400.00 Purpose/Participation

The electronic key system is a service provided by Supra Products and facilitated by the Sedona Verde Valley Association of REALTORS®. Every member of the Sedona Verde Valley Association of REALTORS®, including certain classes of Affiliate Members of the Association shall be eligible to hold a key subject to their execution of a lease agreement with the key system administrator.

Acquisition and possession of a key is not a requirement of the Sedona Verde Valley Association of REALTORS®. Possession of a key, however acknowledges that the keyholder has read, understands and agrees, as a condition of the lease agreement, to be bound by the Sedona Verde Valley Association of REALTORS® Key Rules and Regulations governing the operation of the key and keybox system.

A keyholder shall at all times be a member in good standing of the Sedona Verde Valley Association of REALTORS® and a participant of the Supra Electronic Key System. Unlicensed assistants and employees may not be keyholders.

Keyboxes may not be placed on a property without written authority from the seller. This authority may be established in the employment agreement or in a separate document created for that purpose. Members participating in the electronic key system are not required to place a keybox on a listed property.

Keyholders may place keyboxes on residential, vacant land, condo, and mobile home properties listed for sale or auction and keyboxes may be placed on commercial buildings for sale or lease. The above-stated properties must be listed by a Brokerage who is a member of the Sedona Verde Valley Association of REALTORS®.

Keyholders may use their key to enter a property by following the instructions as noted through the Multiple Listing Service computer system or gaining permission from the listing office if instructions specify to call the listing office (CLO).

Before leaving a property, the showing agent will make sure that the premises are left secure and the key is placed back into the keybox.

Compliance with the Rules

1400.10

The following actions will be taken for non-compliance with the Rules and Regulations.

The fine for entering a property without permission from the listing office or as noted in the showing instructions in the MLS system shall be \$50 for the first offense. For the second offense there will be a suspension of key privileges for 20 days. Keyholder's status will be re-evaluated for the third offense by the Board of Directors, who may revoke key privileges or impose additional suspensions and additional fines, in its complete discretion.

It is a violation of the Sedona Verde Valley Association of REALTORS Key Rules and Regulations to loan, assign or transfer your Supra key to anyone. A violation of this rule will result in a \$100 fine and 10 day suspension of key privileges for the first offense, \$250 fine for second offense and a 30 days suspension. For third offense keyholder's status will be re-evaluated and additional fines may be assessed. A member who has violated this rule may be held liable for any expense necessary to reestablish security of the key system.

If an electronic key or keybox is lost or stolen, it shall be reported to the Association Office immediately. The Keyholder must pay to have the key or keybox replaced plus a \$25 administrative fee. If original key is found, it must be surrendered to the Association Office and the administrative fee will be refunded. If the original keybox is found and is usable, Keyholder may lease the keybox for his or her use as defined under the Rules and Regulations. A member who has violated this rule may be held liable for any expense necessary to reestablish security of the key system.

Keyholders may appeal any fines and suspensions imposed to the Board of Directors of the Sedona Verde Valley Association of REALTORS within 30 days of the notice of discipline.

Violations of the Rules and Regulations

1400.20

Violations of the Rules and Regulations will be referred to the MLS Committee for evaluation. A report of their findings will be given to the Executive Vice President who will share the report with the Board of Directors at the monthly board meetings.

The discipline for violation of these Rules and Regulations may be waived in an emergency situation as determined by the Executive Vice President with final approval by the Board of Directors.

Disciplinary action may be taken for any violations and are not limited to the fines and assessments stated in these Rules and Regulations.

An annual audit and review of keys and keyboxes will be conducted by Association staff to establish the next year's ratio and costs as per the Supra Electronic Key Lease Agreement.

Keyboxes may be leased upon completion of the Supra Agreement Inventory Sheet and will initially be leased based on the number of active residential listings in the MLS system plus extra inventory as determined to be necessary for the operation of business.

Any administrative fees collected will be placed in the general operating fund of the Sedona Verde Valley Association of REALTORS .

1400.30 Affiliate Members

Affiliate members of the Sedona Verde Valley Association of REALTORS who are appraisers, inspectors or pest control operators may lease an electronic key provided a lease agreement is signed by the keyholder and by a principal, partner or corporate officer of the keyholder's firm. Affiliate member keyholders will be responsible for paying the SUPRA administrative fee and the ActiveKey or e-Key fees for each key leased. Affiliate members cannot lease keyboxes.

1400.40

Amendments to the Rules and Regulations and Fees

These Rules and Regulations and Fees are subject to amendments and changes by the authority and approval by the Board of Directors of the Sedona Verde Valley Association of REALTORS .