



## REGIONAL RULES AND REGULATIONS FOR THE SENTRILOCK LOCKBOX SYSTEM

### I. Definitions:

- A. “Association(s)” refers individually and collectively to the REALTORS® Association of Prince William, Greater Piedmont REALTORS®, Northern Virginia Association of REALTORS®, the Dulles Area Association of REALTORS®, the Fredericksburg Area Association of REALTORS®, and the Blue Ridge Association of REALTORS.®
- B. “Lockbox” refers to a container offered by SentiLock which may be affixed to a property to allow User’s access to the property.
- C. “App” refers to SentiKey™, SentiConnect®, or any future downloadable application introduced by SentiLock for use on mobile devices. App may be used to access or authorize access to Lockbox, and will be regulated in the same manner as Code.
- D. “User” is any licensed real estate associate under the supervision of a Designated REALTOR®, licensed appraiser, or authorized Personal Assistant and Affiliate Members who has executed the User Agreement.
- E. “Designated REALTOR®” (“DR”) is any principal broker or their designee or principal appraiser in accordance with National Association of REALTORS® (“NAR”) rules.
- F. “Affiliate Members” are individual affiliate members and Affiliate Member firms as described in the Associations’ bylaws. The Board of Directors of each Association will in their sole discretion determine eligibility for the use of App by their respective Affiliate Members.
- G. “Personal Assistants” are unlicensed individuals who are employed or retained by a REALTOR® member of Associations. The Board of Directors of each Association will in their sole discretion determine eligibility for the use of App by Personal Assistants of their respective REALTOR® Members.
- H. “Code” refers to Access By Appointment (ABA), One Day Codes, FlexCodes®, or any other future mechanism introduced by SentiLock to access or authorize access to Lockbox.
- I. “User Agreement” is the SentiLock Authorized User Agreement.
- J. “Rules” means these Regional Rules and Regulations for the SentiLock Lockbox System.
- K. “Person” means an individual or entity.

**II. General Provisions:** Associations provide lockbox services to Association members and other authorized Users. Associations have exclusive contracts with SentiLock, a vendor that provides Lockbox and App which meet the minimum-security requirements specified by NAR. Lockbox is not intended or designed as a security device, but as a convenience to facilitate the showing of a listed property. A listing broker/agent will have written authorization of the owner of a property to install or use Lockbox. Nothing will prevent the owner’s right to refuse to use Lockbox or App to provide access to property.

- A. **License to Use:** Upon execution of User Agreement, User will be granted a personal, revocable, non-exclusive and non-transferable license to use Lockbox and App in connection with User’s normal and customary activities while acting as a real estate agent, appraiser, Affiliate Member, or Personal Assistant on the terms and conditions set forth in User Agreement. Association will not issue more than one Personal Identification Number (“PIN”) per App, and will cause no more than one Person to be registered to each App. Each Association’s User Agreement will require User to comply with Rules. For as long as User has an active App, DR, if applicable, will maintain supervisory authority over User.

**B. Refusal/Revocation of License:** Association may refuse to sell or lease Lockbox or App, may terminate existing User Agreements and licenses, and/or may refuse to activate or reactivate Lockbox or App to any Person:

1. Whose affiliation with an eligible DR has been terminated.
2. Who fails to comply with any of these Rules, User Agreement, or their Association's bylaws, rules, regulations, and policies.
3. Who is 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. Pending a hearing on refusal or revocation, the Association may suspend the right of a User to use App 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. Any period of suspension prior to an opportunity for a hearing on this issue will be kept to the minimum period of time deemed reasonably feasible by the Board of Directors in its discretion.

Factors that can be considered in making such determinations with respect to refusal or revocation 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 System 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 use App.

**C. Costs & Fees:**

1. Each Association may assess an annual fee to be charged to each User ("User Fee"). Each Association may develop and maintain its own fee schedule and price schedule for new and used products subject to annual review and adjustment in the Association's discretion. User Fee may include, but are not limited to: annual fees, hardware costs, maintenance fees, warranty fees, administrative fees, late fees, and reactivation fees.
2. User, by executing User Agreement, agrees to pay the applicable User Fee.
3. If User has not paid the applicable User Fee by the due date set by their Association, the Association may assess a late penalty and/or reactivation fee and deactivate User's App until User Fee is paid in full.

**III. Audit & Inspection by Association:**

- A.** Association reserves the right to conduct an audit of App, Lockbox, and all usage thereof at its discretion.
- B.** If User has reason to believe that an unauthorized party may have access to or has accessed the App, User agrees to promptly report such suspected or actual unauthorized access of App to Association and an appropriate law enforcement agency.
- C.** If App password or PIN is lost, stolen, distributed, or otherwise unaccounted for, User agrees that App will be immediately deactivated by Association.
- D.** User may request their App PIN by contacting their Association, which may require User to appear personally at the Association's office and/or produce appropriate identification consisting of: i) a valid driver's license; ii) or a valid picture ID and Virginia Real Estate License.

- E. Lockbox may be sold or transferred between Users.
- F. User may request a shackle code for User's Lockbox; User or DR may do so by calling their Association and providing User's PIN to Association (DR may not be required to provide PIN). Association may then release the shackle code via telephone. Association may only release shackle codes for Lockbox owned by User or DR. User and DR agree that Association assumes no responsibility for lost, damaged, or stolen Lockbox, contents, or properties on which Lockbox may have been affixed.

**IV. Security, Responsibilities, & Prohibited Acts:** Upon execution of User Agreement, User acknowledges that it is necessary to maintain security of Lockbox and App to prevent unauthorized use. Upon execution of User Agreement, User:

- A. Will secure written authorization from property owner(s) prior to installing or using the Lockbox on the property and will provide their Association with a copy of the written authorization upon written request by Association.
- B. Will, prior to installation and use of Lockbox, include an agreement signed by property owner(s) acknowledging the risk of using Lockbox and releasing Associations, and its officers, directors, members, employees, independent contractors, and agents, if any, from any and all liability in connection with Lockbox.
- C. Will remove Lockbox within forty-eight (48) hours of termination or expiration of listing agreement, or settlement, whichever is earlier.
- D. Will use App and Code only for the purposes of gaining authorized entry into real property. Authorized entry means that User has an agency or other legally recognized brokerage relationship with either the owner(s) of the property or a prospective buyer or tenant, or that User's entry was otherwise authorized by the listing agent or owner. User will additionally record any and all authorized entry into real property using App, or as otherwise authorized by the listing agent or owner, even if another User has simultaneously or in short succession accessed Lockbox.
- E. Will not use or convey information derived from viewing properties to anyone for any purpose other than to facilitate the sale or lease of real property.
- F. Will not disclose or provide User's PIN to any third party, except as authorized in Rules.
- G. Will not share, disclose, lend, permit, or provide access to their App to any other Person.
- H. Will not duplicate the property key, lend the property key to any Person, or permit the property key to be used by any other Person unless authorized by property owner(s)
- I. Will not allow anyone who has been admitted to the property by User to remain in the property after User has left the property without the consent of the property owner(s).
- J. Will close and lock any windows or doors opened or unlocked by User or by anyone admitted by User prior to leaving the property.
- K. Will ensure that the property key is replaced in Lockbox and Lockbox is properly closed when leaving the property.
- L. Will ensure that the correct property key is returned to the proper Lockbox if there is more than one Lockbox on the property.
- M. Will only authorize access via App or Code to licensed agents, brokers, inspectors, appraisers, contractors, or the property owner(s), and only with written permission from the property owner(s). Before authorizing access, User will:
  1. Obtain the agent, broker, inspector, appraiser, or contractor's name, phone number, and company name and phone number; and
  2. Confirm that the agent, broker, inspector, appraiser, or contractor is licensed by the Commonwealth of Virginia. Licenses are searchable at [dpor.virginia.gov/LicenseLookup](http://dpor.virginia.gov/LicenseLookup). Access will only be authorized for work activities such as showings; home inspections; radon

testing (including drop-off and pick-up of radon equipment); termite inspections; repairs to the property; and appraisals.

3. Coordinate with the owner or the tenant in advance if the property is occupied.

- N. Will maintain a current real estate license or applicable service license in any jurisdiction where they are using the Lockbox and/or App and promptly notify their Association should they cease to hold a valid license.
- O. Will notify their Association of any address changes within forty-eight (48) hours.
- P. Will notify, by telephone or in writing, their Association within twenty-four (24) hours in the event App is lost, compromised, stolen, or otherwise unaccounted for.
- Q. Will inform their Association within forty-eight (48) hours of termination of employment of a Personal Assistant.
- R. Will request a transfer of their App within thirty (30) days of the date of transfer of primary membership to another Association and obtain a letter of good standing from the previous primary Association.
- S. Will promptly comply with audit and inspection requests by Association and return all equipment, Lockboxes, and Apps in User's possession to their Association upon demand as provided for in these Rules.

**V. Specific Rules Applicable to Affiliate Members & Personal Assistants:** Affiliate Members and Personal Assistants agree to abide by these Rules. In addition to the rules in Section IV above, Affiliate Members & Personal Assistants holding Apps are subject to the following rules and procedures:

- A. **Affiliate Members:** An employee of an Affiliate Member firm must be an individual Affiliate Member to be authorized to use App. Affiliate Members will only use Code and/or App to access a property after having first obtained authorization to enter a property from the property owner or listing agent. Affiliate Members will promptly cease use of App upon termination of affiliate membership with an Association. The owner of an Affiliate Member firm will be liable for the actions or omissions of their employees.
- B. **Personal Assistants:** Personal Assistants will only use Code and/or App to administer listings online and to operate Lockboxes owned by a User who has added the Personal Assistant to their team/brokerage. Personal Assistants will not use Code or App to open or operate any Lockboxes that are not owned or leased by User who has added the Personal Assistant to their team/brokerage. Users will be liable for the actions of their Personal Assistants. Personal Assistants will promptly cease use of App upon termination of employment by a User who has added the Personal Assistant to their team/brokerage.
- C. **Procedures:** Affiliate Members and Personal Assistant acknowledge, accept, and waive protest under these Rules that they are subject to the ethics enforcement procedures of the NAR *Code of Ethics and Arbitration Manual*, Citation System (attached as **Appendix A**) and any supplemental procedures adopted by the Association that issued their Affiliate or Personal Assistant App.

**VI. Default, Enforcement, & Termination:** Any failure to comply with any of these Rules, User Agreement or the Bylaws, Rules and Regulations and polices of Association will constitute default by User ("Default").

- A. User's Association may terminate User's User Agreement in the event of Default by User.
- B. User may terminate User Agreement by written notice to their Association at any time.
- C. Reporting of App as lost, stolen, or otherwise unaccounted for will not constitute written notice of termination of User Agreement by User.
- D. Alleged violation(s) of Sections IV and V of these Rules and/or the NAR *Code of Ethics* may be processed according to the ethics enforcement procedures of the NAR *Code of Ethics and*

*Arbitration Manual*, Citation System (attached as **Appendix A**), any supplemental procedures adopted by the User's Association, and/or any existing or future cooperative agreement between the User's Association and another Realtor® association for the purpose of enforcing such violation(s).

- E. User's failure to comply with all SentiLock rules or procedures may result in the deactivation of User's App. Association will not be obligated to reactivate User's App unless and until SentiLock authorizes User to utilize the SentiLock system.
- F. Failure by User to timely pay appropriate Association dues, fees, and/or sanctions may result in deactivation of User's App and/or termination of User Agreement. In the event of deactivation, Association may charge a reactivation fee according to its fee schedule.

**VII. Fines & Penalties:** If User is found in violation of these Rules through their Association's enforcement mechanisms, the following sanctions may be imposed against User:

- A. **First Offense in Three (3) Years:** User may be assessed a fine of not more than \$2,500 per offense. If User does not pay the fine within ten (10) days after the delivery of the final action, the Association may deactivate User's App until the fine is paid to the Association. Upon delivery of payment of the fine, the Association will promptly reactivate User's App.
- B. **Second Offense in Three (3) Years:** User may be assessed a fine of no more than \$5,000 per offense and the Association may deactivate User's App for up to ninety (90) days. If User does not pay the fine within thirty (30) days following deactivation of User's App, the User's App may remain deactivated until delivery of the payment of the fine.
- C. **Third Offense in Three (3) Years:** Association may permanently terminate User Agreement and deactivate User's App.

Any Association that finds a User in violation of these Rules may notify the other Associations. Associations may be guided, but not bound, by the fine and penalty schedule outlined above and may modify such sanctions in accordance with their enforcement procedures and/or cooperative agreements.

**VIII. Miscellaneous:**

- A. **Action to Enforce:** Any action for the enforcement of the User Agreement or these Rules 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 the Association will be entitled to recover from User, in addition to other damages assessed, reasonable collection fees, court costs and attorneys' fees.
- B. **Governing Law:** These Rules will be governed by and construed in accordance with the laws of the Commonwealth of Virginia.
- C. **Severability:** If any provision of the User Agreement or these Rules will be held to be invalid, illegal, or unenforceable, such holdings will not affect the validity, legality or enforceability of the remaining provisions.
- D. **Amendments:** These Rules will include any and all amendments thereto which may be adopted from time to time by written consent of all participating associations.