



Keller Williams Realty
MC - 968

Policies & Guidelines Manual

General Information

A Full Service Real Estate Firm

Real Estate Listings and Sales
Relocation Services
Commercial

(605) 343-7500

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The Company Profile was updated in November 2023

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General Information

Keller Williams Realty MC 968

Brokerage Relationship Company Policy

- I. Keller Williams Realty MC #968® and its agents shall act as single agents when representing either the buyer or the seller in co-op sales (purchasing other agencies listings) or as limited agents when selling any Keller Williams Realty MC #968 listing or an agent's own listing to an in-house buyer/client in our South Dakota offices. All Wyoming offices shall follow Wyoming Real Estate Law.
- II. As the listing agent, our company will cooperate and split commissions with selling agents from other companies who work in a buyer agency or work as transaction brokers with their buyers. Our company does NOT allow sub-agency.
- III. As the selling agent in a co-op sale, our company will represent the buyer exclusively and will seek compensation first from the transaction according to terms agreed to in the Buyer Agency Agreements. If compensation is not available from the transaction, we will look to the buyer/client for payment as stated in the Buyer Agency Agreement.
- IV. Should the buyer request to work in a transaction brokerage capacity, we will advise them that should they desire to view an in-house listed property, their relationship status would need to change to a represented client. Buyer/profiles where transaction brokerage may apply are buyers viewing for-sale-by-owner properties, parties wishing confidentiality (but no agency relationship) and those capable of representing themselves.
- V. We discourage the one-one-one law. A relationship must be established with a buyer as soon as substantive dialogue or actions dictates. **Any abuse of this law will result in disassociation with the realtor involved.**

Other Corporations

Property Management Company

Our Property Management Company is one of the oldest and largest in Rapid City. We can handle all of your property management needs from locating a rental for prospective tenants to managing rental property for owners. For information on finding a plan that fits your needs, contact:

Erin Trojenowski, Manager
(605) 343-7525

Carol's Classes

Carol's Classes has been helping people receive their real estate license for over 12 years. We have one of the finest teachers and take pride in delivering "real life" education to every student. For more information on our school, contact:

Carol Lawhun, School Director
(605) 343-7500

Serving the Black Hills since 1962

Note: These companies are not affiliated with Keller Williams Realty MC #968, or any of their subsidiaries.

Office Policies and Procedures

Office Supplies and Equipment

Office equipment, supplies, reference material, etc., shall not be removed from the office without the permission of the company. This excludes the material deemed necessary to complete a real estate transaction off the premises.

Facilities

The company agrees that the sales associates may share with other sales associates all the facilities of the office in connection with the subject matter of this manual.

Keeping Office in Order

The company is responsible for the general cleaning of the office. It is naturally desirable that the office always appear neat and orderly. All personnel are urged to be conscious of keeping their office clean and professional in appearance.

Reception Area

Each sales associate should be conscious of keeping the reception area looking as neat and orderly as possible at all times. After using the reception area, you should clean up coffee cups, etc. and rearrange chairs so the table is ready for the next sales associate and client.

Parking

Sales associates should avoid parking in the spaces closest to the front door of the building if possible as this area most convenient for our clients. Please park in the rear part of the first row or the middle row.

Equal Housing Opportunity

Keller Williams Realty MC #968[®] subscribes to all Federal Fair Housing Laws and to the National Association of REALTORS[®] Code for Equal Opportunity. Equal Housing Opportunity posters stating these policies are clearly posted in all client conference rooms in such a manner as to be highly visible to the public and all employees and salesperson associates of the company. All Keller Williams Realty MC #968[®] employees and salesperson associates are required to know and adhere to these policies and attend Equal Housing Opportunity Training on an annual basis. Equal Housing Opportunity violations will not be condoned and may be deemed as grounds for immediate termination or disassociation from the company. There shall be no excuse for a violation of this policy by anyone employed by or associated with this company.

Let the Code of Ethics and The Golden Rule Be Your Guide to Productive Results!

Necessity for Complete Office Records

KEEPING IT STRAIGHT- KELLER WILLIAMS PAPERWORK!

Listings- Keller Williams requires that all Listings be submitted through Command, utilizing Dot Loop for e-signing, for review prior to being released to the MLS or for non-mls listings, as soon as the contract is signed.

- All Listing Documents completed by Client, Agent & Broker
- Enter Listing along w/ photos & associated document into Paragon
- Enter Listing information into KWLS
- Submit your new listing through Command for compliance check.
- Amendment/ Addendum of Listing Agreement (price changes, expiration date changes, etc.)- Release of Listing Agreement -Whenever a change is made submit it for review through Command.

Accepted Offer to Purchase- Keller Williams requires that all accepted contracts be submitted through Command for review within 48 hours of acceptance.

- All Purchase Agreements, Counter Offers, Seller's Disclosures, Lead Based Paint (all residential property built in 1978 or before) & Bill of Sale completed by clients (both buyers & sellers) & agents. (These are all legal documents. Improperly completed documents could render your contract null and void.)
- If you are representing the buyer you must also submit all signed and initialed buyer documents at this time. Buyer Broker Agreement, Agency Addendum, & Real Estate Relationship Disclosure
- If you are the listing agent: Change the property status in Paragon.
- Create a Commission in Command. (You are responsible for a Commission submission on both sides of the transaction)
- SD real estate law requires that earnest money is deposited within 24 hours of acceptance of offer. If money is delayed past the 24 hours, an amendment stating why will be required in the file. (If you know in advance that there will be a delay, the issue may be addressed in the Purchase Agreement.
- Turn in earnest money to the title company and place a copy of the check or money order in you Command file as well. All Wyoming Closings are required to show proof of deposit with the fundholder that is holding the money.

After closing - Keller Williams MC 968 requires that all signed closing docs be sent to the MCA for compliance before a commission can be paid. This should be done within 48 hours of closing. All commissions will be paid after MCA confirms all docs have been submitted and passed compliance. Commissions under \$10,000 will be direct deposited into the agent's bank account within 48 business hours and over \$10,000 within 72 business hours of receiving the commission from the title company.

IF YOU DON'T HAVE TIME TO DO IT RIGHT, WHEN WILL YOU HAVE TIME TO DO IT OVER?

Providing Information

Only licensed real estate associates are authorized to give out information about a listing. All calls pertaining to a listed property shall be referred to the listing sales associate. These calls are received because of a sale sign on the property or because of an ad. Such calls will be referred to the listing sales associate. If the listing sales associate is not available, the call will be given to the floor sales associate. If the call comes after hours, the sales associate taking the call will service the inquiry.

Expenditure of Company Funds

No sales associate or employee of this company is authorized to incur any debt or expend any company funds without specific authority of the company. The company shall not be liable to any sales associate for any expenses incurred by him/her or for any of his/her acts, except as otherwise stipulated in the Policy and Procedures Manual. Sales associates shall not be liable to the company for office help or office expense, except as otherwise stipulated in the Policies and Procedures Manual.

Certain expenses payable by a Sales Associate are charged to company billings, such as multiple listing fees, computer fees, dues, Association dues, advertising, postage, etc. When these charges are received by the company, they are then charged to the respective sales associate's account. The sales associate is to have all bills paid by the 28th of each month. After that date, a \$25 late charge will be added to their statement. Keller Williams Realty MC #968 is a zero receivable company and you must provide a credit card as backup payment if paying by check (see Invoice Policy.) If you do not have a credit card, there is a \$500 deposit due at time of signing that will be held in case of unpaid invoices. Once we receive a valid credit card, deposit will be returned. If invoicing were to get over 30 days overdue, Keller Williams Realty MC #968 has the right to send licensee's license back to the state. Upon receiving an earned commission, all accounts will be brought current - through commission deduction if necessary.

Who May Obligate the Company

Sales associates have no authority to bind the Company or its Broker by any promise or representation, unless specifically authorized in a particular transaction. If a situation or transaction arises involving a sales associate and the company, the expenses (attorney's fees, costs, title insurance and reports, etc.) will be paid by the joint parties in the same proportion as provided for in the division of commission.

General Activity

Sales associates affiliated with this company are expected to:

1. Develop leads on properties for sale and to work with the company in evaluating and listing property; to assist in developing sales by preparing their listings, sales contracts and all other forms connected with the subject matter.
2. Develop and explore leads on prospective buyers, show properties to prospective buyers, complete real estate purchase agreements and properly handle earnest money deposits. A sales associate must be willing to work irregular hours including evenings, weekends and holidays.

Duties

Every sales associate is strongly encouraged to:

1. Meet listing and sales quotas

2. Try for not less than three closed sales or listings monthly
3. Prepare advertising
4. Draw up listing and real estate purchase agreements
5. Show properties to their own prospects and those turned over to them from other sources
6. Maintain up-to-date listing records
7. Maintain prospect files containing dates and records of property showings

Office Routine for Sales Associates

Sales associates are independent contractors and as such they are not on salary nor are taxes of any kind withheld from their earnings. Simply put, an independent contractor is free to go about doing his/her business of listing and selling real estate.

A sales associate's conduct and manner in which he/she represents his/her employing broker must be guided by company policies, procedures, conditions and terms set out in his/her independent contractor agreement with the Company. Therefore, a sales associate must adhere to certain office routines in order to be well informed, receive a fair share of unclaimed business and meet certain responsibilities required by the laws set down for Real Estate Sales Associates and Brokers.

Although a sales associate need not occupy his/her desk as a matter of daily routine, it is necessary that each sales person associated with the company correspond with staff each morning Monday through Friday. It is important that each sales associate keep the office advised of his/her whereabouts during normal office hours.

During normal office hours, the office should be able to reach every sales associate at a specific telephone number except when he/she is actively engaged in soliciting listings or showing property to prospective buyers. When a sales associate again has access to a telephone, he/she should call in and advise the receptionist of his/her whereabouts and request any messages. All associates should leave a number at which they may be reached at all times in the event there is an emergency with a client or listing.

Conference Rooms

There are three conference rooms for sales associates to use when conducting business with clients; both are located off the reception area. Please be considerate of your fellow sales associates. You can reserve one of these rooms online.

Conduct at the Office

Good fellowship and cooperation are essential. Respect your coworkers.

The receptionist staff is due respect and consideration as they have certain tasks that must be performed on time each day. An unnecessary interruption by others only delays their excellent work. Write it down and they will handle it at their first free opportunity. Congregations at the Front Desk make it very difficult to handle your calls properly.

If a sales associate is to be successful, he/she will find it advantageous to maintain a good working relationship with fellow sales associates and always be ready to cooperate.

Dress Code

While the company does not mandate a specific dress code, each sales associate shall dress in a manner appropriate for a professional when meeting customers and clients and while at the office. Sales associates must dress neatly; assuring that his/her clothing is clean and always well pressed. A good rule of thumb is "dress like the professional to whom your client would turn to for advice." Remember that first impressions are lasting ones.

Telephone Routine

The receptionist and/or back up shall answer all incoming calls; if they are absent or unable to take the call, then any available staff personnel may handle it. It is imperative that all personal conversations be held to a minimum.

No receptionist is to give out information to a caller about a listing.

Agents Wanting To Engage In Property Management

In no way is Keller Williams Realty Black Hills, KW Western Trails or KW Frontier allowed to run real estate property management through the office. If an agent in South Dakota wants to run a property management company, the agent has to either be a Broker or have a Property Management license. You either have to get a separate Property Management license or an additional Broker license to engage in property management. You also have to have a separate company (LLC, C-Corp, etc) that is under those licenses listed above. Leadership has to have proof of the setup to make sure it is in compliance so if you intend to do property management, please see leadership.

Do Not Call Office Policy

Keller Williams Realty MC #968 takes the "Do Not Call List" very seriously and it is important that you understand the requirements to make sure you are in compliance.

General Information

***Note – These general rules apply to the sales associates as well as the company. Some of these rules are mandated and others are our own office policy. Keller Williams Realty MC #968® will maintain the National "Do Not Call List" as well as our own internal "Do Not Call List."**

1. It is illegal for companies to call a number listed on the registry unless certain criteria are met.
2. The company is required to update the registry at least monthly and drop from their call lists the phone numbers of consumers who have registered. We update approximately every 20 days.
3. The company will only be able to access registrant's telephone number from the registry. Phone numbers will be sorted and available by area code.
4. The company is responsible for maintaining their list of people who have asked not to be called for the company only.
5. A seller may call a consumer with whom it has an established a business relationship for up to 12 months after the consumer's last purchase, delivery, or payment even if the consumer is on the list. A

company may call a consumer for up to three months after the consumer makes an inquiry or submits an application to the company. If the consumer has given a company written permission, the company may call. The federal rule indicates a call can be made up to 18 months after the consumer's last contact, however, the **state requires 12 months after the contact**. The most stringent rule applies. This is the only major variation SD has from the federal rules. (Information confirmed with telephone conversation with Public Utilities Commission on October 9, 2006.)

6. If a consumer asks that we not call, calls **can not** be placed even if there is an established business relationship. A customer may not be on the national registry but may have asked to be added to our company do not call list. If someone request to be put on our companies "Do Not Call" list, write down the individual's phone number and get the information to the staff so the internal "do not call list" can be updated. If a request is made for our "Do Not Call List" policy, tell them you would be happy to provide that to them and get their name, mailing address, and other pertinent information so we can send/email that out in a timely fashion.
7. The purpose of the call must be disclosed truthfully and promptly. Misrepresentations are prohibited.
8. Protecting Consumers' Privacy
 - a. Calling a number on the do not call list, misusing a do not call list, denying or interfering with a person's rights.
 - b. Calling outside the permissible hours unless a seller has a person's prior consent. It is a violation to call outside the hours of 8 a.m. and 9 p.m.
 - c. Abandoning an outbound telephone call. (Hanging up after a response has been received.)
 - d. Failing to transmit caller ID information.
 - e. Using threats, intimidation, or profane or obscene language.
 - f. Engaging in a conversation repeatedly or continuously with intent to annoy, abuse, or harass.
9. Companies are allowed to call any consumer who gives express, written agreement to receive calls even if they are on the registry.
10. Penalties at the federal level can be as high as \$14,000 (for company offenses) and not more than \$5,000 on the state level per occurrence.

The List

An organization ID and password are needed to access the list. It can be accessed once every 24 hours. Our organization data is set up to filter for area 605 only. If you are making any calls that you do not have an established relationship with or responding to an inquiry within the three month period, you will need to verify that the phone number is not on the "do not call list" for that area code. See the staff for assistance with this.

{Separate form will be signed specifically for Do Not Call}

Health Insurance

Keller Williams Realty International have certain health insurance options. Please see staff for details.

Electronic Key System

When you join our team, you will be given an electronic key that will allow you access into the building during off hours. If you were to lose a key or need an extra for any reason, there will be a \$5.00 charge to cover the cost of the key.

Web Site/Internet Policies

South Dakota Real Estate Commission Rules

1. **Disclosure for Firms** – A licensed firm advertising on a site on the Internet must include on EACH PAGE of the site on which the firm’s advertisement appears ,the following data:
 - a. the firm’s name, as registered with the real estate commission
 - b. the city, state, and country in which the firm’s main office is located
 - c. the states in which the firm holds a real estate brokerage license
2. **Disclosure for Licensees** – A licensee advertising on a site on the Internet must include on EACH PAGE of the site on which the licensee’s advertisement appears, the following data:
 - a. the licensee’s name
 - b. the firm’s name as registered with the real estate commission
 - c. the city, state, and country in which the licensee’s office is located
 - d. the states in which the licensee holds a real estate brokerage license

REALTORS[®] Policies

Cooperation with Other Brokers

All sales associates are expected to be cooperative and business-like in their contacts with competitive real estate firms. Any complaints against other REALTORS[®] or broker offices shall be referred to the Broker at once and not discussed with others.

Negotiations concerning property listed exclusively with one broker should be carried on with that listing broker, not directly with the owner, except with the consent of the listing broker.

Never voluntarily disparage the business practices of a competitor or circumvent his exclusive For Sale sign directly to the owner.

Disagreements among REALTORS[®]

All disagreements shall be discussed promptly in the presence of the Broker and his decision will be final except in the instance that he is involved. If he is the broker, the same procedure is to be followed in the presence of an unbiased third party.

Buying and selling property is an emotional experience and we must adjust among ourselves for the prospect's lack of loyalty and thoughtfulness, for they present us with a genuine opportunity to practice the Golden Rule:

"Do Unto Others As You Would Have Them Do Unto You"

Opportunity Time (Floor Calls)

When a customer calls in and is not connected with one of the agents, the call will be voiced over as a "REALTOR" call and whoever picks up the call first has first right to the potential client.

E-Mail/Website Referral

When an e-mail referral is received in the general Keller Williams Realty MC #968[®] site, it will be assigned on a rotating basis to agents in the office. We expect follow up and will be checked from time to time.

Assignment of Desk Space

Office Space is available to agents that have reached capper status (have reached \$22,000 in company dollar in the past 12 months.) It is allowed for a non-capper agent to share space with an agent that has capped. The company reserves the right to assign office space based on production. Agents with the most production will have first right at office space when available. The company does not guarantee office space regardless of production. Agent may be asked to vacate space if a higher producing agent is in need of office space.

Minimum Standards

If after the first 12 months of association the agent's production is less than 1 million, the agent will be required to enroll in Productivity Coaching and attend 3 training events per month.

Travel Expenses

There is no travel allowance provided sales associates except when specifically authorized by the Broker. It is imperative that sales associates keep accurate automobile expense records as per IRS regulations.

Automobile and Insurance

Each sales associate shall furnish their own automobile and pay all expenses incurred. They shall furnish the Broker with a memorandum showing the name of the insurance company, policy dates, type of coverage, and the limits of liability coverage for bodily injury, property damage, uninsured motorists, and medical. Sales associates are encouraged to carry a minimum of \$300,000 combined single limit of liability that includes bodily injury and property damage. This document should be given to the Business Manager no later than January 31st of each year.

Commercial Liability Insurance is required. This insurance will cover liability that Errors and Omissions insurance does not cover. See the business manager if you have questions.

Ethics

The matter of proper ethics shall govern all aspects of business and the operation of this office. The staff shall familiarize themselves and periodically read the REALTORS® Code of Ethics as hereto aforementioned. The Code of Ethics of the National Association of REALTORS® shall be a minimum standard of business performance.

Technological Fee

The company may impose a technological fee from time to time. This fee will cover equipment requirements, upgrades of software, technical assistance from staff, etc.

Special Requirements

Every sales associate should:

1. Be willing to devote enough time to reach income goals
2. Be able to carry his/herself financially for six to twelve months at their normal standard of living

Personal Conduct

A sales associate should strive to maintain a professional, positive attitude. In spite of adversity and demoralizing events inherent in the real estate business, a sales associate must maintain a friendly and pleasant attitude not only with his/her buyers and sellers but also with their fellow workers and office personnel.

Smoking by agents and employees of Keller Williams Realty MC #968® is not permitted within the office building. Employees and agents of Keller Williams Realty MC #968® are permitted to smoke outside to the rear of the building. Clients and customers are also asked not to smoke while in the office building, but may smoke outside the front of the building.

Legal Expense

If a transaction involving a sales associate is in dispute, litigation, or legal expense, the sales associate shall cooperate fully with the Broker. It is company policy to avoid litigation wherever possible and the Broker reserves the right to determine whether any litigation or dispute shall be prosecuted, defended, compromised or settled, and the terms and conditions of any compromise or settlement or whether legal expenses shall be incurred.

The Broker and every sales associate carry Error and Omission Insurance which protects them in such unforeseen events. When an Error and Omission suit is the result of the act of the sales associate, the sales associate concerned shall pay any judgment levied against the company in full when demand is made for payment. This means that the total cost to the sales associate could be the full amount (or any portion) of the deductible feature of the insurance coverage, plus any amount of a judgment exceeding the total coverage of the insurance policy. The sales associate's portion of the deductible will not exceed the current policy deductible limits. If, in the judgment of the company, the sales associate is not at fault, said costs will be shared on the same basis as the commission split covering the transaction in question.

Errors and Omissions Premiums

The agent will pay their own annual Errors and Omissions Insurance Coverage as provided by the South Dakota Real Estate Board. This policy provides you with \$100,000 of coverage. If you desire additional coverage, the additional expense is your obligation. The company strongly urges sales associates to purchase additional coverage.

Termination

Compensation: Any sales associate who elects to disassociate with the firm for any reason shall receive commissions and fees under the following breakdown:

1. Sales associates shall receive compensation based as if they were still with the company. For example, if an agent has an anniversary date of January to January and you terminate in July then you will be paid at the 80/20 split unless you hit the cap amount of \$22,000. If you hit your cap of \$22,000 company dollar on remaining deals to close, you will go to 100% for the remaining deals to close. If you terminate in December and you have deals to close that go past January, then you will be subject to the new anniversary year split of 80/20. You are to see your pending transactions through to close. If you do not, you will be paid on a 50/50 split.
2. The agent is responsible for seeing pending transactions to closing.
3. All the fees due from installment payments shall be paid as they are received by the firm based on the above breakdown.

Listings: You will be allowed to take your listings with you unless they are currently "under contract" at the time of termination notice given.

Referring client to other agents: Any referral received will fall under the same commission scenario above.

Litigation: Sales associates shall remain responsible for their share of any litigation that may arise on any of their transactions. Error and Omission premiums are not refundable. The agent will be charged a pro-rated amount for the Errors and Omissions insurance the company paid.

Company Property: All files, records, training material, manuals, and supplies given to the sales associate by the company are to be considered property of the company and must remain on the premises upon termination. No copies of any material are to be made or taken by the associate without approval of the company.

Property/Listing Policies

Buying and Selling of Real Estate by Sales Associates

1. All contracts to buy or sell properties will be reviewed and approved by Keller Williams Realty MC #968®.
2. Sales associates may purchase any unlisted properties but must be in accordance with item number one.
3. Sales associates may purchase/sell two sides per anniversary year at no company dollar cost to the agent. Properties may be subject to the 6% franchise fee.
4. Any properties or businesses owned by a broker associate and offered for sale shall be listed with Keller Williams Realty MC #968®. The following paragraph should be included in a contract when buying or selling property: "It is understood by the Sellers that the undersigned Purchaser is a licensed real estate agent in the State of South Dakota and is acting as a principal in this transaction." In the event the purchase/sale is for investment purposes, so state "for investment and profit."

Offer and Earnest Money

We do not accept notes in lieu of certified funds or check from the purchaser except when certified funds or check is unavailable. Time of redemption should be put in the contract. Notes must be made out to the seller.

All earnest money deposits received on any offer must be deposited with the title company noted in the contract as soon as obtained. If questions are raised by the Seller about turning over the deposit to him, inform the Seller this is not customary in the real estate industry. No sales associate shall return a deposit to the Buyer until he has first gone over the details of the offer presentation with the company. All checks should be made payable to either the title company where closing will take place. You and your client are responsible to taking the funds to the title company. Do not drop any earnest money checks at our office front desk. Notes must be made out to the Seller.

Offers are to be made known as soon as possible and if not accepted, advise everyone that the property is back on the market.

Indicate on the sales contract the form of earnest money deposit received, i.e. cash, personal check, note, etc. If no indication is made, the implication is that you received cash. All earnest money deposits should be turned over to the title company as soon as possible for deposit.

Provide time between the abstract date or the title commitment date and the date for delivery of the deed in order to allow the Buyer's lawyer time to examine the abstract or title commitment. Adequately list and identify all of the chattels and fixtures which the Buyer understands (or might reasonably infer) are included in the sale.

When offers or counter offers are made in the course of negotiations, copies at each step should be left with the party making the offer or counter offer.

Presentation of Offers

Rules governing more than one offer on the same property are as follows: all offers must be transmitted to the Sellers prior to the acceptance of an offer, even if one of the previous offers was a full price offer. All offers should be presented simultaneously, if possible, and each should be represented fairly.

Listings

Agents are required to load their own listings into the MLS system via their individual computers. This will allow for more accurate and faster loading of Keller Williams Realty MC #968® listings.

To be a successful real estate office, it is essential that a large variety of listings be available "on the shelf" at all times. It is a prime responsibility of a sales associate to bring into the company as many listings as possible. It is obviously unfair for any one sales associate to depend on the rest of the force to furnish his/her salable listings without putting his/her own share of merchandise on the shelves.

The company, as well as South Dakota State Law, forbids "pocket-listings" in which the sales associate has knowledge of or a listing that, he alone may sell.

Sales associates shall obtain Exclusive Listings at every opportunity, as the Exclusive Listing is the very foundation of success for any sales associate and the lifeblood of a real estate company.

The Seller must understand our commission rate; a duplicate copy of the listing agreement must be left with the Seller. "Net listings" are NEVER taken; a "net listing" is in violation of South Dakota law.

All listings are the property of the company and must be submitted to the office immediately. It is the sales associate responsibility to contact the Seller weekly and render a progress report, etc. When a listing sales associate is out of town or unable to service a listing, then he/she must assign the listing to a co-sales associate and notify the Seller and the Broker.

When a listing comes in that presently has an FHA/VA loan on it, the listing sales associate will take responsibility for sending for the impending payoff letter.

The company reserves the right to assign any listing or client that comes to them personally to the sales associate they deem most capable of handling that particular type of property or person.

You are responsible for finding out who owns the property you are about to list and seeing that *all* owners sign your listing contract. Adequately list and identify all the chattels and fixtures that go with the property.

Cancellation of Exclusive Listings

Broker shall have the sole right to cancel an exclusive listing agreement on any property at any time by written notice to salesperson and seller. In the event a dispute arises between a salesperson and a client regarding the cancellation of an exclusive listing, the dispute will be brought to the attention of the sales manager. If the dispute can not be settled at this level, the sales manager will notify the broker who will review the facts with the salesperson and the sales manager. A determination will be made. When the determination is made, it shall be the responsibility of the salespersons to notify the client in writing and forward a copy to the sales manager.

Forfeiture of Earnest Money

All earnest money forfeited to the office will be paid according to your current commission split.

Vacant Properties

All listing sales associates are responsible for notifying the owner of water and yard maintenance in the summer and snow removal in the winter. Be sure the property is presentable for showing at all times. Make sure you check the furnace and water pipes during cold weather.

All sales associates are responsible for carefully securing entrances to vacant or occupied properties after showing.

Sales associates should check their property weekly and straighten the sign, if needed. This is our image with the public; let's protect it!

Lawn Signs

Signs are to be put on the property only after all information, along with the listing agreement, has been turned into the listing receptionist. Signs are to be picked up no later than three (3) days after closing or immediately upon withdrawal or expiration. Any signs which are confiscated by a government authority due to improper placement will be paid for by the listing agent.

Showing Listed Properties

Show by appointment only. If unable to keep the appointment, call the owner as soon as possible. Do not exaggerate; know the facts.

Be sure to lock all entrances, turn off lights, and close draperies before leaving. If pets are in the home, make sure they are there when you leave.

Procedures for Sales Contract

All contracts should be given to the closing receptionist along with the earnest money deposit.

All checks, cash, or notes should go directly to the closing receptionist. ***DO NOT KEEP THEM AT YOUR DESK.***

Copies of all rental agreements, side letters, counter-proposals, or addendums go directly to the Closing Department unless attached to the contract when turned in.

The support staff will fill out a closing information sheet in full. It is your responsibility to check all information and inform the support staff of any changes.

The listing and sales clients set closing times. The Closing Department is then informed unless special arrangements have been made for the office to coordinate the closing.

Closing Policy

Keller Williams Realty MC #968 will not close a transaction of any kind. Closings will need to take place at a closing company, bank, or law office.

Items to Look for that will Expedite your Closing

If the Sellers have owned the property less than two (2) years and have their original title policy, they can get a discount on the new title insurance policy with a trade in. Pick up the old policy or the abstract, if available.

Furnish the closing company with the loan number of the existing loan or loans and any telephone numbers you may have on them.

If you sold a home on an assumption, check with the lender to see if your Buyer must qualify. Also check to see if the Buyer will assume the existing homeowner's insurance policy.

On a new loan it is very important that you have the Buyers contact an insurance company several days prior to the closing to obtain the homeowner's policy and to contact the lender.

Alert the “closer” if deeds or other items must be sent out of town for signatures!

If the sale is defeated from lack of financing, qualifying, etc., please notify the closing agent immediately as it can save money on tax certificates, appraisals or other costs.

If the sales price is altered, be sure to furnish us with a new contract or counter proposal for our file.

When you take your Buyers in for the loan application, please note whether the Buyer or Seller paid for the appraisal.

If you get any additional information regarding the sale, please turn it over to the closer after you have examined it. It will really help us! Follow your sales closely; furnish commitments when called for, secure extensions in writing, etc.

Please check with the closing company before scheduling a date and time; often several closings are lined up for the 15th and 30th and are very difficult to manage - be considerate!

Transaction Fees

All Buyer and Seller clients who are NOT represented by a REALTOR® from another firm will be charged a transaction fee in the amount of one hundred fifty dollars (\$175.00). This fee covers Keller Williams Realty MC #968® transactional administrative expenses. The transaction fee will be reviewed and adjusted as deemed necessary.

Commission Plans

1. **Commission Split**—The associate is paid a 80/20 commission split until the Market Center’s portion of the closed commissions generated by that associate has reached \$22,000 during the associate’s **fiscal or anniversary year** with this MC.
2. **100 percent Commission**—When the Market Center’s portion of closed commissions generated by the associate has reached \$22,000, the associate shall then receive 100 percent commission on all transactions closed and funded during the balance of their **fiscal year**.
3. **Administrative (Transaction) Fee** - An Administrative Fee of \$175 will be paid by the associate to the Market Center on all sales and listings sold. The \$175 administrative fee applies to any represented side. In the case of Transactional Brokerage, one \$175 transaction fee shall be due. There is no transaction fee due for non-represented customers.

Policies for Teams and Groups of a Market Center

Keller Williams Realty Policies and Guidelines Manual

Due to federal anti-trust laws, Keller Williams Realty International does not establish any guidelines to be followed in determining the commission structures of teams and/or groups of sales associates compared to that of an individual sales associate. The Market Center Operating Principal/Broker will establish guidelines for each of their business operations, and the policies that pertain to this MC are as follows:

Keller Williams Realty International (KWRI) and Keller Williams Realty MC #968 recognize the importance of Teams and Groups. An important component of successful Teams and Groups is the proper structure and function of the Team and/or Group.

Regardless of the type of Team or Group, as stated in the KWRI Policies and Guidelines Manual as well as the KWBH Office Policy Manual all Teams and Groups must have approval and permission of the Team Leader.

As the Market Center continues to grow, it has become necessary to state and clarify some of the major policies, procedures and logistics of Teams and Groups. Previously formed Teams and Groups may continue to operate under their existing structure; however, the following additional requirements must be met in order for any other Group or Team to be formed:

- Prior to forming a Team, written approval by Team Leader of the proposed Group Agreement must be obtained.
- Lead Team Member or Group Leader must have completed KWRI Recruit Select within the prior 12 months.
- The “Rainmaker” or Lead Team Member must have capped in the prior 12 month period based on verifiable sources.
- All signs, cards and marketing material must reflect the Team name for identity and branding.
- Two or more individuals attending and completing real estate school and the licensing process together with the intent of forming a team or business relationship may form a Team or Group however they will each pay the full office cap until such time as one of the members has achieved “cap” status. Once a member has achieved cap status and successfully completed KWRI Recruit Select, members may have a “Rainmaker” with a full cap and the other member participates in a reduced cap amount.
- A Group may be two or more individuals that operate separately but can market together. All members of a Group pay a full cap and commission checks will be made payable to the individual members.
- A Team must have one “Rainmaker” or Lead Team Member. The “Rainmaker” will pay a full cap and the cap of the remaining team members until the “team cap” is satisfied. Once the team cap is satisfied, all team members will be at 100% until their next anniversary year. All commission checks will be made payable to the Team name or the “Rainmaker.”
- An existing agent of the Market Center may join a team, however if that team member had capped in the past 3 years, then the team will pay a full \$22,000 cap for 36 months after joining the Team or until the Team “Rainmaker” has recruited and provided a qualified replacement agent to the Market Center. If an existing agent joins a team and did not cap the previous 3 years, then the team will be charged a half cap. This replacement agent must be producing company dollar at the same level as the agent joining the Team in order to qualify.

These are the minimum standards and requirements that must be met prior to forming a Team or Group and compliance with the items does not insure approval. Consult with Team Leader prior to forming a Team or Group to determine compliance with your specific plan and request.

Agents are will be categorized as follows:

¼ Capper (\$5,500) – New agent – first year

½ Capper (\$11,000) – Second-year agents or current agent has not capped previous

3 years

Full Capper (\$22,000) – Agents capped in the previous 3 years

Example:

Two full capping agents join in a team or group. The team cap is \$44,000 (\$22,000 + \$22,000). The team recruits a half-capper within the first year and the team cap will be \$44,000 (\$22,000 + \$11,000 + \$11,000). See management for details.

Licenses Assistant/ISA/OSA Policy

In staying with the integrity of the office's fee structure it is important to know what activities dictate the difference between a licensed assistant and buyer/listing agent. Licensed assistants may *not* perform agent duties outside of the office, including but not limited to, showing properties (unless an absolute emergency.) Licensed assistants *may* do open houses for the team's listings. At this time there are no additional fees for ISA/OSA's. Once again, ISA/OSA's are to be booking appointments for the team. Any costs associated with phone/internet needs will be the cost of the team's team leader.

Signs

Signs are the responsibility of the sales associate. Signs need to be in compliance of Keller Williams Realty MC #968 standards

Key Boxes

The company will supply key boxes. All key boxes must be returned upon termination with the company. Sales associates must keep all signs and key boxes checked out to them under their personal care. No signs or key boxes are to be removed from the storage area without the authorization of the company. Please help keep sign storage area neat and clean and do not leave signs in the hallway.

Multiple Listing Service

Sales associates shall pay all monthly Multiple Listing Service (MLS) fees promptly.

Postage & Business Cards

The sales associate is responsible for their own postage & business cards which will be billed back.

Continuing Education Promotional Program

Training

Sales associates can expect to receive sales training and supervision throughout their tenure with the company. New and experienced sales associates are expected to become proficient in their job and professional in their attitude. All are expected to work effectively with their time and talents on an organized, full time basis. Good work habits are a must and survival in the sales field demands them. Those who accomplish a professional attitude, follow a well-planned course of action, seek education within the industry, and work hard can be confident they will succeed and produce results for themselves far beyond their expectations.

This company conducts its business according to the Code of Ethics of the National Association of Real Estate Associations, the rules and regulations of the local Association and the laws of the State of South Dakota. It is a sales associate's responsibility to know these and to conduct their business accordingly.

Attendance at Meetings, Training Sessions, Etc.

This is highly recommended although totally voluntary. Important and useful information is disseminated at these functions, which is vital to the success of all sales associates.

I acknowledge that I have read and understand the Policies and Procedures manual of Keller Williams Realty MC #968®. I also understand that management has the right to change the Policies and Procedures manual at any time.

Agent

Date