

CENTRAL MICHIGAN ASSOCIATION OF REALTORS®
MULTIPLE LISTING SERVICE
ELECTRONIC LOCKBOX READERKEY LEASE AGREEMENT

This Agreement is made and entered into as of the _____ day of _____, 200_, by and among the Central Michigan Association of REALTORS®, Multiple Listing Service (hereinafter the “**Association**”), and _____ (Broker/Participant) of _____ (Company) and Broker/Participant’s Licensee, _____ (hereinafter the “**KeyHolder**”) in consideration of the mutual promise herein contained, the parties agree as follows:

1. **READERKEY RECEIPT** - KeyHolder acknowledges receipt of the ReaderKEY, Code Number _____, Lease Number _____ and its confidential code from Association.
2. **TITLE TO READERKEY** - Keyholder acknowledges that the ReaderKEY is and shall be the sole property of Risco and is leased to the KeyHolder under the terms and conditions of this agreement.
3. **UPDATED CODE** - KeyHolder acknowledges that the ReaderKEY has to be reactivated every thirty- (30) days from the Association to continue its further use. The KeyHolder will be responsible for calling the Association for this reactivation. Reactivation will only be issued to KeyHolders that are in good standing with the Association and who is in compliance with these Rules and Regulations.
4. **PAYMENTS** -
 - A. During the term of this lease, Keyholder shall pay to the Association its designated annual rent for the lease and use of the ReaderKEY (the “Annual System Fee”). The payment of the Annual System fee shall be billed annually on October 1st. A pro-rated portion (**monthly**) of the annual fee will be due and payable upon KeyHolder’s execution of this Lease. Failure of the Association to invoice the Keyholder for the Annual System Fee shall not relieve the KeyHolder of its obligation to pay the Annual System Fee when due and payable pursuant to this Lease.
 - B. The Association also reserves the right to adjust the Annual System Fee without regard to Risco’s contract.
5. **TERMS OF AGREEMENT** – The term of this Agreement shall commence on the date written above and terminate on the date of the operable key is returned to the Association. The term with Risco is for six (6) years. This contract shall terminate upon termination of the underlying Risco Contract or the termination of this agreement, whichever first occurs.
6. **RETURN OF THE READERKEY** - KeyHolder agrees to return the ReaderKEY within 48 hours of receipt of request to do so by the Association or within 5 business days of the following events:
 - A. Termination of either Broker/Participant or KeyHolder as an active member in good standing with the Association of REALTORS® and Multiple Listing Service.
 - B. Termination of KeyHolder’s association with the Broker/Participant for any reason, except transferring from one member Broker/Participant to another. When transferring membership from one Broker/Participant to another Broker/Participant, the ReaderKEY will transfer to the new Participant by virtue of the Participant’s signature on the written

notification of the transfer to the Board Office.

C. Following the arrest and prior conviction of the KeyHolder for any felony or misdemeanor which, in the determination of the Association, related to the real estate business or which puts clients, customer, or other real estate professionals at risk.

D. Termination of the contract between the Association and Risco.

7. **REIMBURSEMENT** - Keyholder agrees to reimburse Association for any and all expenses incurred by Association's attempts to recover the ReaderKEY from the Keyholder as a result of Keyholder's failure to surrender the ReaderKEY in accordance with this agreement. In the event the Association commences legal proceedings against Keyholder to recover the ReaderKEY or to enforce or interpret any of the provisions of this agreement, Keyholder agrees to pay all costs incurred by the Association together with reasonable attorney's fee as determined by the court both at trial and on appeal, if any.

1. **DEPOSIT** – Each KeyHolder will pay a deposit of \$_____ upon receiving the ReaderKEY. Deposits for the keys shall be kept in a special account for refund upon return of the key unless forfeited upon loss of the key.

2. **RETURN OF KEY** – any member who terminates their membership with the Association and upon returning their key, will be reimbursed any lease monies the first day of the following month of leaving the Association till October 1st.

3. **SECURITY OF READERKEY** - KeyHolder agrees:

A) To complete the mandatory Electronic Lockbox System Training.

B) To keep the ReaderKEY in the KeyHolder's possession or in a safe place at all time.

C) To keep confidential his/her personal ID number and not to allow it to be attached to the ReaderKEY.

D) Not to duplicate the ReaderKEY or allow any other person to do so.

E) Not to assign, transfer, or pledge this lease or the ReaderKEY.

F) To immediately notify the Association in writing of the loss or theft of the ReaderKEY and the circumstances surrounding the loss or theft.

Replacement of the ReaderKEY will be issued to the Participant KeyHolder if they have complied with the Agreement and the policies and procedures of the Association with respect to ReaderKEYS and RediSAFES. A REPLACEMENT FEE WILL BE REQUIRED PRIOR TO ISSUANCE. Any subsequent replacement ReaderKEY will be issued only upon authorization of the CENTRAL MICHIGAN ASSOCIATION OF REALTORS® MULTIPLE LISTING SERVICE.

G) To follow all additional security procedures as specified by the Association.

H) Not to loan the ReaderKEY to any person, for any purpose whatsoever, or to permit the ReaderKEY to be used for any purpose by any other person. The foregoing includes but is not limited to loans to spouses, appraisers, mortgage agents, utility agents, builders, Brokers, Salesperson, and prospective Purchasers or Sellers.

VIOLATION OF THE PROVISIONS:

1. 1ST offense – up to \$500.00 fine.

2. 2nd offense – up to \$1,000.00 fine and the return of the ReaderKEY.

8. **INSPECTION/READERKEY AUDIT** – The Association will have the right to inspect the ReaderKEY leased to the KeyHolder at all reasonable times and places. KeyHolder agrees to submit the ReaderKEY for inspection at the Associations office within 48 hours after receipt of written notice.

In addition, the KeyHolder agrees to submit the ReaderKEY for inspection on an annual basis for a ReaderKEY audit, and at any other time upon oral request if the Association believes that the integrity and security of the system is in jeopardy. A failure to comply with the terms of this paragraph will constitute an event of default under this lease.

9. **INDEMNIFICATION** - KeyHolder covenants and agrees to indemnify and hold Association harmless from any and all liability, obligations, or demands against the Association as a result of KeyHolder’s loss of use of the ReaderKEY including but not limited to, any and all liabilities, including attorney’s fees, incurred by the Association as a result if KeyHolder’s loss or use of damage or injury to premises or persons arising out of the use of the ReaderKEY by the KeyHolder or by any other person.

10. **PARTIAL INVALIDITY** - If any provision of this contract is held by any court to be invalid, void, or unenforceable, the remaining provisions shall continue in full force.

11. **BROKER’S RESPONSIBILITY** – Broker confirms by his/her signature on this Lease Agreement that Broker is both a real estate broker and an active member of the Central Michigan Association of REALTORS®. Further, Broker confirms that Lessee is, in fact, associated with Broker in an active effort to sell real estate through the same business office, that Lessee is duly licensed to perform such real estate sales.

I HEREBY ACKNOWLEDGE HAVING RECEIVED A COPY OF THE RULES AND REGULATIONS GOVERNING ISSUE, USE, CONTROL, RESPONSIBILITY, LIABILITY, AND/OR PENALTY OF/FOR VIOLATION OF REDISAFES AND READERKEY POLICIES AND PROCEDURES AND HAVE READ AND UNDERSTAND AND AGREE TO ABIDE BY SAID RULES AND REGULATIONS.

KEYHOLDER’S SIGNATURE

BROKER/PARTICIPANT SIGNATURE

DATE

BROKER/PARTICIPANT COMPANY

CENTRAL MICHIGAN ASSOCIATION OF REALTORS®

By _____
EXECUTIVE OFFICER OR BOARD OF DIRECTOR OFFICER