



REAL ESTATE BROKERS  
— OF ALASKA —

# BROKER POLICY MANUAL

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## **Licensee Responsibilities: SEC 08.88.685**

As a licensee of Real Estate Brokers of Alaska, the licensee agrees to

- Comply with all real estate law
- Act fairly and honestly in all dealings
- Notify the Broker or the Broker Designee of any legal dispute or allegation
- Maintain regular communication with the Broker and or Broker Designee
- Comply with all Broker policies contained herein

It is the responsibility of the Licensee to review the statutes and Regulations of the Real Estate Commission (found online at [www.commerce.alaska.gov](http://www.commerce.alaska.gov)), and to ensure that all business dealings are in compliance with these statutes and regulations.

It is further understood that Real Estate Brokers of Alaska is a member of Real Estate Professionals. Licensees are responsible for reading, understanding, and abiding by the Real Estate Professionals Code of Ethics.

## **Representation: AAC 64.117**

Per Alaska Statute and Regulations, all licensees shall follow the state law pertaining to business relationship disclosures. This disclosure must be made at the time of initial contact between the consumer and the licensee, prior to the licensee providing specific assistance to the consumer.

Designated licensee relationships are allowable as defined in Sec. 08.88.640

When a Broker or Associate Broker in Charge of a branch office is a designated licensee, Broker oversight will be appointed to the next Broker or Associate Broker in Charge as identified before any contractual relationship begins.

Neutral Licensee relationships are allowable as defined in Sec. 08.88.610 and Sec.08.88.645, however Licensees are not allowed to be neutral when they or a family member are a principal, (in whole or part), of a transaction. In that situation, the Licensee may only offer representation.

Specific Assistance and Representation relationships are allowable as defined in Sec. 08.88.615

In the event the Broker in Charge is unavailable, an Associate Broker will be designated as the Broker in Charge for the absence. Notification of this change will be made by email.

## **Confidentiality**

All Broker files will be maintained on a secure server to maintain confidentiality of all consumer documents, any incoming faxes will be delivered to the broker via secure email and forwarded directly to the licensee via secure email, and incoming faxes will not be printed. Documents delivered by clients and customers to a licensee will be placed in the mailbox of the licensee.

Licensees are responsible for maintaining confidentiality of all licensee files and confidential client documents. This includes a secure storage of files, secure electronic files, immediate retrieval of any printed materials on public printers and immediate retrieval of any confidential documents from licensee's mailbox and or company reception areas.

## **Contracts**

Sec. 08.88.341. All real estate listings or management contracts must be in writing and must be signed by the Broker or Licensee of the Broker and by the client or authorized representative of the client for whose benefit the real estate Licensee will act.

In the event a Licensee represents a Buyer who desires to purchase a house from an unrepresented Seller, prior to showing the property the Licensee is to complete the For Sale By Owner Compensation Agreement to memorialize the commission payment terms of the agreement, the property details, and the parties involved. The Seller would also be required to sign an AREC, which in most cases will stipulate that the Licensee represents the Buyer, but may provide specific assistance to the Seller.

All real estate exclusive listings or management contracts must have a definite expiration date that may be renewed or extended only by a written agreement signed by the client or the client's authorized representative.

## **Specific Broker Approval Required**

Specific Broker approval is required for the following:

- Escrow Holdbacks or any other post-closing repairs
- Pre-Closing & Post Closing Occupancy Agreements
- Commercial Transactions

## **File Retention Sec.08.88.351 Accounts; Records of Transactions (b)**

A real estate licensee

- (1) Shall keep, for a minimum of three years, a complete record of all real estate transactions in which the licensee was a principle.

(2) who maintains records concerning management, sale of the licensee's own properties, or the licensee's client properties separate from the broker's file, shall retain those records for a minimum of three years.

(3) shall make available to the commission, on request, records and other documents that the commission may require conducting an investigation.

(c) For the purposes of this section, the three-year requirement for records maintenance begins at the initiation of a transaction and continues, as applicable, until three years after the date

- a listing agreement ends
- a sales transaction closes or otherwise ends
- a management contract ends
- another contractual or fiduciary obligation ends

## **Earnest Money**

In order to be a valid contract, earnest money must be on deposit as stipulated in the Purchase and Sale Agreement. Earnest Money will be delivered to the Broker or title company, with an Earnest Money Authorization Form no later than three (3) business days from the date of receipt for deposit. All earnest money will be in the form of a personal check, cashier's check, money order, promissory note, or wire deposit. Cash will not be accepted for Earnest Money. All earnest money in the form of a promissory note shall be identified on the purchase contract, and specifically pointed out to the seller for their approval. No item of non-cash value will be accepted as earnest money.

All deposits will be held in the trust account for ten (10) business days to ensure they have cleared the bank, including cashier's checks or money order, unless verifiable proof is presented to ensure sufficient funds.

A request to release funds from the trust account will require proof of a closed transaction, an amendment transferring funds to the title company, verification of non-accepted offer, a Broker Determination, or a fully executed termination agreement.

## **File Review Compliance**

Real Estate Brokers of Alaska is a paperless file review company. All transaction files are managed through SkySlope. For each transaction, a new file will be opened that includes the full property address, client name and contact information, and a legal description. A transaction begins when a listing agreement and/or purchase and sales agreement have been executed. All contracts are to be added to SkySlope within three (3) days of execution. All executed documents and transaction specific documents should be added

to the file upon receipt to ensure the Broker has access for review at any time during the transaction.

No later than three (3) days prior to recording (per Alaska statute), Licensee will ensure all required documents (per checklist located on Sky Slope), are included, fully executed, and included in Sky Slope in the order listed on the checklist for compliance review. In the event the Licensee does not have all required documents uploaded to SkySlope three (3) days prior to recording, the File Processing Fee will be increased to \$500. Additionally, the Licensee will be responsible for 100% of the Errors & Omissions insurance deductible in the event a claim is filed concerning the transaction.

Once all required documents have been uploaded to SkySlope, the Licensee will generate a Commission Disbursement Authorization, CDA, which is found under the Commissions tab. The CDA will detail all payments to be withheld from the commission payment, such as E&O insurance, file processing fees, monthly billing, sign charges, or referral payments.

In the event a transaction terminates, the Licensee is to upload the AREC, Purchase and Sale Agreement, and a fully executed Termination Agreement into the SkySlope file, then cancel the transaction.

If a document uploaded into SkySlope is found to be incorrect, (missing a date, signature, etc.), the compliance reviewer will notify the Licensee and the Broker of the issue. Once notified, the Licensee must take immediate action to correct the issue identified by compliance review.

Once the complete file has been reviewed and approved, the Licensee is eligible to be paid upon receipt of commission payment from the title company. If a transaction file has not been approved by compliance review, the Licensee will not be paid until the errors in the file have been corrected.

In the event a licensee desires to use his or her commission towards the down payment or closing costs in a personal transaction, they may use all but \$1,000 which is retained to cover any applicable transaction fees, and to ensure the brokerage receives the settlement statements on the transaction.

Real Estate Brokers of Alaska offers educational opportunities for Sky Slope. It is the responsibility of the licensee to ensure that they are knowledgeable of the system and its function in advance of entering contracts for real estate transactions.

## **Advertising**

The licensee is responsible for ensuring that all forms of advertising, including and not limited to, business cards, signs (open house, directional, for sale), voice mail, email signatures, banners, letterhead, online advertising and marketing, promotional items and events and social media/websites include the required disclosure of the registered

broker name **Real Estate Brokers of Alaska**, and that signage complies with the Custom Residential Sign Layouts. The licensee assumes responsibility for any and all disciplinary sanctions from the State of Alaska for noncompliance with this requirement. Any expense associated with branding changes for noncompliance will be the responsibility of the licensee.

### **Management of Licensee Owned Properties 12 AAC 64.570**

(a) A licensee who has sole ownership of rental property either may manage the property through the licensee's employing broker or may employ another broker or property manager to perform those management duties.

**It is the sole responsibility of the licensee to ensure they are knowledgeable of Alaska Landlord Tenant Law and that all documents and management activity is in compliance with Alaska Landlord Tenant Law.**

(b) In addition to the duties set out in AS 08.88.615, a licensee who owns real property described in (a) of this section must also

(1) disclose to each prospective lessee or tenant

- the items described in AS 08.88.615 (a)(6) -(8)
- The licensee's ownership in accordance with AS 08.88.391

(2) Provide the licensee's broker with the following information for each property owned by the licensee

- ownership position and percentage;
- copies of all financial records and rental agreement;
- an update for the broker when a change occurs to the information required to be provided under this subsection;
- security deposits and prepaid rents to be held in the broker's trust account in compliance with 12 AAC 62.200 or held in a licensee's privately owned trust account to which the broker has access for oversight and review purposes; in this subparagraph, "prepaid rent"

(i) means that amount of money demanded by the landlord at the initiation of tenancy for the purpose of ensuring that rent will be paid;

(ii) does not include the first month's rent or money received as security for damage;

(iii) written documentation to refund a security deposit or deduct money from a security deposit.

(c) Notwithstanding 12 AAC 64.200, rents and other incidental income may be paid directly to the licensee as the lessor and need not be deposited in the broker's trust account.

(d) the duration of the relationship between the licensee and the lessee must meet the requirements of AS. 08.88.660

All rental agreements and compliance documents for Licensees' personal property management must be provided to Broker for review.

### **Home Office Policy:**

12 AAC 64.128

(c) An associate broker or salesperson working out of a home office that is not a principal office or a branch office may not

(1) give the appearance or impression that the home office is a principal office or branch office.

(2) display a sign at the home office showing the name of the real estate business.

(3) use the address of the home office in any form of advertising, business letterhead, or business cards for the real estate business; the address of the principal office or branch office from which the associate broker or licensee conducts real estate business must be used in the advertising, business letterhead, or business cards for the real estate business.

### **Licensed Assistants**

**Sec.08.88.398** A licensed real estate salesperson or licensed associate real estate broker may act as a licensed assistant to another licensed salesperson or associate real estate broker only if:

(1) The licensed assistant and the salesperson or associate broker are both employed by the same broker;

(2) The licensed assistant is not employed to perform activities requiring licensure under this chapter for more than one licensed real estate broker;

(3) The employment arrangement between the licensed assistant and the salesperson or associate real estate broker is in writing and conforms to the applicable state and federal regulations regarding employment;



- (4) The employment of the licensed assistant is approved in writing by the broker who employs both the salesperson or associate real estate broker and the licensed assistant;
- (5) The salesperson or associate real estate broker who employs the licensed assistant agrees to be responsible for paying the licensed assistants wages and appropriate taxes and completing the appropriate state and federal tax forms;
- (6) The broker of the salesperson or associate real estate broker who employs the licensed assistant agrees to be liable for the actions of the licensed assistant.

It is the responsibility of the licensee to provide the proper written agreement as stated above in section three (3) immediately upon the agreement to employ.

### **Payment of Commission, Bonus, and Fees**

It is the intention of Real Estate Brokers of Alaska to pay on the day after recording, upon receipt of payment from the title company, assuming licensee has fulfilled their obligation to submit all documentation as required for broker review.

All requests for payments to licensees for closed transactions, referral fees, deferred commitments, settlements or other will be accompanied by all corresponding documentation and approved by the Broker prior to payment.

Licensees may use their commission as part of the down payment in the purchase of real estate for themselves, less \$1000 to cover any fees owed to Real Estate Brokers of Alaska. In these situations, the licensee is to direct the title company in the commission letter to send a check to Real Estate Brokers of Alaska for the amount of \$1000, the rest of the commission may be used for the down payment or to cover closing costs.

### **Errors and Omissions (E&O)**

E&O is charged at a rate of 1.25% of gross commission, is capped at \$900 annually on residential transactions, and is deducted at the time of recording in the same manner as file processing fees. E&O for commercial transactions is not capped.

### **Computer Equipment and Software**

All computer equipment brought into the Real Estate Brokers of Alaska offices to be used on the Company network must have an active antivirus program. Any expenses incurred by the brokerage, and/or subsequent users of the brokerage network due to harm caused by failure to protect a device with anti-virus software will be the responsibility of the party which was the source of the problem.

Company computers are to be used for Company business purposes only. All documents created on Company computers are property of Real Estate Brokers of Alaska, as are all

the documents stored in the Company network. The Company reserves the right to monitor and review documents and email communications on the Company owned network and computers as it deems necessary.

The Company computers, network storage, and other network devices are the property of Real Estate Brokers of Alaska. Licensees and employees using the Company network and attached devices are advised that all computer traffic, including emails and documents stored on the , is subject to Company review, and they are to have no expectation of privacy.

### **Legal Action**

No associate may initiate legal action that may impact Real Estate Brokers of Alaska without first contacting the Broker. Any Licensee named in a legal action must notify the Broker as soon as possible.

### **MLS Rules, Regulations, and Fines**

Associates are required to be familiar with the Rules and Regulations of Alaska MLS. Some of the MLS fines are quite significant, for example, allowing another person to use an associate's MLS password is fined at \$2,500 for the first use of the password, \$5,000 for the second use, and \$10,000 for each subsequent use. A copy of the current MLS Rules and Regulations can be found in MLS, under the MLS Intranet link.

*I acknowledge I have received a copy of the Broker Policy Manual for Real Estate Brokers of Alaska, revision dated 03/22/2023. I understand that this policy may be amended from time to time, and that a current copy of this policy may be found at akreba.org. I agree and understand that I am responsible for reviewing the Broker Policy Manual for Real Estate Brokers of Alaska at akreba.org regularly to ensure I am current on all revisions.*

*I take full responsibility for immediate review and clarification of this policy. It is understood that failure to comply with the Broker Policy may result in immediate termination of my independent contractor agreement and licensure with Real Estate Brokers of Alaska.*

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*Licensee*

*Date*