

# KELLER WILLIAMS RISK MANAGEMENT & BROKER COMPLIANCE

Revised by Compliance Manager 01/18/25

## OVERVIEW

1. Brokers are constantly working to adhere to CAR | DRE guidelines. Everything done in overseeing compliance is done to protect our clients, our agents and our company. CAR Legal may revise contract and disclosure forms every 6 months as required to ensure we are current with all legal issues related to real estate transactions. Local disclosures may be revised at any time. Brokers are required to review all transaction documents within 3 days to make sure contracts and disclosures are filled out completely and in compliance.
2. If there are failures in the risk management systems, the Broker-of-Record is held responsible. If even just one transaction is brought into litigation, the DRE can audit the risk management systems including Broker review, agent training & agent adherence to the DRE guidelines for submission of documents, etc. If DRE determines that transaction documents are not being submitted for review and comprehensive and accurate reviews completed within the DRE-mandated time frames, the Broker-of-Record may have his/her license suspended or other action. If this occurs, everything stops at the Brokerage: no commission checks are released, no salaries paid, and closings may be held up. This could have catastrophic consequences.

## IMPLEMENTATION

**LISTINGS & SALES PROCESSING & REVIEW** – Submit documents within 1 day so that they may be reviewed within 3 days. This will keep us in compliance with DRE Guidelines. If you are missing an initial or signature, **submit what you have immediately and then we can obtain whatever is missing later.**

1. AGENT|BROKER FILES – It is recommended that you set up a folder on your desktop [or Drop Box] with the Subject Property Address and keep related documents that you intend to upload to Keller Williams Transaction Database in that folder. Once you have uploaded documents to KW Transaction Database and submitted them for review, then the Broker has copies. **All new Listings or Purchases are to be submitted within 1 day for processing.**
2. REQUIRED DOCUMENTS – Always use the most up-to-date versions of Zip Forms and other documents [check FAQ Site]. **Agent is responsible to contact City and/or County office for required local disclosures.** See Listing & Sales Transaction Guidelines for checklist(s). There is also a checklist in KW Transaction Database for your convenience.
3. BROKER REVIEW(S) – You will receive back an email message from the Compliance Manager with the checklist showing what has been completed and what is still needed. Please see notes for specific documents.

**IMPORTANT: Selling Agent responsible to discuss with Buyer the following to ensure Buyer makes informed decisions:**

1. All Seller Disclosures [including any attachments & AVIDs] - Check any significant comments Buyer should know.
2. Preliminary title [including any attachments and exceptions – see “links” in e-Pre]
3. HOA Documents & Minutes – Check any significant comments in CCRs or Minutes that Buyer should know.
4. All Inspections & Reports - Understand use of BIE & BIW | RR & RRRR | CRs [See Transaction Guideline sheets.]

## SUMMARY

Keller Williams Realty is the “agent” in the transaction and is responsible to protect the client in every aspect of the listing or the purchase of a home. We need your diligence in adhering to these guidelines in order to best represent our clients. In order for a file to be complete, all documents need to be fully executed & uploaded to KW Transaction Database including copies of the closing documents & closing checks from Title. A complete file is required for Agent’s and/or Transaction Coordinator’s check to be released.