

KNOW YOUR CODE

The importance of written service agreements cannot be emphasized enough. When a member goes to work for a customer or a client, their relationship and the services must be clearly spelled out. Providing a thorough explanation to customers or clients as to what they are signing is equally important. **Again, full disclosure is paramount.**

5. Written Service Agreements

ARTICLE	INTERPRETATION
A REALTOR® shall ensure that all Service Agreements with consumers with the exception of Service Agreements with Buyers are in writing in clear and understandable language, expressing the specific terms, conditions, obligations and commitments of the parties to the agreement.	<p>5.1 Written agreements should be signed at the earliest possible opportunity and in any event prior to any offer to Purchase being presented or submitted.</p> <p>5.2 Before entering into a Dual Agency, a REALTOR® shall have the parties' consent in writing to this form of representation by executing a Dual Agency agreement clearly setting out the duties owed by the REALTOR® to each Client.</p> <p>5.3 Contracts entered into electronically shall be considered to be "in writing" for the purpose of this Article, provided such contracts comply with the requirements of applicable legislation.</p> <p>5.4 A REALTOR® shall, prior to signing, provide the necessary explanations to enable a Client to understand the terms and conditions of a contract.</p> <p>5.5 A REALTOR® shall ensure that documents pertaining to the Listing of real estate or to a Buyer agency relationship are kept current through the use of written extensions or amendments.</p>
ARTICLE	INTERPRETATION
	<p>5.6 A REALTOR®, on entering into a Listing or other service contract with a Seller, shall discuss and disclose to the Seller the amount of Compensation offered to co-operating brokers.</p> <p>5.7 REALTORS® should make reasonable efforts to ensure that Service Agreements with Buyers are signed, and are required to do so in those jurisdictions that mandate written agreements.</p>

In this age of electronic signatures, where a document can be sent for signature and returned in minutes, it is of utmost importance that the details of those contracts are fully explained.

It has been recommended that the contracts be sent in PDF format first to allow the client to review and ask questions before the electronic document is sent.

The last thing you want to hear in a court of law is "I didn't realize what I was signing; it all happened so fast electronically".

QUESTIONS REGARDING PROFESSIONAL PRACTICE

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