

## **Important Notice for all Real Estate Continuing Education Providers regarding the 2013-2014 Continuing Education Module Courses**

As part of the continuing education that is due each license year, all real estate brokers and salespersons must complete a specific module training course that covers topics in real estate that are significant and of current interest in the real estate market and profession. Brokers also have the additional requirement to complete a module specifically designed to address issues relevant to brokers. The Department of Commerce must publicize an outline of the topics covered by the module and the number of credit hours by April 1 each year. One or both modules may be offered by any real estate continuing education provider approved by the Department of Commerce who has received approval for the course(s). Here are additional details:

- The Department of Commerce, in consultation with a statewide real estate trade association and a statewide private continuing education provider, determines the specific topics covered by the modules each license year and the number of credit hours allocated to each module.
- **The topic for the 2013-2014 general module is Risk Management and the number of credit hours is 7.5. An outline of the topics covered by the module (the course matrix) is part of the special general module course application that is available on the Department of Commerce website.**
- The topic for the 2013-2014 broker module is **Broker Supervisory Obligations** and the number of credit hours is **1.0**. An outline of the topics covered by the module (the course matrix) is part of the special broker module course application that is available on the Department of Commerce website.
- To get credit for the general module, the student must pass an examination taken at end of the course (as part of the approved credit hours, not after them). The test must not be allocated credit of more than one-sixth of the time allocated to the module. The examination will consist of 35 multiple-choice and true/false questions randomly selected from a pool of 110 that will be provided to you by the Department of Commerce. The passing score is 26 or more correct. The examination questions were written by subject matter experts in consultation with the Department of Commerce. When the course is offered in a traditional classroom, the examination must be administered either on paper or via computer. When the course is offered as distance learning, the examination must follow Minn. Stat. §45.306.
- To get credit for the broker module, the student must pass an examination taken at end of the course (as part of the approved credit hours, not after them). The test must not be allocated credit of more than one-sixth of the time allocated to the module. The examination will consist of 10 multiple-choice and true/false questions randomly selected from a pool of 30 that will be provided to you by the Department of Commerce. The passing score is 7 or more correct. The examination questions were written by subject matter experts in consultation with the Department of Commerce. When the course is offered in a traditional classroom, the examination must be administered either on paper or via computer. When the course is offered as distance learning, the examination must follow Minn. Stat. §45.306.
- A student must be allowed to remain as long as reasonably necessary to complete the test.
- After your module course application has been approved, the Department of Commerce will send you the examination question pool. You must ensure that the questions that will appear on the test form are randomly selected each time you offer the examination. You may not disclose the questions or answers to anyone other than a test administrator or other person who reasonably may need to view them to assist you with test administration (such as a clerical employee charged with physically entering the questions into a test form or database).
- The law requires the course provider to prepare, administer, score, and pay any costs related to the tests.
- A course provider may contract with a third party for scoring of the test.
- These courses are part of the 15 hours of continuing education that are due each year, not in addition to them.
- Commercial-only salespersons and brokers are exempt from these module requirements but must file the appropriate exemption request form that is available at <http://mn.gov/commerce/> under Real Estate License Notices.
- It is likely that some licensees will not take a required module course before the deadline at the end of the license year. This will cause their licenses to become inactive. Licensees in these circumstances who wish to reactivate their licenses will be required to complete the most recent past license year's module course(s).

**(NOTE: This page does NOT need to be sent in as part of the application submission.)**



**STATE OF MINNESOTA**  
**DEPARTMENT OF COMMERCE**  
 85 – 7<sup>TH</sup> PLACE EAST, SUITE 500  
 ST. PAUL, MN 55101  
 PHONE: 651-539-1599  
 FAX: 651-539-0112

**DOC OFFICE USE ONLY**

Date: \_\_\_\_\_ Course #: \_\_\_\_\_

APPROVED       DENIED       RETURNED

BY \_\_\_\_\_

DISTANCE LEARNING / SELF-STUDY or INTERACTIVE INTERNET

CLASSROOM      YEAR DUE **7/1/13-6/30/14**

**BROKER & SALESPERSON**

**NOTICE: Course Does Satisfy Agency Law**

Number of credits approved \_\_\_\_\_

**(Please Note:** A current, correctly completed application with all required attachments and fee must be submitted at least 30 days before the initial proposed course date.)

**7/1/13-6/30/14 REQUIRED BROKER & SALESPERSON SPECIFIC MODULE**

**REAL ESTATE CONTINUING EDUCATION COURSE APPROVAL APPLICATION**

Course Title:

**7/1/13-6/30/14 BROKER & SALESPERSON REQUIRED MODULE – RISK MANAGEMENT**

Initial Proposed Date(s) of Course: \_\_\_\_\_

**PROVIDER/COORDINATOR INFORMATION**

**You MUST already be a MN approved Real Estate Education Provider OR a Full PROVIDER / COORDINATOR APPLICATION & Full FEE MUST BE SUBMITTED ALONG WITH THIS COURSE APPLICATION**

Provider Name (In Full - Exactly as it appears on your MN approval letter or application): **(REQUIRED)**  
 MN Provider ID #

Provider Address:

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Provider Phone Number: ( ) \_\_\_\_\_ Provider Fax: ( ) \_\_\_\_\_ Provider Toll-Free: ( ) \_\_\_\_\_

Website: \_\_\_\_\_

Coordinator Name: \_\_\_\_\_

Coordinator Business Telephone: ( ) \_\_\_\_\_ **(REQUIRED)** Coordinator Business Email: \_\_\_\_\_

Federal Employer Identification Number **(REQUIRED)** (FEIN): \_\_\_\_\_

**APPLICATION FEE (Only check or money order accepted)** License Type: **REAL ESTATE**

New Course: \$10 per hour or a fraction of an hour. (Example: 1.5Hrs = \$20) # of Hours Requested: **7.5**

Total Fee Submitted: **\$80.00** Check Number: \_\_\_\_\_

**Make sure that you are submitting the correct application located at [www.commerce.state.mn.us](http://www.commerce.state.mn.us). Incorrect submissions will be returned without review.**

### Broker & Salesperson Module EXAM INFORMATION:

- After your module course application has been approved, the Department of Commerce will send you the examination question pool of 110 questions. You must ensure that the 35 questions that will appear on each exam form are randomly selected each time you offer the examination. You may not disclose the questions or answers to anyone other than an exam administrator or other person who reasonably may need to view them to assist you with exam administration (such as a clerical employee charged with physically entering the questions into a exam form or database).
- The law requires the course provider to prepare, administer, score, and pay any costs related to the exam.
- A course provider may contract with a third party for scoring of the exam.
- Passing score for this Broker & Salesperson module course is 75% or 26 correct answers.

### Method of Presentation / Instruction:

**Note: You may choose ONLY ONE Instruction Method per Application and Fee**

#### Also Attach an IN-DEPTH explanation for Each of the Following:

Method of Instruction/Presentation  Exam & Exam Presentation  Use & Verification of Proctors

See APPENDIX B regarding internet interactive course requirements and verifiable proctors.

Traditional Classroom

**Internet** (Must meet MN Requirements for Interactivity and include a process to authenticate the student's identity. The final examination must be either an encrypted online examination or a paper examination that is monitored by a proctor who certifies that the student took the examination. The student must not be allowed to review the course content once the examination has begun.) (See Appendix B)

**WebEx** (Interactive)  **Webinar** (Interactive)  **Remote TV** (Interactive with audio)  
(For every student, attendance must be physically monitored throughout the course and exam by the MN approved Coordinator for your Providership or physically monitored and certified by a verifiable Proctor.) (See Appendix B)

**Self-study / Correspondence** - (The course content and time must be verifiable, and for every student, attendance must be physically monitored throughout the exam by the MN approved Coordinator for your Providership or physically monitored and certified by a verifiable Proctor.) (See Appendix B)

**Course Category** – This Course Must Contain the Required 1 Hour of Agency Law! See Outline for Breakdown.

#### IF COURSE APPROVAL IS GRANTED YOUR APPROVAL LETTER WILL INCLUDE THE FOLLOWING IMPORTANT NOTICE!

**IMPORTANT NOTICE:** A copy of the Exam will be sent to you separately within the next ten business days. Your providership is allowed 30 days from receipt of the Exam to make moderate changes to the course content as needed to better instruct the licensees. Any changes to your original course must be clearly marked and everything resubmitted to our office for review before the 30 days are up. The course may NOT be offered for credit to licensees before a final approval is received from our office. If no revisions are needed your providership may proceed with course offerings once you have received the exam.

#### ANOTHER IMPORTANT NOTE:

Providers are required to keep the exam questions private and not share them with any other entity other than a professional exam scoring service employed by the providership to grade the exams. This exam requires a 75% pass score.

## 7/1/13-6/30/14 REQUIRED REAL ESTATE BROKER & SALESPERSON MODULE Core Matrix Outline

### Notice Regarding the Core Matrix Outline

The following material outlines the required topics that Education Providers must include when establishing their course. **ALL TOPICS MUST BE COVERED; Including Agency Law as shown in outline below.** While the module itself, the required topics in the core matrix outline, and the exam, were ultimately approved by the MN Dept. of Commerce, the development was delegated in part, as allowed by Minn. Stature Chapter 82.61 (i), to a statewide real estate trade association and a statewide private continuing education provider. This training course content, if effectively delivered, will enable real estate agents to gain a basic understanding of the required topic. All methods of instruction require verifiable passage of an end of course closed book exam.

**(Total of 7 Outline Pages)**

<b>Provider Name:</b>	<b>Provider #</b>	<b>Module Year: 7/1/2013 – 6/30/14</b>
<b>REQUIRED COURSE NAME</b> <b>7/1/13-6/30/14 REQUIRED MODULE – RISK MANAGEMENT</b>		<b>Hours Required</b> <b>7.5</b>

### Mandatory Curriculum for this MODULE

#### Including Agency Law Sections!

<b>Required By BROKER &amp; SALESPERSON</b> (Page 1 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
<b>RISK MANAGEMENT</b>			
I. Welcome and Course Objectives	<b>5 Min</b>		
II. An Overview of Risk	<b>5 Min</b>		
A. Definition of risk	↓		
1. A dangerous element or factor	↓		
B. The need to reduce or eliminate risk in real estate transactions	↓		
C. Recent MN Department of Commerce enforcement actions	↓		
1. Altered dates on a purchase agreement and failure to properly release trust funds; \$20,000 fine	↓		
2. Fraudulent, dishonest and deceptive practice for failure to disclose material facts; \$10,000 fine	↓		
3. Failure to disclose dual agency and brought suit for a commission for which the broker was not entitled; \$6,000 fine	↓		
4. Failure to identify company name in advertising; \$5,000 fine	↓		
5. Made material misrepresentations in the advertisement of the sale of real property; \$5,000 fine	↓		
6. Agent converted earnest money funds for his own use; \$4,000 fine	↓		
7. Failure to comply with the Truth in Housing ordinance; \$2,000 fine	↓		
III. Agency Issues	<b>10 Min (Agency)</b>		
A. Disclosure (82.67)	↓		
1. Early in the transaction	↓		
a. "First substantive contact"	↓		
2. Discuss options	↓		
a. Seller's broker	↓		
b. Subagent	↓		
c. Buyer's broker	↓		
d. Dual agent	↓		
e. Facilitator	↓		
3. Fiduciary duties	<b>10 Min (Agency)</b>		
a. Obedience	↓		
b. Loyalty	↓		
c. Disclosure	↓		
d. Confidentiality	↓		
e. Accounting	↓		
f. Reasonable care	↓		

<b>Required By BROKER &amp; SALESPERSON</b> (Page 2 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
B. Breach of contract issues	<b>10 Min (Agency)</b>		
1. Intruding on the exclusive agency relationship of another broker	↓		
2. Termination	↓		
a. Listing contracts	↓		
b. Buyer representation	↓		
c. Facilitator services agreement	↓		
IV. Disclosure Requirement (82.68)	<b>5 Min (Agency)</b>		
A. Agent can only conduct business on behalf of the broker to whom licensed	↓		
B. Financial interest	↓		
1. Prior to negotiations; Disclosure must include:	↓		
a. Licensee is licensed real estate agent/broker	↓		
b. Directly or indirectly through a 3 <sup>rd</sup> party	↓		
c. Buyer or seller is relative or business associate	↓		
d. Disclosure must be in writing	↓		
C. Material facts	<b>10 Min</b>		
1. Must disclose all material factors the agent is aware of	↓		
2. "Material" definition	↓		
3. Agent liability: Recognizing obvious issues and red flags	↓		
4. Exceptions	↓		
a. Suicide, natural death, accidental death	↓		
aa. Murder is NOT an exception	↓		
b. HIV	↓		
c. Perceived paranormal activity	↓		
d. Group and/or nursing homes	↓		
e. Sex offender if written notice of information is provided	↓		
f. Information contained in an inspection report	↓		
aa. Must disclose contrary information	↓		
5. Statutes place same disclosure obligation on sellers	<b>10 Min</b>		
6. Sellers (not agents) have options	↓		
a. Provide a buyer with a 3 <sup>rd</sup> party inspection report	↓		
b. Request that the buyer waive the seller disclosure obligation	↓		
7. Seller's disclosure obligation is applicable to single family residences	↓		
8. Real estate agent/broker's disclosure obligation is obligatory in all real estate transactions that the licensee is involved in;	↓		
9. Consequences of inadequate disclosure	↓		
a. Cancellation of purchase agreement	↓		
b. Seller and listing broker subject to a lawsuit for claims for damages	↓		
c. Ethics and DOC complaints filed against the agent and broker	↓		
D. Advertising (82.69)	<b>10 Min</b>		
1. Licensee disclosure in ALL advertising	↓		
a. Property of others	↓		
b. Agent-owner	↓		
2. Individual agent	↓		
a. Brokerage name must be included in a prominent manner	↓		
3. Team names	↓		
a. Broker must authorize the use of team name	↓		
b. Team name does not need to include the name of the team members	↓		
c. Brokerage name must be more prominently than the team name	↓		

<b>Required By BROKER &amp; SALESPERSON</b> (Page 3 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
E. Compensation (82.70)	<b>15 Min</b>		
1. All commissions and fees must go through the broker	↓		
a. Requirement to disclose all compensation	↓		
2. Referral fees	↓		
a. Referrals cannot be paid to unlicensed individuals	↓		
aa. Includes gift cards	↓		
b. Referral fees can be paid to licensed brokerages outside of MN	↓		
3. Sharing commissions	↓		
a. Rebates can be given to parties involved in the transaction	↓		
4. Brokers may pay commissions to an agent's LLC, corporation or sole proprietorship if the agent is the sole owner	↓		
5. Listing brokers have no claim to trust funds	↓		
6. Actions	↓		
a. Proof of license	↓		
b. Written agreement	↓		
c. Agency disclosure (residential)	↓		
d. No arbitration/hold harmless in purchase agreement	↓		
V. Negotiations (82.71)	<b>10 Min</b>		
A. Requirement to present all written offers promptly	↓		
1. Agents cannot substitute their own judgment for that of the sellers	↓		
B. Cannot disclose terms of an offer prior to presentation	↓		
1. Seller may authorize agent to "shop" terms of an offer	↓		
2. Impact of dual agency	↓		
C. Obligation to provide a copy of documents to the party when signed	↓		
D. Obligation to provide closing statements detailing all disbursements	↓		
VI. Fraudulent, Deceptive and Dishonest Practices (82.81 Subd. 12)	<b>15 Min</b>		
A. Cannot represent membership in a real estate related organization in which licensee is not a member	↓		
B. Cannot make any material misrepresentation, or false and misleading statements, or allow another to do so	↓		
C. Cannot comingle trust funds with licensee's personal funds	↓		
D. Cannot engage in anticompetitive activity	↓		
E. Cannot give money or goods to an unlicensed individual for the referral of business	↓		
	↓		
VII. Reasons for Discipline (82.82)	<b>10 Min</b>		
A. Incomplete, false or misleading application	↓		
B. Fraudulent, deceptive or dishonest practice	↓		
C. Court order	↓		
D. Failure to supervise causing harm to public	↓		
E. Violate a provision of Chapter 82	↓		
F. Shown to be incompetent, untrustworthy or financially irresponsible	↓		
G. Conflict of interest	↓		
H. MN. Tax liability (>\$500)	↓		
VIII. Discipline (82.82)	<b>5 Min</b>		
A. Denial	↓		
B. Suspension	↓		
C. Revocation	↓		
D. Censure	↓		

<b>Required By BROKER &amp; SALESPERSON</b> (Page 4 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
IX. Contracts (82.66)	<b>15 Min (Agency)</b>		
A. Listing requirements	↓		
1. Written authorization	↓		
2. Contents	↓		
a. Definite expiration date	↓		
b. Address and description of the property	↓		
c. List price and any terms required by the seller	↓		
d. Amount or basis of compensation (commission)	↓		
e. Clear statement of the events that will entitle a broker to a commission	↓		
f. Clear statement if the agreement can be cancelled and under what terms	↓		
g. Override clause	↓		
h. Dual agency disclosure	↓		
i. A notice about closing services	↓		
j. A notice about a subsequent listing	↓		
3. Prohibition of listing agreements	<b>5 Min (Agency)</b>		
a. Holdover clause/Automatic extension	↓		
b. Override longer than 6 months	↓		
aa. 2 years if for the sale of a business	↓		
bb. Must provide a protective list within 72 hours	↓		
c. Advertising	↓		
B. Buyer representation requirements (82.66 (2))	<b>15 Min (Agency)</b>		
1. Written authorization	↓		
2. Contents	↓		
a. Definite expiration date	↓		
b. Amount of basis of compensation (commission)	↓		
c. Clear statement about the events that will entitle a broker to a commission	↓		
d. The services included	↓		
e. Clear statement if the contract can be cancelled and under what terms	↓		
f. Override clause	↓		
g. Dual agency disclosure	↓		
h. A notice about a subsequent buyer rep agreement	↓		
3. Buyer representation prohibitions	<b>5 Min (Agency)</b>		
a. Holdover clause/Automatic extension	↓		
b. Override clause longer than 6 months	↓		
aa. Must provide protective list within 72 hours	↓		
bb. Protective list – burden on licensee	↓		
C. Facilitator agreements	<b>5 Min (Agency)</b>		
1. The default relationship in MN	↓		
2. Written agreement NOT required	↓		
3. Confidentiality is the only required fiduciary duty	↓		
a. Services vs. fiduciary duties	↓		
D. Purchase agreements	<b>5 Min</b>		
1. Pitfalls	↓		
2. Delivery	↓		

<b>Required By BROKER &amp; SALESPERSON</b> (Page 5 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
E. Cancellation	<b>15 Min</b>		
1. Cancellation of residential purchase agreement	↓		
2. Breach of contract vs. cancellation of contract	↓		
3. Methods of cancellation	↓		
a. Voluntary	↓		
b. Statutory – M.S. 559.217	↓		
aa. Residential property only	↓		
bb. Can be filed by either the buyer or seller	↓		
4. Right to Cure – 15 days	↓		
a. Purchase agreement terms do not automatically cancel	↓		
b. E.G. – closing date	↓		
5. Declaratory cancellation – 15 days	↓		
a. Purchase agreement terms do automatically cancel	↓		
b. E.G. – inspection	↓		
6. Statutory form must include	<b>10 Min</b>		
a. Property description	↓		
b. Purchase agreement date and party names	↓		
c. Unfulfilled condition or the reason for the default	↓		
d. 15 day notice stating	↓		
aa. Right to Cure and compliance with term of the purchase agreement or obtain a court order	↓		
bb. Declaratory where the purchase agreement has been cancelled unless a court order has been obtained	↓		
7. Service of process	↓		
a. Personal service	↓		
b. Must be served on the other party	↓		
c. Must serve third party	↓		
8. Affidavit must include	<b>10 Min</b>		
a. Notice properly served	↓		
b. Other party did not comply and/or receipt of a court order	↓		
c. Serve affidavit on third party to receive earnest money	↓		
9. Attorney's fees	↓		
a. Prevailing party not to exceed \$3,000	↓		
10. What happens if both parties initiate a cancellation	↓		
a. One party initiates a cancellation	↓		
b. The other party responds with a cancellation before the deadline of the first cancellation	↓		
c. Purchase agreement is cancelled as of the date of the second cancellation	↓		
d. Earnest money is determined separately	↓		
aa. Who filed first is not a factor	↓		
X. Trust Accounts (82.75)	<b>15 Min</b>		
A. Deposit	↓		
1. 3 business days from acceptance of the purchase agreement	↓		
2. Directly to the party	↓		
3. Agreement to hold	↓		
B. If offer is rejected	↓		
1. Earnest money is refunded the next business day	↓		
C. No commingling	↓		
1. Exception: Minimum balance is required	↓		
D. Interest	↓		
1. Housing Trust Fund	↓		
2. Separate account	↓		
E. Closing of a trust account requires a 10 day notice to the DOC	↓		

Required By BROKER & SALESPERSON	(Page 6 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
XI. Data Security		<b>5 Min</b>		
A. Importance of data security and privacy		↓		
1. Personal information collected during a real estate transaction		↓		
B. What happens if this data is breached		↓		
1. Fraud		↓		
2. Identity theft		↓		
C. Laws that govern		<b>5 Min</b>		
1. MN statutes §§ 325E.61 and 325E.64		↓		
2. Gramm Leach Bliley (federal)		↓		
a. Privacy rule		↓		
b. Safeguards Rule (a.k.a. The "Red Flag" Rule)		↓		
D. Brokers need to develop a company policy		<b>15 Min</b>		
1. Compliance required at the office and at home and/or off sites (agents)		↓		
2. Policy needs to include discipline for agents who do not comply		↓		
E. Devices and documents		↓		
1. Cell phones		↓		
2. Computers, laptops, iPads		↓		
3. Photo copiers		↓		
4. Electronic and hard copy of files		↓		
5. Brief cases, purses, totes, etc.		↓		
F. Proper destruction required		↓		
G. How data breaches can occur		↓		
1. Break-ins (Smash and grabs)		↓		
2. Unsecured cell phones, laptops, iPads		↓		
H. Five key principals to a sound data security program (FTC)		<b>10 Min</b>		
1. Take stock		↓		
a. Information inventory checklist		↓		
aa. Who has access?		↓		
bb. Who maintains?		↓		
cc. Consumer opt-out policy		↓		
2. Scale down		↓		
a. Assess the information you collect		↓		
b. Document retention policy		↓		
c. Tips for maintaining security		↓		
3. Lock it		<b>5 Min</b>		
a. Protect the information you collect		↓		
aa. Checklist for protecting personal information		↓		
i Physical security		↓		
ii Electronic security		↓		
iii Employee training		↓		
iv Security practices of contractors and service providers		↓		
4. Pitch it		<b>15 Min</b>		
a. Proper disposal of personal information		↓		
aa. Checklist for creating a Document Retention Policy		↓		
i Accounting records		↓		
ii Corporate records		↓		
iii Employment records		↓		
iv Legal documents		↓		
v MLS documents		↓		
vi Property records		↓		
vii Pension and profit sharing		↓		
bb. Legal review of the company policy		↓		
cc. Periodic reviews and updates to maintain relevancy		↓		

<b>Required By BROKER &amp; SALESPERSON</b> (Page 7 of 7)	Required Times Shown ↓	MATERIAL X-Ref (textbook) Pg #'s	Course Time-of-Day
5. Plan ahead	↓		
a. The need for a written Data Security Program	↓		
aa. Checklist for implementing a Data Security Program	↓		
bb. Checklist for drafting a Breach Notification Policy	↓		
I. Collecting consumer information on line	↓		
1. Website Privacy Policy	↓		
<b>XII. Miscellaneous Issues</b>	<b>15 Min</b>		
A. Computation of time	↓		
1. Days: Exclude 1 <sup>st</sup> day but include the "event"	↓		
B. Business days	↓		
1. Exclude Saturdays, Sundays and legal holidays	↓		
C. Unclaimed property	↓		
1. M.S. 345	↓		
2. 3 years	↓		
3. Report must be filed with the DOC	↓		
D. Records (82.72)	↓		
1. Audits	↓		
2. Retention	↓		
a. 6 years	↓		
b. Maintained at brokerage	↓		
3. Retention exemptions	↓		
a. Agency disclosure if a contract is not entered into	↓		
b. Buyer representation or Facilitator agreement if purchase agreement is not written	↓		
<b>XIII. Reducing Your Exposure to Risk through Preventive Maintenance</b>	<b>10 Min</b>		
A. Brokerage policy and procedure manual	↓		
1. Use of independent contract agreements	↓		
B. Write complete purchase agreements	↓		
1. Avoid leaving blanks	↓		
2. Write good contingencies	↓		
a. What	↓		
b. When	↓		
c. What happens if contingency is not met	↓		
d. Who receives earnest money	↓		
C. Review pre-approval letters	<b>10 Min</b>		
1. Are there contingencies?	↓		
2. Do verifications expire prior to closing?	↓		
D. Read title commitments	↓		
E. Review the HUD-1 Statement prior to closing	↓		
F. Attend al closings	↓		
G. Stay current of industry updates and changes	↓		
1. Read real estate newsletters and weekly email updates	↓		
H. Remote agents	↓		
<b>IVX. Review/Questions/Answers</b>	<b>5 Min</b>		
<b>Examination (will be sent to provider when course is approved.)</b>	<b>50 Min</b>		
<b>Total Hours</b>	<b>7.5</b>		
<b>RISK MANAGEMENT</b>	<b>Required</b>		

**Course Description:** Today's complex real estate transactions are full of challenges and expose licensees to a number of high areas of risk. This course is designed to explore agency issues, disclosure requirements, negotiation issues, cancellation concerns, contracts and contingencies and will provide guidance on reducing risk liability exposure.

**Learning Objectives:** Licensees who attend this course will:

- \*Learn liability issues and problems relating to disclosure;
- \*Review agency disclosure, options and duties;
- \*Learn how to protect and safeguard the personal data they collect from their clients and customers;
- \*Review contracts and the requirements of listing contracts, buyer representation agreement and facilitator services agreements;
- \*Receive tips to reduce liability through preventive measures.

**(NOTE: This page does NOT need to be sent in as part of the application submission.)**

## SYLLABUS FOR STUDENTS

If you will not be distributing a textbook containing all of the details below, you must complete this page (or attach your own Syllabus containing all of the information below) before your application can be processed. **Syllabus must be distributed to all students, along with a copy of the detailed, timed course outline.**

Provider Name: \_\_\_\_\_

Course title: **7/1/13-6/30/14 BROKER & SALESPERSON REQUIRED MODULE – RISK MANAGEMENT**

Dates, times, and locations of course offerings: (Write, TBD, if unknown.)

DATE & TIME	LOCATION

**Required:** Name and address or telephone number of Course Coordinator and ALL Course Instructors (add pages as needed)

	Name	Address	Telephone Number
Coordinator			
Instructor			

When distributing this syllabus to students, you **MUST** attach a copy of the detailed, timed course outline.

# INSTRUCTOR

## REAL ESTATE CONTINUING EDUCATION COURSE APPLICATION INSTRUCTOR QUALIFICATIONS AND CONTACT INFORMATION PAGE

Copy and attach additional pages as needed; one for every continuing education course instructor.

Attach a Bio or Resume to this completed form.

Instructor Full Name:	
Address:	
City, State, Zip:	
Phone Number:	Business Email Address: (Required)
Do you currently, or have you held, any Real Estate license in any state, including MN? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach list of license number, state, and status.	
Resident Real Estate License #	& Name of Resident State
Real Estate License #	& Name of State
Has instructor applicant ever had any occupational / professional license in any state including Minnesota that has been suspended, revoked, or terminated, or been the subject of inquiry or investigation? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach documentation and detailed explanation signed & dated by instructor.	
Has instructor applicant ever been convicted of a felony or gross misdemeanor, or been a defendant in any lawsuit involving claims of fraud, misrepresentation, conversion, mismanagement of funds, breach of fiduciary duty or breach of contract? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach documentation and detailed explanation signed & dated by instructor.	
Mandatory Qualifications ( <i>Please check one below</i> )  <b>Minn. Stat. Chapter 45.32. Subd.2. Continuing Education instructors must meet or exceed one of the following qualifications.</b>  <input type="checkbox"/> a four-year degree in any area plus two years practical experience in the subject area being taught; <input type="checkbox"/> five years of practical experience in the subject area being taught; or <input type="checkbox"/> a college or graduate degree in the subject area being taught.	

## APPLICATION **COORDINATOR** CERTIFICATION AND SIGNATURE

As an approved education coordinator I understand that:

- I am responsible for ensuring that instructors are qualified to teach the course offering and that failure to have only qualified instructors teach an approved course offering will result in loss of course approval.
- I am responsible for supervising and evaluating courses and instructors. Supervision includes assuring, especially when a course will be taught by more than one instructor, that all areas of the curriculum are addressed without redundancy and that continuity is present throughout the entire course.
- I am responsible for investigating complaints related to course offerings and instructors and forwarding a copy of the written complaints to the Department of Commerce.
- Courses may not be advertised before approval, unless this application has already been submitted to the MN Department of Commerce and the course is described in the advertising as "approval pending";
- The number of approved hours must be accurately displayed on any advertisement for the course, and if the course offering is longer than the number of approved continuing education hours, any advertisement must be clear that continuing education credit is not earned for the entire course;
- I am responsible for furnishing the commissioner, upon request, with copies of course and instructor evaluations and qualifications of instructors. Evaluations must be completed by students and coordinators.
- I am responsible for maintaining accurate records relating to course offerings, instructors, tests taken by students.
- I am responsible for notifying the MN Department of Commerce in writing within 10 days of any change in the information in this application for approval, including any addition or change in the name(s) of instructors who will teach the course.
- In conjunction with the instructor, I will assure and certify attendance of students enrolled in courses.

I understand that as an approved education coordinator I shall not:

- recommend or promote the services or practices of a particular business;
- encourage or recruit individuals to engage the services of, or become associated with, a particular business;
- use materials, clothing, or other evidences of affiliation with a particular entity;
- require students to participate in other programs or services offered by the instructor, coordinator, or provider;
- attempt, either directly or indirectly, to discover questions or answers on an examination for a license;
- disseminate to any other person specific questions, problems, or information known or believed to be included in licensing examinations;
- misrepresent any information submitted to the commissioner;
- fail to cover, or ensure coverage of, all points, issues, and concepts contained in the course outline approved by the commissioner during the approved instruction; and
- issue inaccurate course completion certificates.

I certify that all of the information submitted in this application is true and complete, and that this document has not been altered in any manner from the form adopted by the MN Department of Commerce.

Name of Course: **7/1/13-6/30/14 BROKER & SALESPERSON REQUIRED MODULE – RISK MANAGEMENT**  
(Mandatory)

I certify that I have either applied for provider/coordinator approval in conjunction with this course application submission, or I am already an approved MN Coordinator/Provider for this Providership; that I am responsible for compliance with all MN education laws and regulations found in Minn. Statute Chapter 45 and Minn. Statute Chapter 82. Furthermore, I accept responsibility for instructor conduct and their compliance with course content. I declare that the information provided for the above named course on the attached education course approval application, the core matrix outline content, and all the attachments are true and correct, and that I have answered each question fully and truthfully and without any purpose of evasion or mental reservation.

Printed name of Coordinator: \_\_\_\_\_  
(Mandatory)

Signature of Coordinator: \_\_\_\_\_ Submission Date: \_\_\_\_\_  
(Signature & Date are Mandatory)

Full Printed name of Provider: \_\_\_\_\_ Provider #: \_\_\_\_\_  
(Mandatory) (Mandatory)

## Appendix A - REQUIRED ATTACHMENTS - Appendix A

The application will be processed in a timely manner, assuming it is a complete application. If your application does not include all of the mandatory items listed below, it will be considered deficient, will be returned to you, and we will be unable to process the application until it is completed. *In most cases, a deficient application will result in your course not being approved before the first offering date.* Therefore, it is in your best interest to initially submit a complete application.

### A. Course Materials

1. Detailed Course Outline – timed in 15 minute increments or less (See Matrix Outline) (If multiple Instructors, identify section of outline for each Instructor).
2. Attach an in-depth explanation of your (1) Method of Instruction/Presentation, (2) Exam Presentation & the (3) Use & Verification of Proctors
3. Instructional Material for Instructors – overheads, PowerPoint, etc. (if used, you must attach them, if none are used, put it in writing)
4. Instructional Material for Students – textbooks, notebooks, guides, documents, brochures, any handouts, etc. If textbooks are not used, you must hand out a Syllabus to each student in the class. Textbooks must contain the same detailed information as the Syllabus. Please see Syllabus page for guidelines.
5. Examination & Answer Key – **Please Note: SPECIAL REQUIREMENT for Real Estate Module Courses:**
  - a. **A closed book end of course exam is required for all instruction methods including “Classroom”. However, Providers do not create this Exam.**
  - b. **A copy of the required MN Dept of Commerce approved Exam will be sent to Providers upon course approval.**

### B. Provider Policies

1. **Regarding Instructor Qualifications:** Attach statement that ALL instructors meet or exceed the instructor requirements as stated in Minn. Statute Chapter 45.32.

**Read Minn. Law Chapter 45.32 before submitting your application.**

**Classroom:** Any individual speaking to licensees during your course is considered an instructor.

**Distance Learning:** Any individual speaking at a “live” distance learning course is considered an instructor.

**Interactive Internet:** For the purposes of this section any author of an internet course is considered an instructor.

**Distance Learning & Interactive Internet:** For the purposes of this section any individual used as a contact for students to answer questions regarding a course is considered an instructor.

### 2. Attendance:

1. How do you verify attendance throughout the course for Classroom? How do you physically monitor the students? Include a description.
  2. How do you verify attendance throughout the course for Distance Learning? Certification is required. What type of certification method do you use? Include a description.
  3. **Cancellation & Refund** – Attach a copy of your required course cancellation and refund procedures. *Note:* If no fees are charged attach details as to who pays the fee.
- C. **Assorted Attachments** - Attach copy of:
1. Internet Address, Login & Password for any Distance Learning course.
  2. Students' Course and Instructor Evaluation Form (Required)
  3. ALL Course Instructors' Resumes or Bios (Note: See above regarding Instructors.)
  4. Course Schedule
  5. Proposed Advertising – if there is no advertising, you must state that.

**(NOTE: This page does NOT need to be sent in as part of the application submission.)**

**Appendix B**  
**Minnesota Department of Commerce (DOC)**  
**Interactive CE Training On-Line Basic Requirements**

**45.306 CONTINUING EDUCATION COURSES OFFERED OVER THE INTERNET.**

**Subdivision 1. Appraiser Internet continuing education courses.**

The design and delivery of an appraiser continuing education course must be approved by the International Distance Education Certification Center (IDECC) before the course is submitted for the commissioner's approval.

**Subd. 2. Interactive Internet course requirements.**

An interactive Internet continuing education course must:

- (1) specify the minimum system requirements;
- (2) provide encryption that ensures that all personal information, including the student's name, address, and credit card number, cannot be read as it passes across the Internet;
- (3) include technology to guarantee seat time; (\*See clarification below.)**
- (4) include a high level of interactivity;
- (5) include graphics that reinforce the content;
- (6) include the ability for the student to contact an instructor within a reasonable amount of time;
- (7) include the ability for the student to get technical support within a reasonable amount of time;
- (8) include a statement that the student's information will not be sold or distributed to any third party without prior written consent of the student. Taking the course does not constitute consent;
- (9) be available 24 hours a day, seven days a week, excluding minimal down time for updating and administration, except that this provision does not apply to live courses taught by an actual instructor and delivered over the Internet;
- (10) provide viewing access to the online course at all times to the commissioner, excluding minimal down time for updating and administration;
- (11) include a process to authenticate the student's identity;
- (12) inform the student and the commissioner how long after its purchase a course will be accessible;
- (13) inform the student that license education credit will not be awarded for taking the course after it loses its status as an approved course;
- (14) provide clear instructions on how to navigate through the course;
- (15) provide automatic bookmarking at any point in the course;
- (16) provide questions after each unit or chapter that must be answered before the student can proceed to the next unit or chapter;
- (17) include a reinforcement response when a quiz question is answered correctly;
- (18) include a response when a quiz question is answered incorrectly;
- (19) include a final examination;
- (20) allow the student to go back and review any unit at any time, except during the final examination;
- (21) provide a course evaluation at the end of the course. 10.1 At a minimum, the evaluation must ask the student to report any difficulties caused by the online education delivery method; and
- (22) provide a completion certificate when the course and exam have been completed and the provider has verified the completion. Electronic certificates are sufficient.

**Subd. 3. Final examination.** The final examination must be either an encrypted online examination or a paper examination that is monitored by a **proctor** who certifies that the student took the examination. The student must not be allowed to review the course content once the examination has begun. **(\*\*See proctor definition below.)**

**\* Minnesota Seat Time Clarification for 45.306 Subd2. (3):**

While seat time is a definite requirement and you must include technology to guarantee it, this does not mean that to accomplish it, a licensee should be sitting in front of a computer waiting for X number of hours to pass. The course itself must contain the right amount of interactive instruction content to take the same X number of hours, or more, as requested by the provider. If a provider is asking for 2 hours of credit, that course must take a licensee 2 hours, or more, of interactive learning to complete. This also means that your course must have the technology to time out (automatically log out) if a licensee leaves the computer inactive for more than ten minutes so that they cannot log in and then walk away from the computer for the 2 hours and receive credit.

**\*\*Minnesota Proctor Guidelines are as follows:**

**45.25 DEFINITIONS. Subd. 12. Proctor.**

"Proctor" means a disinterested third party with no conflict of interest who verifies a student's identity and processes an affidavit testifying that the student received no outside assistance with the course or examination.

**(NOTE: This page does NOT need to be sent in as part of the application submission.)**