

**RECIPROCITY AGREEMENT
BETWEEN
THE KENTUCKY REAL ESTATE COMMISSION
AND
THE ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
DIVISION OF REAL ESTATE**

WHEREAS, the parties to this Reciprocity Agreement (“Agreement”), namely, The Kentucky Real Estate Commission (“KREC”) and the Illinois Department of Financial and Professional Regulation (“Department”) Division of Real Estate (“Division”), desire to permit mutual reciprocity of real estate licenses for the mutual benefit of their citizens; and

WHEREAS, KREC and the Department are authorized to review each party’s requirements for real estate brokerage licensure in each party’s State, including education, experience, and character, and agree each party’s legal requirements, in addition to the requirements set forth in this Agreement, are sufficient to permit licensees of each state to possess an equivalent real estate brokerage license in each party’s state; and

WHEREAS, each party is authorized to enter into this Reciprocity Agreement and to establish terms necessary to protect the public of each party’s respective State.

NOW THEREFORE, the parties hereby agree to reciprocate their equivalent real estate licenses pursuant to the following terms:

I. DEFINITIONS

When used in this Agreement, the following words shall mean:

- 1.1 “Agreement” means this Reciprocity Agreement signed by the parties.
- 1.2 “Applicant” means a person who holds an active real estate sales associate license, real estate broker license, or real estate managing broker license from the Original State and who is applying to the Reciprocal State for licensure.
- 1.3 “Original State” means the first State between the parties to grant a license to an applicant.
- 1.4 “Reciprocal State” means the state in which an applicant is applying for a license by Reciprocity pursuant to this Agreement.
- 1.5 “Managing broker” means a person licensed by the State of Illinois who may be authorized to assume responsibilities as a designated managing broker for licensees in one or, in the case of a multi-office company, more than one office, upon appointment by the sponsoring broker and registration with the Department. A managing broker may be self-sponsored.

- 1.6 “Broker” means a person licensed to perform real estate brokerage services pursuant to a State’s real estate licensure laws. As it relates to Illinois, a Broker means a person licensed to perform real estate brokerage services pursuant to the State of Illinois’s real estate licensure laws and under the sponsorship of a sponsoring broker.
- 1.7 “Principal Broker” means a person licensed by the State of Kentucky as a broker who has been designated as the principal broker or executive broker of a real estate company, firm, or brokerage.
- 1.8 “Sales associate” means a person licensed to perform real estate brokerage services pursuant to the State of Kentucky’s real estate licensure laws under the supervision of a principal broker.

II. CONDITIONS FOR LICENSURE

An applicant licensed by the Original State shall be licensed by the Reciprocal State for an equivalent license upon submission of all required forms, documents, and fees, and upon meeting all other requirements as established in this Section.

- 2.1 Applicants from the State of Illinois applying for a broker’s license or sales associate license in Kentucky shall be at least eighteen (18) years of age and shall successfully complete a forty (40) hour reciprocal state license law course prior to applying for a license with the Reciprocal State of Kentucky.
- 2.2 Applicants from the State of Illinois applying for a Kentucky sales associate license shall have a managing broker or broker’s license from the State of Illinois which is and has been active and in good standing for a minimum of one (1) year immediately preceding the filing of the application with the Reciprocal State of Kentucky.
- 2.3 Applicants from the State of Illinois applying for a Kentucky broker’s license shall have a managing broker or be eligible for a managing broker license from the State of Illinois that has been active and in good standing for a minimum of two (2) years immediately preceding the filing of the application with the Reciprocal State of Kentucky.
- 2.4 Applicants from the State of Kentucky applying for an Illinois managing broker’s license shall have a Kentucky broker’s license which is and has been active and in good standing for a minimum of two (2) years immediately preceding the filing of the application with the Reciprocal State of Illinois.
- 2.5 Applicants from the State of Kentucky applying for an Illinois broker’s license shall be at least eighteen (18) years of age and have a Kentucky broker or sales associate license which is and has been active and in good standing for a minimum of one (1) year immediately preceding the filing of the application with the Reciprocal State of Illinois.
- 2.6 Applicants shall follow the application process of the Reciprocal State and submit all applications, fees, and supporting documentation as required by the Reciprocal State.

- 2.7 An applicant for a sales associate license in the Reciprocal State of Kentucky shall submit the name of the principal broker with whom the applicant will affiliate while performing services in the State of Kentucky. The principal broker named by the applicant shall already possess an active broker's license issued by the State of Kentucky.
- 2.8 A principal broker providing real estate brokerage services in the Reciprocal State of Illinois shall, as a condition of providing such services, have and maintain a valid sponsorship registered with the Department. A broker providing real estate brokerage services in the Reciprocal State of Illinois shall be required to maintain an active and definite place of business in Illinois or to operate a virtual office without a fixed location in accordance with the laws and administrative rules of the State of Illinois. A post office box may not be used as the mailing address of record.
- 2.9 A principal broker providing real estate brokerage services in the Reciprocal State of Kentucky shall maintain a definite place of business. The place of business shall be a physical location within Kentucky at which an investigator from both the State of Kentucky and the State of Illinois may perform investigations, including but not limited to the examination of documents and other records related to activities in Kentucky. A post office box or "virtual office" is not acceptable. Information requested in connection with any investigation(s) originated by the Reciprocal State shall not be unreasonably withheld. A principal/managing broker providing real estate brokerage services in the Reciprocal State of Kentucky shall maintain a trust or escrow account within Kentucky in compliance with Kentucky's laws.
- 2.10 All applicants shall submit proof of successfully passing the Reciprocal State's state-specific portion of the licensing examination in compliance with the Reciprocal State's application and testing requirements.
- 2.11 The applicant shall furnish a certification, either physical or electronic, to the Reciprocal State from the Original State and every other state where they currently are, or have been, licensed and which contains the following information:
- (i) Applicant's name and address of record;
 - (ii) Type of license held by the applicant;
 - (iii) Date of original licensure, license history, and expiration date of current license;
 - (iv) The method by which the license was issued; and
 - (v) A statement that indicates no record of public disciplinary action or a complete record of public disciplinary action taken.
- 2.12 All applicants shall file a statement attesting that the applicant has read and agrees to comply with all of the Reciprocal State's laws and that the applicant agrees to cooperate with any investigation initiated against the applicant by the Reciprocal State.

- 2.13 All applicants shall comply with the Reciprocal State's requirements for background or criminal history checks, if any, prior to taking the licensing examination and applying for a license.
- 2.14 All applicants granted a reciprocal license pursuant to this Agreement shall immediately notify either the Reciprocal State or the Original State of any final disciplinary actions taken against the applicant's license by any and all states where the Applicant holds a license.
- 2.15 All applicants applying for a license in the State of Kentucky pursuant to this Agreement shall file an irrevocable consent stating that legal actions may be commenced against the applicant in the proper court of any county of the State of Kentucky in which a cause of action may arise or in which the plaintiff may reside, by the service of any process or pleading authorized by the laws of Kentucky or Kentucky's regulatory authority, the consent stipulating and agreeing that service of process or pleadings by Kentucky's regulatory authority shall be taken and held in all courts to be as valid and binding as if service had been made upon the applicant in Kentucky.
- 2.16 Applicants applying for a license in the State of Illinois pursuant to this Agreement must file with the Department written statements appointing the Secretary to act as the broker's or managing broker's agent upon whom all judicial and other process or legal notices directed to the licensee may be served and agreeing to abide by all of the provisions of this Act with respect to their real estate activities within the State of Illinois and submitting to the jurisdiction of the Department.
- 2.17 Applicants shall comply with all post-licensure and continuing education requirements as required by the Reciprocal State for licensees originally licensed within the Reciprocal State.
- 2.18 The Reciprocal State reserves the right to refuse any applicant's application, for good cause shown, in accordance with the Reciprocal State's laws and procedures for denying an original license to a resident of the Reciprocal State.

III. TERMS OF AGREEMENT

- 3.1 This Agreement shall take effect upon the date of the signature of the authorized representatives of the party which signs the Agreement last.
- 3.2 This Agreement supersedes any agreement previously entered into by the parties and constitutes the full agreement between the parties as expressed within the four corners of this Agreement. No amendment to this Agreement shall take effect unless signed by the authorized representative of each party.
- 3.3 Each party reserves the right to terminate this Agreement upon sixty (60) days' prior written notice, and the party terminating the Agreement shall initiate such notice. The parties agree that any termination of this Agreement would render any litigation

between the parties regarding this Agreement, regardless of when such litigation is commenced, moot. The parties further agree that termination of this Agreement shall not affect the rights of those individuals who have received licenses pursuant to this Agreement to provide real estate brokerage services in the Reciprocal States or otherwise nullify those licenses issued pursuant to the terms of this Agreement.

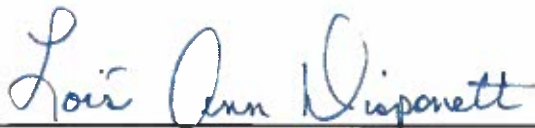
AGREED TO BY THE PARTIES on this,

KENTUCKY



Robert L. Astorino
Executive Director
Kentucky Real Estate Authority
Kentucky Public Protection Cabinet

Dated: 9/28/2022



Lois Ann Disponett
Chair
Kentucky Real Estate Commission

Dated: 9/28/2022

ILLINOIS



Mario Treto, Jr.
Secretary
Department of Financial and Professional
Regulation of the State of Illinois

Dated: 9-30-2022