



STATE OF CALIFORNIA

Real Estate MATTERS!



Compliance with California Real Estate Commissioner Regulations 2729 Records Retention

Real estate brokers are often not aware of California Real Estate Commissioner Regulation 2729 which requires electronic images of all listings, deposit receipts, cancelled checks, trust records and other transaction associated documents and records to be stored on nonerasable “Write Once, Read Many” (“WORM”) storage media.

Lack of compliance may subject the broker to heavy fines, penalties and reputation damage.

Regulation 2729 states:

“2729. Record Retention.

(a) A real estate broker may use electronic image storage media to retain and store copies of all listings, deposit receipts, canceled checks, trust records and other documents executed by him or her or obtained by him or her in connection with any transaction for which a real estate broker license is required, provided the following requirements are satisfied:

(1) The electronic image storage shall be nonerasable “write once, read many” (“WORM”) that does not allow changes to the stored document or record.

(2) The stored document or record is made or preserved as part of and in the regular course of business.

(3) The original record from which the stored document or record was copied was made or prepared by the broker or the broker's employees at or near the time of the act, condition or event reflected in the record.

(4) The custodian of the record is able to identify the stored document or record, the mode of its preparation, and the mode of storing it on the electronic image storage.

(5) The electronic image storage system contains a reliable indexing system that provides ready access to a desired document or record, appropriate quality control of the storage process to ensure the quality of imaged documents or records, and date ordered arrangement of stored documents or records to assure a consistent and logical flow of paperwork to preclude unnecessary search time.

(6) Records copied and stored under this section shall be retained for three years pursuant to Section 10148 of the Code.

(b) A broker will maintain at the broker's office a means of viewing copies of documents or records stored pursuant to this section. A broker shall provide, at the broker's expense, a paper copy of any document or record requested by the Bureau.”

This means that all documents and records associated with a real estate transaction must be stored on WORM storage devices, reliably indexed, readily accessible and retained for a minimum of three years.

Clearly it is in the best interest of real estate brokers to comply with Regulation 2729 and to avoid paying stiff fines and penalties, after which a compliance system needs to be implemented anyway. Consider the damage to reputation and the impact to business if word gets out that a real estate broker is out of compliance with the regulations designed to protect the consumer.

Easy to Use, Inexpensive Regulation 2729 Compliant WORM Storage

Fortunately, there is an inexpensive, easy to use solution from GreenTec-USA that works like an ordinary hard disk drive, but provides secure WORM protection. These WORMdisks™ are the ONLY WORM hard disk drive available. Simply by using WORMdisks™, you are in compliance with Regulation 2729 requirements and WORMdisks™ are the key building block in the National Institute of Standards and Technology (NIST) Special Publications 1800-11 Data Integrity Projectⁱ. The key benefits of WORMdisk™ are:

- Inexpensive, cost effective, very easy to use.
- Uses standard interfaces, standard file systems, plug-and-play, drag-and-drop.
- Available as internal disks, external USB enclosures, NAS/SAN network shared, or in the Cloud.
- When stored in environmentally conditioned facilities, WORMdisks™ last up to 100 years.

There are Several Compliant WORM Solutions Available

- **Internal WORMdisks™** may be the D: drive or a mount point to your PC or server.
- **External WORMdrives™** connect via USB or eSATA to your laptop, desktop or server.
- **Rack mount WORM Storage Servers** provide over 4 Petabytes in a single rack with redundant local or remote data mirrors.
- **WORMcloud™ solutions** provide WORM storage in the Cloud from smart phones, tablets, laptops or any device, any time with unlimited storage and automated backup.

Optional WORM Management GUI – simplifies auditing, alerts, user-metadata, user-set retention periods, notification via pop-up message and email when retention period expires, ability to extend or destroy (destruction certificate produced), automated invocation of user-defined scripting.

WORMdisks™ are easy to use, drag and drop your files directly to the WORMdisk™, or scan your paper documents onto WORMdisks™. If you prefer, GreenTec-USA provides services to scan and index historical documents and records onto WORMdisks™ so that you may focus on your primary business of making money.

More Information

GreenTec-USA, Inc. was founded in 2005 and specializes in cyber-defense and information security for commercial and Government customers. In 2013 GreenTec initially developed the WORMdisk™ to protect sensitive Department of Justice data from manipulation and deletion. Since then WORMdisks™ have been deployed in applications for local and state governments, banks, regulatory compliance, telecommunications, oil and gas, financial brokerage firms, law enforcement, video surveillance and other industries. For further information, refer to <https://www.GreenTec-USA.com> or email to info@greentec-usa.com or call (703) 880-8332.

ⁱ <https://nccoe.nist.gov/projects/building-blocks/data-integrity>