



# **BROWN REALTORS®**

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Each Office Is Independently  
Owned And Operated.

## **REAL ESTATE BROKER ASSOCIATES POLICY MANUAL**

*Revised July 2013*



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## **PREFACE**

The purpose of this Manual is to set forth basic policies and general guidelines to be followed in the day-to-day operation of the Company. It can never be so complete as to cover every incident, nor can it answer every question. In any matter not covered by this Manual, Management will decide and be guided in such decisions by experience, the Realtors Code of Ethics, the Multiple Listing Service Rules, and the laws and regulations of the IDFPR, all of which are incorporated herein by reference. Management will, from time to time, make additions and revisions which will be announced and published to become effective with reasonable notice. A copy of this Manual is always available for reference on company intranet.

Coldwell Banker Brown Realtors is herein referred to as the Company. The association of the Company to its Broker Associate is that of Independent Contractor and no Employer/Employee relationship exists or is to be implied from any title, provision or language used in this Manual.

One important goal of Coldwell Banker Brown Realtors is to provide the greatest possible opportunity for personal and economic satisfaction for its Broker Associates. Ultimately, however, the success of Broker Associates is theirs to make. They are, in many ways, in business for themselves and will be respected as such.

**THE OBJECTIVE OF THE COMPANY IS TO MAKE A PROFIT.** This can only be attained through our integrity, high principles and the ability to obtain results in all real estate matters. Every Broker Associate is a part of this reputation and is expected to uphold it. Every Broker Associate is expected to make a profit for themselves and the Company.

### **1. SPONSORING BROKER-BROKER ASSOCIATE RELATIONSHIP**

The opportunity is taken here to remind each Broker Associate to read and, from time to time, re-read the Illinois Real Estate License Law. Broker Associates are required to follow the law to the letter.

Broker Associates are reminded, particularly, that the Sponsoring Broker is responsible for their acts. It is our belief that if Broker Associates adhere carefully to the forthcoming guidelines, the Sponsoring Broker will never have occasion to appear before the Real Estate Commission on their behalf.

Broker Associates are reminded, again, that they are Independent Contractors. The Company shall have no obligation to withhold taxes or social security from Sponsoring Brokerage fees. To the benefit of both the Broker Associate and the Company, an Independent Contractor Agreement shall be signed by both parties.

### **2. ETHICS**

Defined simply, the word, ETHICS, means moral principles and quality of practice. In the real estate business, ethics govern our professional relationship with our prospective buyers, sellers and with our fellow Realtors. Our ethics represent our honesty, integrity and spirit of proper conduct.

The Company is a member of the National Association of Realtors, the State Association of Realtors and the local Board of Realtors. Each Broker Associate, after association with the Company, shall make application for membership to the required Board of Realtors.

Each Broker Associate in this Company should read the Code of Ethics as set forth by the National Association and the codes adopted by our local boards and multiple listing services. It is a must that every Broker Associate live up to these codes. It is fundamental to say that to be successful, one must be ethical.

### 3. ATTITUDE

THE FOLLOWING INFORMATION HAS BEEN COMPILED IN THE HOPE THAT A SYSTEMATIC FRAMEWORK OF PROCEDURE WILL BE OF ASSISTANCE TO SALES PEOPLE IN BECOMING MORE EFFECTIVE IN THEIR ACTIVITIES AND, CONSEQUENTLY, MORE PRODUCTIVE OF POSITIVE RESULTS. IF THE PROCEDURES OUTLINED HEREIN ARE CAREFULLY STUDIED AND OBSERVED IN PRACTICE, IT IS REASONABLE TO EXPECT THAT THE FUNCTIONING OF EACH INDIVIDUAL BROKER ASSOCIATE AS WELL AS THE OFFICE AS A WHOLE WILL BE MATERIALLY IMPROVED AND A HIGH LEVEL OF TOTAL EFFICIENCY WILL BE ATTAINED.

The sale of real estate is an extremely competitive business, and as in any area of competition, the greatest rewards are available to those individuals and organizations ACHIEVING THE HIGHEST DEGREE OF PROFESSIONAL COMPETENCY. It should be the goal of each member of the organization to reach the highest level of effectiveness possible through the expenditure of a minimum effort for each transaction.

Although knowing the way to go about doing something is important, there is something which is more important, and that is actually doing it! A skeletal outline of procedure is useless without the development of proper attitude with which it can be implemented.

Several years ago a leading university completed a study on the factors that contribute to a Broker Associate's performance. They discovered four:

(1) Intelligence, (2) Knowledge, (3) Skill, (4) Attitude.

Intelligence one can do little about. Of the remaining factors, the survey revealed that knowledge and skill combined contribute only 7% to a Broker Associate's performance. According to this study, the Broker Associate's performance is largely dependent on his

mental attitudes - the way he thinks! The evidence certainly points to one significant fact. To sell real estate successfully requires correct mental attitude.

A Broker Associate must build strong attitudes of confidence about himself to be successful. Also, the Broker Associate must establish goals. The goals, however, are only as good as the Broker Associate's determination to achieve them.

In the world of real estate selling, it is easy to become consumed with negative thoughts that lead to negative results. There seem to be a lot of gaps in the real estate Broker Associate's time. He often fills these with conversations that swerve into critical channels. Listings are criticized; they are too high priced; some are not "clean"; some lack proper decor or modernization. Owners are criticized: they want too much for their properties; they are uncooperative. Competitors are criticized: They are soliciting listings; using devious and unscrupulous methods to get business. And it extends to fellow Broker Associates, buyers, the market, the company, earnings, lending institutions, and all facets of real estate selling.

The rules are very simple. If the Broker Associate thinks critical thoughts he becomes a suspicious, negative person and gets negative results. The same is true of attitudes of self pity, envy, fault finding, discouragement, and the gamut of other negative thoughts. They all tend to consume the individual and produce negative results.

To maintain strong, positive attitudes of belief and dedication toward one's work, a deliberate vigil must be kept to eliminate all negative forces that tend to creep in and spoil results.

The Broker Associate's beliefs, thoughts, abilities have no meaning unless translated into action. In order to strengthen an attitude of belief, a Broker Associate must act as though he believes in what he is doing. He must support his company--its policies, its people; he must support the listings--the prices, the owners; he must support and serve his buyers--their problems, their eccentricities. In so doing, the Broker Associate will discover the magic ingredient in selling that will work miracles for him. He will discover how to develop enthusiasm.

**THERE IS NO SUBSTANCE MORE INFECTIOUS, NO WORDS THAT ARE MORE PERSUASIVE, NO ACTION THAT IS MORE CONVINCING, AND NO SALES TECHNIQUE THAT IS MORE EFFECTIVE THAN A BROKER ASSOCIATE'S SINCERE ENTHUSIASM.**



## **MISSION STATEMENT**

### **COLDWELL BANKER BROWN REALTORS**

Coldwell Banker Brown Realtors will be the premier residential real estate company in Southwestern Illinois by providing the highest quality service to buyers and sellers. Through education and personal development of each individual in the company, we will achieve maximum profit with planned growth, improved productivity and increased market share while maintaining a professional and ethical image.

COLDWELL BANKER BROWN REALTORS  
OFFICE POLICY REGARDING AGENCY

LISTING POLICY

1. Sponsoring Broker will enter into an exclusive marketing agreement with any Seller who wishes to have their property marketed by the Sponsoring Broker.
2. The exclusive marketing agreement will designate one or more Broker Associates affiliated with Sponsoring Broker as the Designated Broker Associate for that particular Seller. The Seller's Designated Broker Associate will be the sole and exclusive legal Broker Associate of the Seller.
3. The Sponsoring Broker may cooperate and split commissions with any Brokerage company that either (a) has a buyer as a customer who purchases the property, or (b) represents the Buyer exclusively.
4. A Broker Associate affiliated with Sponsoring Broker who is a Seller's Designated Broker Associate and a Buyer's Designated Broker Associate may be a Disclosed Dual Broker Associate in the same transaction.
5. The Sponsoring Broker will not offer sub agency to any other Sponsoring Broker.

SELLING POLICY

1. Sponsoring Broker will enter into an exclusive representation agreement with any Buyer who wishes to be represented by a Broker Associate affiliated with Sponsoring Broker. The representation agreement will specify one or more Broker Associates affiliated with the Sponsoring Broker as the Buyer's Designated Broker Associate for the purpose of assisting Buyer in the purchase of real estate.
2. Broker Associates affiliated with Sponsoring Broker may represent both the Buyer and the Seller as a Disclosed Dual Broker Associate when that Broker Associate is the Designated Broker Associate for both the Seller and the Buyer.
3. Broker Associates affiliated with the Sponsoring Broker may work Buyers as customers but will not accept offers of sub agency.
4. The company requires Broker Associate to obtain a signed Buyers Agency Agreement prior to closing.

## I. OPERATIONAL GUIDELINES

### 1. ACTIVITY BOARD

An activity board shall be kept in the office to record daily activity regarding listings, sales, price reductions and changes. **All listings and sales contracts shall be presented to the Office Secretary by next business day following acceptance by all parties.** In order that your transaction is included in the office weekly report it must be turned into the Office Secretary by 4 p.m. the day prior to meeting.

### 2. AGREEMENTS - DELIVERY

A copy of any written instrument with original signatures must be given to the seller or buyer within 24 hours.

### 3. AGREEMENTS - EXPLANATION

If Broker Associate feels that a party does not understand the obligations or conditions of a transaction, he should recommend that an attorney be retained.

### 4. AUTOMOBILE INSURANCE

Broker Associates shall furnish their own automobile and pay all expenses thereof and shall furnish the Sponsoring Broker with a memorandum showing the name of the company with whom they are insured, policy dates, type of coverage and limits of liability for personal injury and property damage. A minimum coverage of \$100,000/\$300,000 is acceptable. The Sponsoring Broker shall be named as "Additional Named Insured" in all policies.

### 5. BUSINESS CARDS

A basic business card will be paid for by the Company. The cards will be uniform and bear the Company's logo.

Any deviation from the basic business card must be reviewed by Managing Broker and the expense for cards will be borne by the Broker Associate.

### 6. BUYING AND SELLING PROPERTY

The Company does not object to Broker Associates buying or selling Real Estate either as individuals or as members of a syndicate or group.

When Broker Associates are buying individually, or as part of a group, they must inform the property owner in writing. Broker Associate-owned or Sponsoring Broker-owned properties must include a disclosure on the listing agreement and MLS sheet stating

the property is owned by a licensed Broker Associate. Broker Associates buying or selling personal or investment property through the Company, for their own account, will pay the Office a percentage of the purchase or sale price equal to the usual Company share of the Sponsoring Brokerage fee. Broker Associate may choose to not receive their percentage of commission at closing but the company will receive their company share.

Purchase of Company listings must be discussed with Management prior to a contract being written. It is expected that property owned by a Broker Associate that is located within the Company's service area be listed for sale with the Company.

The Company has the right to participate in any purchase involving a Company listing.

#### 7. BROKER ASSOCIATE'S EXPENSES

A Broker Associate traveling out of town to obtain a listing or affect a sale or attend meetings must be prepared to meet the expense of such a trip. All in office expenses shall be borne by the Company unless otherwise stipulated herein.

Office supplies, such as letterheads and envelopes to be used by Broker Associate for individual news-letters or mail-outs, shall be purchased from the Company by the Broker Associate.

In general, Broker Associates pay for personal business expenses such as insurance, license fees, trade association memberships, sales promotional items and error and omissions insurance.

Other specific expenses chargeable to Broker Associates are mentioned throughout this Manual.

#### 8. MONIES OWED COMPANY

All debt incurred by Broker Associate to company, MLS fees, E&O insurance, advertising etc., totaling \$100.00 or more or over 60 days from date billed, will be turned over to the administration department, and monies to cover these expenses will be deducted from Broker Associate's commission check.

#### 9. COMPLAINTS AGAINST OTHER OFFICES

Broker Associates who have complaints against other offices should consult with the Sponsoring Broker at once. Complaints against offices should never be discussed with buyers, sellers or other Broker Associates.

#### COOPERATION WITH OTHER REALTORS:

Extend to all agencies the courteous cooperation that we expect to be extended to us. This means that whereon we have an exclusive listing with an exclusive right to sell, we do

allow all Realtors to submit our listings to their clients and vice versa; and this has been extended through the years to include non-Realtor Sponsoring Brokers.

However, none of this cooperative attitude is to be misapplied. There is much information disseminated to our sales people that is not to be released to Broker Associates with other agencies. This would include, for example, weekly sales bulletin information.

A Broker Associate should always verify the selling commission with the listing Company. Commission percentages may not be adjusted when multiple offers are being negotiated.

## 10. CONDUCT

In the office, the Golden Rule must be remembered. All Broker Associates are entitled to respect and must be given the opportunity to concentrate on outlining their day's activities and conducting their business without unnecessary interruptions.

Good fellowship and a sincere desire to be cooperative and helpful are encouraged. Loud talking, boisterous laughter and horseplay are entirely another matter and have no place in a successful business office.

The office is not a place in which to loiter and all Broker Associates are requested to use it strictly as a place of business.

- a. Office and desk should be kept neat.
- b. Eating should be restricted to an area not visible to the general public.
- c. All offices of the Company have a no smoking policy.
- d. Broker Associate's children should not accompany their parents to work.
- e. Profanity is not accepted in any office situation and will not be tolerated.
- f. Sexually inappropriate language or behavior will not be tolerated.

## 11. CONFIDENTIAL RELATIONSHIP

One of the most important statutory duties of a Broker Associate is to maintain the confidentiality of the client, whether buyer or seller. The Illinois agency statute defines confidential information. It includes information made confidential by oral and written instruction from the client and information made confidential by the statute. The statute notes that a Broker Associate should treat confidential information provided by the client that may reasonably be expected to have a negative impact on the client's real estate activity. Broker Associates should pay particular attention not to make unauthorized or offhand comments about a client's situation or a client's property in a way which could be considered a violation of the duty of confidentiality. In particular, four areas are considered of particular importance. They are:

- a. The lowest price a seller is willing to accept.
- b. The highest price a buyer is willing to pay.

- c. The motivation of either party to enter into the transaction, i.e. job change, divorce, etc..
- d. Previous offers and counteroffers of either party.

In some markets, sellers are in distressed or “underwater” situations with their home loans. If there is no lawsuit yet on file to foreclose, this information might still be confidential to the seller. However, if the seller must have lender approval to consummate a short sale, the listing Broker Associate will need to disclose this information to the buyer’s side so the listing Broker Associate will need to get consent from the seller to disclose seller’s distressed position.

If disclosed dual agency is offered, it is particularly important for the Broker Associate to realize that they must hold confidential the information of both buyer and seller, regardless of which party the particular Broker Associate is working with at that time.

In offering disclosed dual agency, the Company and all of its associates must be sensitive to confidential information within the office and among the associates of the Company. The following procedures and policies are intended to protect the confidentiality of the Company’s clients.

- a. Associates should not discuss confidential information of the client between or among themselves.
- b. Comments at sales meetings should not reveal confidential information of the client without the client’s permission.
- c. Office files of listings and pending sales are confidential and may not be accessed except by authorized staff and the particular Broker Associate involved in the listing or transaction.
- d. Fax transmissions are confidential. Office staff will place faxes in envelopes or fold them so as not to reveal contents to persons other than to whom the fax is addressed.
- e. Telephone messages with confidential information will be distributed in an envelope or be folded to protect the confidential information.
- f. Direct clients to send all e-mail communications directly to the e-mail address of their designated Broker Associate.
- g. Contracts, offers, counteroffers or other transactional documents will be delivered to the person addressed in envelopes. Persons other than the addressee are not authorized to open any such envelope.

## 12. COPY MACHINE

Copies made by a Broker Associate not pertaining to Company business will be charged to the Broker Associate. Every Broker Associate is assigned a code to monitor copier usage.

## 13. DESK & OFFICE FACILITIES

Depending upon the availability of desk space, Broker Associates may be asked to share desk facilities. Each January 1st prior year production will be reviewed. Broker Associates selling 3 million or more will be considered for a private office. If private offices are available they will be offered in order of highest to lowest production and at manager's discretion. A Broker Associate, who currently occupies a private office and has not reached 3 million, will be given one additional year to achieve their 3 million. If production of 3 million is not reached the following year they must vacate the office by January 7th. Final assignments of offices are at Managing Broker and Vice Presidents discretion and unoccupied offices may be held open for recruiting purposes.

## 14. DISCRIMINATION / FAIR HOUSING / ANTITRUST POLICY

The company believes that fair housing policies are not just the law of the land but simply the right thing to do. The company maintains a strong policy upholding all federal and state fair housing laws and Article 10 of the REALTOR Code of Ethics and the NAR Code of Fair Housing Practices. In addition, the company requires each Broker Associate to participate in periodic fair housing education.

Accordingly, the company prohibits any Broker Associate or staff member from discriminating against any person in the provision of any of the Company's services because of the person's race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, familial status, military status, sexual orientation, unfavorable discharge from military service, or any other class protected by Article 3 of the Illinois Human Rights Act. The parties agree to comply with all applicable federal, state and local fair housing laws.

Among the prohibited practices which are against this policy and the law are:

- a. Refusing to show, sell or rent based on a person being a member of a protected class.
- b. Different treatment/disparate treatment to persons of a protected class.
- c. Steering: A person shall not encourage or discourage another from moving into any area because of the race, color, religion, sex, handicap, marital status, familial status, ancestry, age, military status, sexual orientation, or order of protection status.

- d. Discriminatory advertising that “expresses” a preference for buyers or tenants of a particular race, color, religion, sex, handicap, marital status, familial status, national origin, ancestry, age, military status, sexual orientation, or order of protection status.
- e. Harassment (i.e., coercion, intimidation, threats or interference with a person’s fair housing rights or because a party is abiding by fair housing law).
- f. Applying more burdensome criteria to applicants of protected classes.
- g. Blockbusting/Panic Peddling: A person is prohibited from inducing or attempting to induce another to sell or rent a property by making any express or implied representations regarding the entry or prospective entry into a neighborhood of a person or persons of any particular race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, or unfavorable discharge from military service, or any other class protected by Article 3 of the Illinois Human Rights Act. The parties agree to comply with all applicable federal, state and local fair housing laws

Broker Associates and staff should be aware that persons with AIDS are considered handicapped and "familial status" means families with children under the age of 18 years, an individual who is pregnant or an individual in the process of obtaining legal custody of a person under the age of 18 years.

Antitrust Policy - The company maintains a strong policy against any antitrust involvement by the Company, its Broker Associates or employees. Few obligations can be taken more seriously than those in this area. The company requires each person associated with the Company to participate in antitrust education and acknowledge his/her understanding of these principles. Two areas are the primary antitrust focus.

- a. **PRICE FIXING:** Price fixing means any agreement, setting, consent to, suggestion or implication with a competitor regarding a fee to charge. This includes fees charged to the public, fees split among brokers and fees paid to Broker Associates. "Agreement" can be overt, covert, express or implied. It is very broad and can even be suggested or implied by casual conversation with any competitor.

Accordingly, the company, its Broker Associates and staff are prohibited from discussing with any competitor, including an individual Broker Associate, any aspect of the fees the Company charges or how total fees are split. The company determines its charges based on the Company's own independent internal analysis of its expenses, its revenue, its desired profit level and its choice of the type and level of service it desires to provide.

In any discussion with a member of the public about our charges (such as a listing appointment), the only acceptable answer about why the Company charges what it does is the foregoing explanation. Do not be drawn into a discussion about Company fees as "the standard rate," "the Association rate," "the typical rate" or the



like. If questions arise about other Company's fees, suggest that the potential client call several competitors and ask about their rates.

- b. **BOYCOTTING COMPETITION:** It is also a violation of federal law to make any agreement, express or implied, with a competitor to boycott or otherwise not deal with a third party competitor. For example, assume Discount Realty opens up an office. Then assume Bob Broker, an Broker Associate with Big Bucks Broker, and Alice Broker Associate, an Broker Associate with Just As Big Broker are having lunch one day and discuss the competitive impact of Discount Realty. Bob and Alice agree that Discount is a danger to their large listing portfolios and further agree that individually they will not show Discount's listings because "Something has got to be done about that price-cutting monger." This simple agreement with two Broker Associates is an illegal boycott. Even if it were implicit and not overt, it could be construed as an illegal boycott.

THE COMPANY prohibits any Broker Associate or staff member from making any agreement or suggestion with a competitor, including an individual Broker Associate, that they or the Company will not deal with a third broker or Broker Associate, whether it be a listing company, buyer's brokerage, discount broker or any other broker or Broker Associate whatsoever.

#### 15. DRESS

It is suggested that all Broker Associates dress neatly and appropriately, in accordance with good business practice.

#### 16. EXPENDITURE OF OFFICE FUNDS

Management shall not be liable to the Broker Associates for any expenses incurred by them, or for any of their acts, nor, except as otherwise stipulated in this Manual, shall the Broker Associate be liable to the company for office help or expense.

Broker Associates have no right to spend the money of the Company without consent of the Managing Broker. This applies to cards, signs, advertising, etc. If Broker Associates desire such money to be spent, they must speak to, and make arrangements with the Managing Broker.

#### 17. KEYS & LOCKBOXES

A great trust is given to a Broker Associate when an owner gives the Broker Associate a key.

- a. Obtain permission from owner for lockbox.
- b. After a listing has expired or sold, it is the listing Broker Associates responsibility to collect all keys and distribute to appropriate party in a timely fashion.

- c. Keys are not to be given to purchasers, pending the closing of a sale, without written permission from the seller. If buyers wish to inspect or measure the property prior to closing, the selling Broker Associate should be present. Keys may be given to appraisers or inspectors as authorized by the seller.
- d. The Company never recommends allowing buyers to move in, even partially, or do any work on a property, prior to closing.
- e. Lock boxes must be attached to a permanent structure.

#### 18. KEYS - USE

When using a key to enter a home when the seller is not expected to be there, be sure to ring the doorbell and wait a reasonable time. Then use the key, but upon entering the house, CALL OUT to determine again that there is no one at home.

Broker Associate using a key should, before leaving any property they have shown, check all doors and windows to determine that they are securely fastened or locked. Possession of keys represents a major responsibility that we have assumed.

#### 19. LEGAL ADVICE

A Broker Associate must not give legal advice, directly or indirectly. This includes advice in regard to the legal rights of the parties, the legal effect of notices and instruments and matters affecting the title. When a question is raised by the buyer or seller and the Broker Associate knows the answer, but it might be bordering on legal advice, it must be made clear that only attorneys can give such advice. Broker Associates cannot create documents for clients.

#### 20. LETTER WRITING

All letters or any other written communications or direct mail, involving the Company directly or indirectly, must be approved by Management prior to mailing.

#### 21. LONG DISTANCE CALLS AND CELL PHONES

Long Distance-The Company absorbs the cost of long distance calls pertaining to business. Calls from the Broker Associate's home phone will not be reimbursed by the Company. Broker Associates are to reimburse the Company for personal long distance calls.

Cell phones-With the safety of the public, as well as, the Broker Associate in mind, company policy is that there will be no cell phone usage while driving a vehicle. If you receive a call, text, or email while driving, or need to place a call, text, or email wait until you find a safe place to stop your vehicle or wait until you reach your destination.

#### 22. MESSAGES

Many incoming calls are transferred to agent's cell phone. If a message is taken for another agent or a document/fax/or delivery is received, it is the duty of the receiving

associate to notify the broker associate by text or call and place item in the associate's mailbox.

#### 23. OBLIGATING THE SPONSORING BROKER

A Broker Associate shall have no authority to bind the Sponsoring Broker by any promise or representation unless specifically authorized to do so in writing.

#### 24. OFFICE APPEARANCE

It is important that the office always appear neat and orderly. All Broker Associates and employees are, therefore, urged to be conscious of this fact: DESKS, BATHROOMS AND KITCHEN AREA should be kept neat at all times.

#### 25. OFFICE EQUIPMENT/SUPPLIES

Office equipment, supplies, reference material, etc., shall not be removed from the office without the Managing Broker's permission. Materials deemed necessary to complete a Real Estate transaction outside the office are excluded.

The Secretary's desk is the property of the Company and NOTHING should be removed from the desk, at any time, without permission.

#### 26. OFFICE HOURS

Hours are set by Management.

#### 27. OFFICE RECORDS

Copies of all letters pertaining to Real Estate, regardless of whether they are written by a Broker Associate or other, as well as copies of all contracts and agreements, shall be placed in the proper office files. This is the only protection that the Sponsoring Broker has in the event of a lawsuit and full knowledge of the case is important. There shall be no excuse for the violation of this guideline.

#### 28. PART-TIME vs. FULL-TIME

Part-time or full-time are not measured in hours. It is the overall result and productivity that will determine the Broker Associate's tenure. It is not the intent of the Company to hold licenses for part-productive Broker Associates.

New Broker Associates should spend most of their time obtaining listings and inspecting existing listings during the first 30 to 60 days of their association with the Company.

## 29. ORIENTATION OF NEW BROKER ASSOCIATE

All Broker Associates, newly licensed and transferees are expected to attend any orientation program held by an officer of the Company for the purpose of covering the policies and procedures of Coldwell Banker Brown Realtors. Sales tools are issued and all forms used by Broker Associates are reviewed. An introduction to office procedure will be provided by the Managing Broker.

## 30. POSTAGE COST

All postage is paid by the Company, except as otherwise stated in this Manual.

- a. Personal mail should not be mailed in Company envelopes.
- b. Mass mailing shall be paid for by Broker Associate when not otherwise approved by management.
- c. Express mail costs pertaining to a transaction are the Broker Associates responsibility.

## 31. PROSPECTS - REASSIGNMENT

Management shall have the right to assign a client to another Broker Associate if it appears that the prospect is being neglected or improperly handled or by client request.

## 32. REAL ESTATE BOARD ACTIVITIES

Membership in the appropriate local Association of Realtors, the National Association of Realtors and the State Association of Realtors is required of all Broker Associates.

Broker Associate should, within their time limits and abilities, support the Board programs and activities and attend educational programs whenever possible.

## 33. REFERRAL FEES/IN-HOUSE

Referral fees of any kind may only be given or accepted in accordance with the Real Estate License Law. The recommended referral fee on transaction is 25% of the listing or selling fee.

The Company will not participate in any in-house referrals. In-house referrals between Coldwell Banker Brown Realtors Broker Associates are recommended and encouraged. A 25% referral fee is suggested. Any agreement for a different referral fee should be in writing and signed by both Broker Associates. If proceeds are split 50/50 then volume will be split that way. If any other split is used, less than 50%, then all volume will be given to Broker Associate receiving 51% or more.

If a Broker Associate gives another Broker Associate a flat fee amount the following is the company policy

- a. Occasionally Broker Associates may give “flat fees” with a maximum of \$500.00 out of their commissions.
- b. Except as noted in Item 1, when licensed Broker Associates work for another Broker Associate in the capacity of listing, selling, negotiating contracts, etc., that Broker Associate will be paid on their regular commission split.

#### 34. RESPONSIBILITIES

Association with our Company entails responsibilities. These responsibilities are covered elsewhere in this Manual but Broker Associates are reminded, if they expect true cooperation from fellow Broker Associates, they should:

- a. Obtain their share of listings,
- b. Be willing, at all times, to share nonconfidential information which will enable fellow Broker Associate to consummate a transaction,
- c. Dress properly for appointments. Image is important for success in Real Estate.

The last person to leave the office in the evening shall be responsible for:

- a. Turning off the lights,
- b. Locking the doors.

#### 35. SECRETARIAL ASSISTANCE

An office Secretary will be available to assist Broker Associates. So that all Broker Associates may receive as much secretarial help as is necessary, Broker Associates should not require secretarial assistance for those things that they should do themselves.

#### 36. SHARING INFORMATION

It is the policy of this Company to share information with other offices. This, of course, does not mean giving confidential information, but giving information concerning properties that are available.

#### 37. SHOWING PROPERTY - OTHER OFFICES

Follow the instructions in MLS for setting showing appointments. Treat the listing Sponsoring Broker's sellers as if they were your own. Give them every courtesy.

When showing property, DO NOT discuss the listed price, or other Sponsoring Broker, with the owner.

Do not contact owners regarding offers. An offer should be submitted through the listing Broker Associate, not directly to the seller.

Never discuss the ethics of another Broker Associate with anyone other than your Managing Broker.

### 38. TOURS & SALES MEETINGS

It is strongly requested that Broker Associate attend and be on time for weekly sales meetings. Only the exclusively listed properties are toured. Tours are conducted in a group following the weekly Sales Meeting. It is up to the listing Broker Associate to schedule a tour and to:

- a. Set up the appointment,
- b. Provide access to the property,
- c. Conduct the tour and answer questions,
- d. Introduce the other Broker Associates to the owner,
- e. Report back to the owner on the same day, in general terms, and thank the owner.

Tours may be arranged and conducted for the purpose of obtaining listings with prior approval of Management.

**Listing Broker Associate should be on tour to introduce owner** to Broker Associates and to Managing Broker on tour. If presence of listing Broker Associate is not possible, arrangements must be made with another Broker Associate or Managing Broker to perform this important function.

Tour should remain together.  
Broker Associate to complete total tour at all times.

Reasonable care should be exercised to maintain businesslike conduct. Some suggestions to attain the above:

- a. No smoking in houses, extinguish cigarettes before leaving cars to avoid cluttering owner's yard.
- b. No eating in houses, do not help yourself to cookies, candy, etc.
- c. Do not use phone or bath facilities without owner's permission.
- d. No critical discussion while on premises. If constructive criticism is in order, discuss with listing Broker Associate after leaving property.
- e. Inspect the entire property.
- f. Wear name tag.
- g. In general, act as an invited guest.

### 39. TERMINATION

Upon termination of employment with the Company, the Broker Associate is required to return all office keys, signs, sign inserts, lock boxes, etc., that have been assigned to them. Failure to do so will result in the Broker Associate being billed for these supplies along with any fees and expenses incurred while with the Company, such as MLS dues.

To cover the cost of closing transactions in progress, a 28% processing fee will be deducted from Broker Associate's proceeds on all properties closing after termination.

### 40. ERRORS AND OMISSIONS INSURANCE

Broker Associates are required to pay an annual fee on October 1st of each year to the Company for Errors and Omissions insurance. This fee is reduced by \$25.00 if paid prior to November 1. This amount is due each year on October 1. The amount owed will be deducted from commission checks on any unpaid account after November 1. The annual cost of the insurance fee will be prorated for new Broker Associates joining the Company. This prorated amount is due either at the time of the Broker Associates first closing or after 90 days whichever comes first. The Company reserves the right to adjust the annual fee to Broker Associates as needed to cover increases in insurance premiums or payments. Upon termination of independent contractor contract by either party no refund of E&O premium will be made.

Error & Omission (E&O) insurance companies have different criteria for coverage of Broker Associate owned and Broker Associate constructed properties. Broker Associate needs to review coverage guidelines with Managing Broker when handling those types of properties. Below are typical requirements for coverages on a Broker Associate owned home. Broker Associate

Option #1-The Broker Associate can list their personal dwelling with another Broker Associate in the company and that Broker Associate will have coverage.

Option #2-If the Broker Associate elects to list their personal dwelling the following criteria must be met for coverage to be provided:

- a. Property must be owned for more than 180 days;
- b. A written Home Inspection Report is issued by the ASHI or CREIA member inspector;
- c. A home warranty policy is issued prior to closing;
- d. A seller disclosure was signed by the "insured" owner and acknowledged by the buyer prior to closing;
- e. A state or local board approved standard sales contract was utilized.

Coldwell Banker Brown Realtors will not assume responsibility for any claims made on properties that are not covered by our E&O carrier.

## **SUBPOENAS AND SUMMONSES**

Any subpoena or summons received by a Broker Associate of the company, in relation to the business of real estate, must be immediately turned over to the managing broker. At any time a Broker Associate feels they may be brought into litigation they must bring the information immediately to their Managing Broker. If a process server appears in the office with a subpoena or summons for the company, any employee or Broker Associate should accept it. Once accepted, it should immediately be turned over to the managing broker. The managing broker should immediately contact the president or other officer of the company. If the process server asks for a specific person, only that specific person may accept the subpoena or summons. If that person is not in the office, the person receiving the inquiry should not volunteer any information about the person requested and should not give out home phone numbers or home addresses, even if asked. Refer the inquiry to the managing broker immediately.

## **INQUIRIES/VISITS BY GOVERNMENT OFFICIALS**

Any inquiry by a government official, whether by telephone, letter or in person, should immediately be forwarded to the managing broker. In the absence of the managing broker, the name of the official and agency or department they represents should be obtained. Then, the president or other officer of the company should be contacted. Unless presented with a valid search warrant signed by a federal judge or a judge of the county in which the office is located, the person receiving the inquiry should not allow any representative from a local, state or federal office to see any files or any information maintained in the office, nor should the person ever answer any questions of such a representative official unless the managing broker is present.

## **II. BROKER ASSOCIATE**

### **1. SPONSORING BROKERAGE FEES - COLLECTION**

Any decision to take legal action, or enter into litigation or dispute, or to collect fees due shall rest solely with Management. Expenses of collection shall be deducted from the total amount recovered and the balance paid to the Broker Associate on a 50/50 schedule regardless of any increased fee arrangement. Our policy is to avoid litigation whenever possible.

It is understood, however, that if a lawsuit is instituted and the case is lost, the Broker Associate involved must share in all expenses connected with the lawsuit.

### **2. PAYMENT**

Sponsoring Brokerage fees shall be paid as soon after funding as possible, but never later than 72 business hours after receipt by Administration.



3. SAME PROSPECT

If a Broker Associate knows that a prospect has recently worked with another Broker Associate in the office, then that prospect should be referred back to the first Broker Associate. If the prospect does not wish to work with the first Broker Associate, then the second Broker Associate should immediately work with the prospect and directly inform first Broker Associate and Managing Broker of the situation.

4. SCHEDULE - COMPANY

The minimum Sponsoring Brokerage fee accepted by the Company on all residential and commercial sales is 6%. Minimum Sponsoring Brokerage fee is \$2,000 or per individual office policy. A 5% Sponsoring Brokerage fee is customary on all new construction.

5. COMMISSION POLICY

When simultaneous in-office contracts are presented to a seller, the Sponsoring Brokerage fee will never be reduced. Also when dual agency is involved the Sponsoring Brokerage fee will never be reduced. This would constitute variable rate commission which is not our policy.

**The company strongly encourages Broker Associates to obtain 6% listing commissions based on the services we provide. Due to competitive market conditions the following minimum commission & co-op policies have been established.**

Commission Policy

Below is a list of stated minimum listing brokerage fees charged by Company and the amount that will be offered to a cooperating brokerage firms:

	<u>Amount Charged</u>	<u>Co-op Fee Offered</u>
Pre-Existing Properties < \$350,000	6%	2.7%
Pre-Existing Properties > \$350,000	5%	2.5%
New Construction	5%	2.5%
Minimum commission	\$2,000.00	\$900.00

All transactions consummated with a CBBR agent will continue to be split on a 50/50 basis.

Commission Reductions

Any reduction in the listing brokerage fees must first be approved by office manager and in those cases the following schedule is in effect:

	<u>Amount Charged</u>	<u>Co-op Fee Offered</u>
Pre-Existing Properties < \$350,000	5.5%	2.5%
Pre-Existing Properties < \$350,000	5%	2.5% *

\* In these cases the company dollar will be calculated on the basis of a 5.5% commission and the agent's commission will be adjusted accordingly.

Any reduction below 5% must be approved by office manager and vice president. Reduction to broker associates commission and co broke will be discussed at the time of reduction depending on circumstances.

Any reduction below 5% without approval will have commission shortage removed from agent commission or agent maximum commission at 65% at management discretion.

Bonus Policy

In cases where the commission is shared with a cooperating broker, for bonus calculation the minimum commission on each side of the transaction must equal 3% list or 2.7% sale. Agent will be paid 100% of bonus, less franchise fees, on any amount above that threshold. Any bonus below the minimum will be split on agent's commission split.

In cases where only a CBBR agent is involved, i.e. builder property, FSBO, one time show, etc., a minimum commission of 5% is required before the threshold is met.

When arranging a commercial lease, the minimum Sponsoring Brokerage fee to be paid to the Company is 6% of the total lease amount paid during the term of the entire lease. The total Sponsoring Brokerage fee is to be paid up front when the lease takes effect. All lease fees shall be split based on commission.

6. SCHEDULE - BROKER ASSOCIATE

Broker Associate may not accept any fees or compensation from any source other than the Company for services or advice in any matter involving Real Estate.

A Broker Associate's compensation is based on collected sales of Sponsoring Brokerage fees only. Refer to back of Sponsoring Broker-Broker Associate Agreement Independent Contract.

7. EARNINGS AND 1099'S

Only earnings paid during a calendar year appear on your statement of earnings, Form 1099, at the end of the year.

8. EARNEST MONEY

All earnest money checks being held by the company must be made payable to Coldwell Banker Brown Realtors. Be sure endorsed checks are paid to the order of Coldwell Banker Brown Realtors.

Earnest money may be in the form of wire transfer, personal check, bank draft, money order, savings and loan draft, cashier's check or treasurer's check. Any other form of draft is not acceptable unless approved by management.

The major portion or 1% of the purchase price should be secured as the initial earnest money deposit. The date for the additional earnest money should be realistic; that is, within a reasonably short length of time.

Earnest money check or checks will be deposited by Coldwell Banker Brown Realtors when the contract has been accepted by the other agency's client. Escrow funds must be deposited by or before next business day following acceptance of contract.

Earnest money is retained in an escrow account and upon closing of the sale, credit is given the purchaser. Notes in lieu of earnest money are not acceptable.

9. MULTIPLE CONTRACTS

Upon taking a listing, the listing Broker Associate must inquire and have in writing, how the seller wishes the listing Broker Associate to act in case of multiple offers. It is the seller's decision, whether or not we disclose to other Broker Associates the presence of multiple offers.

No written offers are to be withheld from the seller awaiting possible additional offers. However, if a third offer already exists, it must be presented at the same time to the seller. All offers should be carefully reviewed by the listing Broker Associate before presentation to the seller.

If the listing Broker Associate is also one of the selling Broker Associates, the Managing Broker or third party should present the multiple contracts.

10. PRESENTING THE CONTRACT

All new contracts shall be given to the listing Broker Associate to present. Never try to make a decision for an owner. The Illinois License Law requires that all offers must be

presented to the seller. The selling Broker Associate should share any qualifying information of the buyer to the listing Broker Associate.

#### 11. RETURNING EARNEST MONIES

When both parties have signed a contract and it is necessary to return a deposit, it may be done so only by having a RELEASE OF DEPOSIT form signed by all parties involved.

Checks for deposits will immediately be placed in the Company's Escrow Account. Checks must be cleared before a deposit will be returned by the Company. The clearing time for local checks is ten working days, while out-of-town checks require fifteen working days.

#### 12. DISPUTED EARNEST MONEY

The IDFPB finds that many real estate Sponsoring Brokers, who have assumed the responsibility of acting as escrow Broker Associate when a dispute arises between the "seller" and "buyer", are following the practice of retaining the escrow funds in their escrow accounts without taking any affirmative action to resolve the dispute between the parties.

A Managing Broker, acting as an escrow Broker Associate in a real estate transaction, stands in a fiduciary capacity with both parties and assumes the responsibilities of such Broker Associate. Where a dispute exists as to the distribution of escrow funds, the Managing Broker shall continue to hold the deposit in his special account:

- A) until he has written release from all parties consenting to its disposition;
- B) until a civil action is filed, by either the Managing Broker or one of the parties, to determine its disposition, at which time payment may be made into court;
- C) until the funds are turned over to the State of Illinois because of inactivity of the account or inability to locate the parties

Since it is in the best interest of the buyer/seller to resolve such matters prior to the above states, every effort on both the Managing Broker and Broker Associates involved must be expended to resolve the dispute.

#### 13. REMOVAL OF PERSONAL PROPERTY ITEMS INCLUDED IN SALE

In the event the former owner or tenant removes an item that was included in the sale contract, the listing Broker Associate should make every effort to contact the former owner or tenant and request return of the item. It is presumed the item was removed in error by the former owner, or perhaps, by the moving company.

#### 14. FARMING

A Broker Associate working a Farm area may use the phrase, "I am specializing", and shall be permitted to use past office records and statistics to show a track record. The Broker Associate must NEVER indicate that "I sold" if the statistics used are from the office records. The phrase, "We sold", must then be used.

Open House cards can be mailed by the person holding the Open House even if the property is located in another Broker Associate's Farm.

The listing Broker Associate shall have first right to send Just Listed, Sold and New Neighbor cards and the name of the listing Broker Associate shall appear on the cards. If the listing Broker Associate does not wish to send these cards, then the Broker Associate Farming the area may send them and the "Farmer's" name shall appear on the cards.

Although we are interested in protecting the "Farmer", we feel that is unfair when this protection, in any way, hurts the Company or any other Broker Associate associated with the Company.

No Broker Associate shall, in any way, demean another Broker Associate. State YOUR credentials, but do not infer that another Broker Associate is incapable.

## 15. FLOOR TIME AND INQUIRES

### a. DEFINITION

Floor time is the time given to Broker Associates for handling phone inquiries and walk-ins pertaining to the listing and selling of properties. Floor time is NOT mandatory. Broker Associates requesting floor time shall be given this opportunity in accordance with the guidelines set forth by office policy. If Broker Associates elect floor time participation, they must accept the full rotation of shifts.

### b. INQUIRIES

All inquiries from newspaper advertisements (classified or display), Real Estate Market Magazine ads, walk-ins and call-ins will go to the duty agent. The duty agent should be familiar with all advertising. Since rental ads are paid for by the Broker Associate, inquiries from these ads shall go to the Broker Associate placing the ad. The duty agent is not expected to contact the Broker Associate placing the ad.

If a prospect walks into the office or calls and asks for a particular Broker Associate, the following shall apply:  
Every attempt shall be made to locate the Broker Associate at that time. The Receptionist/Secretary shall call the Broker Associate requested. In the event the Broker Associate cannot be located immediately (within ten minutes); the prospect shall be referred to the duty agent with the understanding that the prospect belongs to the Broker Associate requested. Thereafter, the requested Broker Associate shall be notified about the

inquiry and brought up to date concerning the prospect. At that time, the two Broker Associates can decide who shall follow up with the prospect and how the Sponsoring Brokerage fee is to be divided if a sale results.

In the event a contract is written prior to contacting the requested Broker Associate, the duty agent making the sale shall turn it over to the requested Broker Associate at the first opportune moment. (In this case, the Sponsoring Brokerage fee is to be divided as per agreement.)

c. **INCOMING INQUIRIES**

If a call comes in, the duty agent shall ask, "Have you worked with a Coldwell Banker Brown Realtors Broker Associate?" If the answer is "No", the call goes to the duty agent without any further questions. If the answer is "Yes", then the call shall go to the Broker Associate named.

If a particular Broker Associate is asked for, but is out of town for the day or on vacation and has not designated someone to act in his/her behalf, then the duty agent shall take the call, go on the listing or showing appointment and make every attempt to secure the listing or sale. If the listing or sale is secured prior to the Broker Associate returning, it shall be divided between the two Broker Associates.

If the listing is not secured prior to the vacationing Broker Associate's return and the duty agent has already met with the seller, then, at that time, both Broker Associates shall work together on the listing and it shall be divided between the two.

d. **APPOINTMENTS FOR SHOWINGS**

All Broker Associates should set showing immediately when the call comes in. Immediately after talking with the seller return a call to the showing Broker Associate to confirm. Enter showing in company showing software. If the seller cannot be reached, make a notation on the showing record for the next duty agent so they can be aware of the need to set an appointment. If the instructions are "If no answer show" but the showing is for the evening and you are calling in the morning, please make a note so the next duty agent can continue to keep trying to contact the seller.

16. **FLOOR TIME SCHEDULE**

The floor time schedule is a monthly list of Broker Associates. Floor time schedules run seven days a week, 52 weeks a year. Any desired change in floor time may be made at any time by mutual agreement of the Broker Associate.

In order to properly handle floor calls, the duty agent should be familiar with all office listings. It is required that Broker Associate requesting floor time attend weekly sales

meeting and office tours. It is up to the Broker Associates to find a replacement for floor time they are unable to keep.

If a Broker Associate is not physically present at the duty desk for their scheduled time they will forfeit leads generated during that time. To receive leads during duty time Broker Associate must be present. Assignment of leads when no duty Broker Associate is present is at managing brokers discretion.

Please refrain from eating at the duty desk.

## 17. TELEPHONE

Office policy dictates whether it is the responsibility of the office secretary or the duty agent to answer incoming calls. The receptionist/secretary and duty agent should assist.

## 18. LISTINGS

### a. ACCEPTANCE

Management reserves the right to accept or reject any listings other than the exclusive right to sell. 90-day listings are the minimum acceptable to the company without prior approval. Any exceptions to the listing contract must be named and limited to a maximum of two (2) weeks.

### b. CANCELLATIONS

No listings can be withdrawn or cancelled without the consent of management. If a seller who has listed his/her property for sale desires to cancel the listing, Management can, if it so desires, agree to do so. However, it is the position of Management that in most cases the listing will be withdrawn from the market and not cancelled. All such withdrawals must be handled through the Administrative office.

### c. CHANGES

Changes in price, terms or other vital information regarding a listing shall be reported to the Secretary on the proper form by the listing Broker Associate. It is the Broker Associates responsibility to follow up by checking in MLS to verify changes requested were accurately completed. Changes will be reviewed at the weekly sales meeting. Cost for changes due to a Broker Associate's neglect in completing the original Property Information Sheet or failure to renew by deadline will be incurred by the Broker Associate.

### d. ETHICS/DISCLOSURE

Code of Ethics, NAR, Article 4: Realtors should ascertain all pertinent facts concerning every property for which agency is accepted, so that they may

fulfill their obligation to avoid error, exaggeration, misrepresentation or concealment of pertinent facts.

In completing the listing sheet, fill in the data in complete detail. Don't leave any blanks.

The seller always should be asked to read the listing agreement to ensure that all terms are understood.

## RESIDENTIAL REAL PROPERTY DISCLOSURE FORMS

The Residential Real Property Disclosure Form is a detailed statement by the seller of his/her knowledge of the condition and features of the property. The company has a policy of urging sellers to complete the form and to provide them to buyers in compliance with the state statute. A Broker Associate should provide a blank disclosure form to the seller and request the disclosure form be completed on every listing unless the property is exempt from disclosure under state law. It is in the best interest of the seller to complete a disclosure form because it can avoid future misunderstandings with a buyer as to what the seller's knowledge of the condition of the property was at time of listing and because it is required by State law. If the seller questions the property or the transaction is exempt from disclosure refer the seller to their own attorney.

In addition, it is a valuable risk reduction tool for the Company and assists the Company in complying with its obligations to disclose adverse material facts. By the seller making accurate, factual statements as to their knowledge of the property, later controversies as to "who said what" can be minimized.

A listing Broker Associate should be careful to make sure that the seller and not the Broker Associate complete the Disclosure form and keep it current. If the information becomes inaccurate because the property's condition has changed, a seller could have liability for allowing known inaccurate information to be given to buyers. Once the form is complete the Broker Associate needs to make sure that it is delivered to prospective buyers before they prepare an offer to purchase.

Some sellers may refuse to sign a Disclosure form. In Illinois, there is a state law which requires a seller to execute such a statement unless the property or the transaction is exempt. If a seller declines to complete a disclosure form they should be referred to his/her own attorney to determine if the transaction or the property is exempt from disclosure.

In completing the disclosure form, the seller her/himself **MUST** fill in the form. A Coldwell Banker Brown Realtors Broker Associate **MAY NOT**



complete the form on behalf of a seller. The responsibility to complete the form under Illinois law is on the seller and not on the Broker Associate. If a Broker Associate completes the form, much of the benefit of this risk reduction technique is lost.

In general, the Broker Associate may rely on the statements of the seller. Article 15 of the License Law provides that the licensee owes no duty to conduct an independent inspection of the property for the benefit of the customer and owes no duty to independently verify the accuracy of any statement made by the client.

However, a Broker Associate may not ignore any suspect items on the disclosure form just because the seller completed it. If a Broker Associate, in his/her reasonable judgment and expertise, suspects that a statement is not accurate, the Broker Associate should seek further information from the seller. An example might be a seller who states that there has been no water in a basement in which there are obvious water stains and cracks. A Broker Associate's best course is to seek further information from the seller as to the exact nature of their statements and if the seller persists in inaccurate statements then either refuse to take the listing or withdraw as the listing Broker Associate. If a Broker Associate needs assistance with this type of problem they should contact their managing broker.

#### LEAD BASED PAINT

Particular note should be paid to lead-based paint disclosures. Current FHA regulations require that a special lead-based paint disclosure form be signed by all parties to a contract with FHA financing BEFORE entering into the contract if the transaction involves a property built prior to 1978. Also, a federal law which took effect late in 1996 requires certain disclosures on properties built prior to 1978 about the hazards of lead-based paint and requires that the buyer be given the opportunity for inspections for lead-based paint in the sale contract. Under lead-based paint regulations, Broker Associates do have a duty to make sure the seller completes a disclosure form and provides a pamphlet.

#### RADON AWARENESS ACT

The Illinois Radon Awareness Act became effective on January 1, 2008. Broker Associates of Coldwell Banker Brown Realtors should have a general knowledge about the existence of the Radon Awareness Act and that the provisions impose duties on sellors of real property. In short, before a buyer becomes bound on a contract to purchase real estate the seller is required to provide a pamphlet entitled "Radon Testing Guidelines for Real Estate Transactions" and the Illinois Disclosure of Information on Radon Hazards. The language of the latter is set forth by statute. The pamphlet is provided by

the Illinois Emergency Management Agency Division of Nuclear Safety and can be found on that agency's Web site, <http://www.radon.illinois.gov>.

Nothing in the Act requires a seller to test for radon or to engage in "mitigation activities." The Act excludes certain types of transactions, which are summarized as follows: transfers made pursuant to court order, transfers resulting from foreclosure, transfers by fiduciaries of estates, transfers among co-owners, transfers pursuant to estate or interstate succession, transfers made by relocation companies (if the relocation company has the required documents from the original seller) and transfers to or from a governmental entity. Broker Associates need to be aware of this required disclosure so they can inform their seller clients.

Radon disclosures are now sometimes required for rentals in residential lease transactions. The form does not have to be provided in every residential lease transaction; only those where a radon test has been done, a radon hazard is indicated and the owner has not remediated using an IEMA licensed contractor. It is important to note that the radon disclosure requirement only covers the second floor and below of residential dwelling units.

e. **ACCURACY OF LISTING INFORMATION**

Several "traps" that might create liability exist in taking a listing. These are covered below. Each Coldwell Banker Brown Realtors Broker Associate should take careful note of these hazard areas and be particularly diligent in handling these issues.

- i. **ROOM COUNTS:** Coldwell Banker Brown Realtors Broker Associates must be careful to accurately represent the number of rooms, bedrooms and bathrooms in a property. Generally, questions of whether an area constitutes a room, bedroom or bathroom are resolved by determining whether an appraiser would count the area as such. For example, basement rooms which are below grade are not generally considered rooms, bedrooms or bathrooms for appraisal purposes. Another example is that a room normally must have a closet to be considered a bedroom. Also, "walk-through" rooms are not usually considered separate bedrooms. These ambiguous areas can be denoted by a symbol such as a "+" sign after the room count (e.g. 8+ rooms, 4+ bedrooms) or highlighted in remarks for the property or other descriptive information.
- ii. **ROOM SIZES:** The Broker Associate should personally measure each room. **DO NOT** take room sizes from a former listing company's form. Be cautious about taking room sizes from plans. There may have been construction changes not reflected on the plans. Measure room sizes to feet and inches. **(NOTE: Many MLS**

**systems do not allow input of room sizes to feet and inches. In such case, round inches to the nearest foot, e.g., 7 feet 7 inches rounds to 8 feet but 7 feet 5 inches rounds to 7 feet.)** If you have not measured yourself or will not measure, be sure to cite the source of your information so it is clear that it did not come from you.

- iii. **EXCLUSIONS/INCLUSIONS:** A Broker Associate should pay particular attention to inclusions and exclusions in the sale of the property and verify the seller's intention. For example, if an owner checks off that the master bedroom draperies will not be sold with the house, the Broker Associate should verify that this is the seller's intent and then make clear in any promotional material mentioning draperies that the master bedroom draperies are excluded. Also, it is very important to make sure the exclusion is expressly specified in the contract. The listing information sheet is not usually incorporated into the terms of the contract. Thus, a Broker Associate should not rely on the listing information sheet to control the contract but must make sure that the exact understandings of the parties are reflected in the sale contract. Also, it is a good idea to suggest that seller remove an excluded item before marketing the property for sale if possible.
- iv. **LOT SIZE:** Lot size and acreage should only be determined from an accurate survey, the owner's real estate tax bill or the county tax records. The Broker Associate should NOT attempt to measure lot size on her/his own.
- v. **TAXES:** Taxes should be determined from county tax records or the owner's tax bill. The Broker Associate should not rely on the statements of the owner as to tax amounts. If there is a question regarding reassessment between time of contract and time of closing, refer the client to their attorney to negotiate contract language when necessary.
- vi. **MODERNIZATION INFORMATION:** Often, good selling features about a property are the updates or upgrades made by the owner. In order to accurately advertise these items, Coldwell Banker Brown Realtors requires that the owner verify any information given to us before it can be used in any promotional material on the listing.

Items such as "new" roof, "new" air conditioner, "new" furnace, "new" bathroom, "new" kitchen, etc. are misnomers because of the difficulty in defining what "new" means. Broker Associates should verify items and dates of improvements.

If it is not possible to substantiate modernized features, they can be advertised or promoted as "Newer" or "Recent", as in "Newer furnace" or "Recently remodeled bathroom".

f. **SIGNATURES:** Illinois requires written listing agreements to be signed by "the parties." In addition, Coldwell Banker Brown Realtors desires that listing agreements be enforceable in every possible situation to ensure that the company and Broker Associate will be paid under the terms of the listing agreement. Because of these factors, Broker Associates must secure listing agreements with the signatures of all sellers or the duly authorized representative of all sellers before the listing will be promoted or advertised in any way. Broker Associates should be particularly aware in the several situations below.

i. **SPOUSAL SIGNATURES:** A spouse\* must ALWAYS sign a listing agreement unless certain conditions exist, as follows:

- (1) A waiver of marital rights given by the non-signing spouse exists and a copy is provided to Coldwell Banker Brown Realtors.
- (2) A quitclaim deed made to the signing spouse has been executed and recorded by the spouse not signing and a copy is provided to Coldwell Banker Brown Realtors.
- (3) A prenuptial agreement waiving the non-signing spouse's rights exists, a copy of the prenuptial agreement has been given to Coldwell Banker Brown Realtors, and legal counsel for Coldwell Banker Brown Realtors has consulted with a title company to determine the validity of the prenuptial agreement.
- (4) A court order provides otherwise.

**\* A "spouse" as used in this Section includes a partner in a civil union.**

Most often, these questions come up when the property is titled only in the "selling" spouse's name and the "non-selling" spouse claims that they have no interest in the property. Typical situations are a widowed person who has remarried or a divorced person who has remarried. The spouse not on the title ALWAYS has a potential homestead interest under Illinois law and MUST sign the listing agreement unless one of the four exceptions noted above exists.

ii. **PROPERTY IN ESTATE:** When property is in an estate, ALL heirs AND spouses must sign. If a Personal Representative (Executor or Administrator) has been named, it is possible that the Personal

Representative has authority to sell the property. The Broker Associate must secure a copy of the part of the will or court order which empowers the Personal Representative to sell property. The power of sale granted the Personal Representative by a will may not be acceptable to a title company until the time to file a will contest has expired, which is six months after the first publication of notice of Letters Testamentary being issued. Management or legal counsel for Coldwell Banker Brown Realtors will consult with a title company to determine if the power to sell in the will is acceptable.

- iii. **TRUSTEES:** If a property is held by a trust, the trustee will normally be empowered to sell. However, the Broker Associate must secure a copy of the part of the trust which empowers the trustee to sell because some trusts require the signatures of more than one trustee to sell as in the case of an individual and corporate trustee (bank). The trustee's spouse does not sign the listing agreement because the trustee is acting in a representative capacity.
  
- iv. **SELLER INCAPACITATED:** If a seller is not mentally competent to sell, and no acceptable Power-of- Attorney exists, a guardian must be appointed by the court and the guardian must obtain a court order to sell the property. Until such time, the property cannot be sold even if a child, sister, niece, nephew, etc. is also on the title. Also, if a property is jointly owned in this fashion, the spouse of the "second signer" (child, sister, niece, nephew, etc.) must also sign the listing contract. It is possible that a properly drawn Durable Power of Attorney may provide a means to sell this type of property. However, before relying on the Durable Power of Attorney, a title company should be consulted to determine whether the company will insure the title based on the existing Durable Power of Attorney. Also, refer to the paragraph on Powers of Attorney, below.
  
- v. **DIVORCES:** A person, including a partner in a civil union, is NOT legally divorced until a court so orders. A person "in the process of divorce" cannot sign the listing agreement alone. The spouse must also sign, regardless of whether the spouse is living on the premises or the couple has a "legal separation." Once divorced, the person may sign alone. However, if the county records continue to show the property in both names, the Broker Associate must secure a copy of that part of the divorce decree which awards the property to the signing spouse for Coldwell Banker Brown Realtors files.
  
- vi. **POWERS-OF-ATTORNEY:** A Power-of-Attorney is acceptable for signature on a listing contract. However, not all powers-of-attorney authorize the sale of real estate. A copy of a recordable Power-of-

Attorney authorizing the sale of real estate must be secured for the files of Coldwell Banker Brown Realtors®. Illinois law requires a Power-of-Attorney for the sale of real estate to be recorded.

g. TRANSFERS

If owner is transferring, Broker Associate should seek referral.

h. HOME WARRANTY

Home Warranty plans should be offered all Sellers and Buyers.

i. LISTING FILE

Under no conditions are listing files to be removed from the office. Should information be removed from the file and not returned, the office records would be severely crippled. Therefore, any desired information must be duplicated and the listing files remain intact in the office.

j. LOCKBOXES

Broker Associates are accountable for each lockbox requested. Lockboxes must be returned at, or within 1 week of, closing or Broker Associate will automatically be billed the cost of the lockbox. Upon expiration of listings, or cancelled listings, lockboxes must be returned to office within one week. Lockboxes must be removed when Broker Associate no longer has an active listing. If Broker Associate transfer lock box to another property Broker Associate must report immediately to person in charge of lockboxes new address where said lockbox was placed. If this is not done, the appropriate amount will be charged to the Broker Associate. If at a future date, Broker Associates locate any lockbox for which they were charged, company will refund Broker Associate.

k. REASSIGNMENT

The Managing Broker reserves the right to reassign a listing to another Broker Associate, if it is deemed necessary or at seller's request, due to the originating Broker Associate's improper handling of the listing.

l. REASSIGNMENT UPON TERMINATION

All listings are taken in the name of the Company and remain the property of the Company. At the discretion of Management, any unsold listings will be assigned to other Broker Associate upon termination of a Broker Associate.

m. SHARING FEES

When two Broker Associates secure a listing, they shall enter both names on the Authorization to Sell Agreement and the Property Information Sheet and shall share the listing fee.

Any agreement to share a fee in a manner other than 50/50 should be in writing and signed by both Broker Associates.

On all “in house” transactions, the listing and selling commission is split 50/50, but commission to selling Broker Associate cannot be less than that stated in the MLS.

- n. **SUBMITTING LISTINGS TO MULTIPLE LISTING SERVICE**  
As Realtors, we are members of several boards and it is our policy to submit every listing to the proper service, based on Broker Associate location.

#### 19. TRAINING PROGRAM

Following association with our Company, each Broker Associate is encouraged to participate in training programs. These periodically scheduled programs are designed to impart knowledge and skill in all facets of residential real estate. Each Broker Associate is expected to attend every session possible.

#### 20. VACATIONS AND OTHER PROLONGED ABSENCES FROM THE OFFICE

It is Broker Associates responsibility to inform Managing Broker which Broker Associate will be handling their transactions while they are absent. It is important that the absent Broker Associate have established a monetary agreement with the other Broker Associate in the office with regard to listings and for servicing of clients shopping for property. Identity of a substitute Broker Associate must be established with the Managing Broker

#### 21. RECRUITING

Any Broker Associate who is instrumental in recruiting an Broker Associate for the company, shall be paid a recruiting bonus of \$250.00 on the new Broker Associates first 4 closings for a total of \$1000.00. These monies will come from company dollar.

### **IV. PROMOTION**

#### 1. ADVERTISING

Our Company is working toward a balanced advertising program. For this to be accomplished, the Company must not be bound by sellers who expect or demand special advertising on their individual properties. It is with this thought in mind that we should define our general policy.

The Company reserves the right to select and use advertisements which will fit into a well-balanced program and secure the greatest number of prospects for the seller's properties. It is a policy of the Company to advertise only those properties on which the Company has an exclusive right to sell listing. This does not apply to commercial property.

The expense of all Company classified advertising shall be absorbed by the Company. All other ads must be paid by the Broker Associate. No Broker Associate may authorize or order advertising in the name of the Company without permission.

The following disclaimer must appear on all introductory letters, mailers or hand-delivered flyers:

*"If your property is listed with a real estate company, please disregard. It is not our intention to solicit the offerings of other real estate companies. We are happy to work with them and cooperate fully"*

- a. **ANNOUNCEMENT CARDS**  
Upon association with the Company, each Broker Associate will be given 100 announcements cards. Cards and postage will be paid by the Company. Broker Associate should submit all announcements addressed to the Secretary for posting.
- b. **FLYERS, SPECIAL MAILERS**  
Stationary, printing and postage costs for these items will be paid by the Broker Associate.
- c. **JUST LISTED CARDS**  
Each Broker Associate will be allowed to mail 25 cards, or letters equal to the amount of postage for 25 cards, for each listing obtained. The Company will pay for the postage, provided that they are mailed within one week of the listing date. Thereafter, the Broker Associate must pay the postage. The Broker Associate should submit all addressed cards to the Secretary for posting.
- d. **SOLD CARDS**  
At the time of closing, each Broker Associate will be allowed to mail 25 cards, or letters equal to the amount of postage for 25 cards. These must be mailed within one week following the date of closing for the Company to pay the postage. The Broker Associate should submit all addressed cards to the Secretary for posting.
- e. **OPEN HOUSE CARDS**  
Each Broker Associate will be allowed to mail 25 cards, or letters equal to the amount of postage for 25 cards, for each open house. The Company will pay the postage providing that these cards are mailed a minimum of four days prior to the date of the open house. Otherwise, the Broker Associate must pay the postage. The Broker Associate should submit all addressed cards to the Secretary for posting.

## 2. VARIATIONS



In the event of cooperation between two Broker Associates in a listing or sale, one of the Broker Associates, by mutual agreement, will send out 25 cards.

All direct mail promotions must be approved by Managing Broker.

### 3. MARKET MAGAZINES

It is the policy of the Company to advertise in market magazines. This advertising expense is paid by the Company and Broker Associate. Broker Associate may write the copy if one of their listings is selected. No individual names or home telephone numbers will be used on Company pages unless paid for by the Broker Associate.

### 4. OPEN HOUSES

The Company encourages Broker Associate to participate in Open Houses on a regular basis.

Broker Associate may hold open houses when desired; however, they must have permission from the owners. A Broker Associate who has agreed with an owner to hold a house open must keep the appointment. The owner should not be disappointed. Open House Kits will be available for purchase by Broker Associate.

#### a. LEAVING OPEN HOUSES UNATTENDED

No Broker Associate holding an open house should leave the property for any reason during the hours it is advertised as open.

#### b. PROMOTION

When a date and time for an open house has been determined, the Broker Associate should inform the Company and submit an open house ad for insertion in the newspaper in accordance with the newspaper deadlines and Company guidelines.

#### c. SIGNS

The Broker Associate should pre-determine the number of open house signs needed, and upon reaching the property, post signs properly and lawfully.

#### d. OPEN HOUSE PROCEDURES:

The "how-to" of holding open houses, etc., is covered elsewhere in Coldwell Banker Brown Realtors training programs and manuals. However, Coldwell Banker Brown Realtors maintains a policy that owners be informed of their responsibilities in consenting to open houses. Broker Associates must strongly recommend to owners that they take common sense precautions with any valuables in the house during the time of the open house. This includes removal of all jewelry boxes, collectibles of value, (sentimental or dollar

value), small audio or video equipment or other items which may be of value. Owners should also be informed that their homeowner's insurance company is the responsible party for any losses on an open house. As in all other areas, a Broker Associate may not act carelessly or recklessly. If for no other reason, a Broker Associate must be diligent in conducting an open house to maintain good business relations and rapport with the owner.

## 5. SIGNS

The most effective and inexpensive way to advertise and secure prospect inquiries is the use of signs. Standard "FOR SALE" signs or "SOLD" signs are supplied by the Company.

### a. CONDITIONS

If any of the following are being done improperly, please inform Management:

1. Signs must be kept clean and straight.
2. Signs are not considered expendable and should be re-used if in good condition.
3. Signs must be promptly removed after the sale has closed or the listing has expired. It is the Broker Associate's responsibility to notify the Secretary when a sign is to be removed.
4. No sign of any kind may be placed on any property without the owner's permission.

### b. INSTALLATION

This Company employs a sign installer to install and remove all signs within "circle of service" areas. These signs are ordered by the Broker Associate/Secretary when a listing is obtained. The listing Broker Associate should attach the sold sign rider after the property is closed. Push in the ground signs are installed by Broker Associate and must be removed by Broker Associate after property is closed.

### c. NAME SIGNS

Broker Associates are encouraged to attach their name riders to the "FOR SALE" signs on their listings. The honor and reward for a job well done or the blame for neglect will then be directed to the deserving Broker Associate by the Seller and the neighbors. Broker Associate will pay for their own name signs.

### d. SPECIAL SIGNS

Open House Kits are supplied by the company and purchased by the Broker Associate.

## V. MANAGEMENT

### 1. ARBITRATION

The Company believes that Broker Associates, within the office involved in Sponsoring Brokerage fee controversies, can and will settle their differences between themselves in an amicable and equitable manner. Failing this, the Broker Associate should ask Management to recommend a settlement (see Procuring Cause following). A three-person panel from Management will be selected. The request for arbitration should contain an agreement to accept the decision as final.

### 2. GOALS

When a Broker Associate first becomes associated with the Company, it shall be the Managing Broker's obligation to meet with the Broker Associate and together establish and review yearly goals.

### 3. POLICY AND GUIDELINE MEETINGS

From time to time, Management may call special meetings for the sole purpose of changing Company policies and guidelines.

### 4. OPEN DOOR POLICY

Appointments are not necessary to be able to speak with Management. Do not direct any questions concerning Company policies and guidelines to anyone other than Management.

Management goes to great lengths to ensure proper instruction in office policies and guidelines. Do not listen or adhere to differing office opinions.

### 5. THE FINAL WORD

If any situations arise that are not specifically covered in this Manual, the Broker Associate should abide by Management's decision.

In addition, Management reserves the right to amend, alter or change certain policies and guidelines in this Manual for the betterment of any or all offices of the Company. This flexibility will insure Company success.

### 6. PROCURING CAUSE

The following factors will be considered when settling disputes regarding procuring cause.

- a. Who was the listing Broker Associate?
- b. Was there a written agreement between the property owner and the listing Broker Associate?
- c. Who first introduced the client to the property and how was such introduction made?
- d. Did the first or original introduction to the property actually originate an uninterrupted series of events leading to the sale (or objective of transaction), or was the series of events originated by the first introduction to the property hindered or terminated at any point for cause such as abandonment or estrangement of the client by the Broker Associate or cooperating Broker Associate?
- e. Was there a faithful exercise of agency or cooperating agency on the part of the individual making the first introduction of the property to the client, or conversely, was there fault or deficiency on the part of said Broker Associate or cooperating Broker Associate either in the interest of the client or in fairness to the customer?
- f. How did the second Broker Associate or cooperating Broker Associate enter the transaction?
- g. Was the second Broker Associate or cooperating Broker Associate to enter the transaction aware of the prior introduction and/or negotiation on the property with the customer by the first Broker Associate or cooperating Broker Associate?
- h. If the second Broker Associate or cooperating Broker Associate was aware of prior introduction of the property and/or negotiation on the property with the client by the first Broker Associate or cooperating Broker Associate, what did he do to serve the interest of the client and yet be fair to all parties, avoiding action inconsistent with the agency of the other Broker Associate or cooperating Broker Associate?
- i. Was the entry of the second Broker Associate or cooperating Broker Associate into the transaction an intrusion upon agency or was it an innocent exercise of agency or cooperating agency in the interest of the client or pursuit of a client?
- j. Did the subsequent or second introduction, start a second or separate series of events which were not dependent upon the first introduction and/or negotiation on the property, with said second introduction and series of events flowing therefrom leading to the successful transaction?

## 7. BROKER ASSOCIATE - COLDWELL BANKER BROWN REALTORS AGREEMENT

Upon association with our firm, each Broker Associate is required to enter into an Agreement setting forth the rights and obligations of both parties. This form, which was

drafted by legal counsel and is readily understandable, enables us to avoid any misunderstanding as to the terms and conditions of our association.

#### QUALIFICATIONS FOR CONTINUATION OF ASSOCIATION

Naturally, it is hoped that there will be a long, pleasant and prosperous Broker Associate-agency association. However, the agency intends to maintain its high standards, and the following are some of the reasons why a Broker Associate may be requested to transfer:

1. *ILLEGAL OR UNETHICAL CONDUCT,*
2. Failure to have respect and liking for fellow Broker Associates, employees and management,
3. Failure to conform to Coldwell Banker Brown Realtors policy and procedure,

## REFERRAL COMMISSION SCHEDULE

The current relocation policy manual follows. Please refer to it for commission guidelines. This policy is subject to revision at any time by Management.

### **Policies and Procedures of Coldwell Banker Brown Realtors**

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#### **Relocation Department Philosophy**

"The staff of Coldwell Banker Brown Realtors Relocation Services is dedicated to providing business opportunities for the Broker Associates of Coldwell Banker Brown Realtors. Our experienced team provides superior service to our clients and customers through hard work, responsiveness, creativity and accountability. It is our goal to create the most dynamic and successful Relocation and Corporate Services team in the industry."

This pledge to you embodies our philosophy of doing business as a company within a company. We are privileged to provide state-of-the-art Relocation and Management services to our Corporate clients and the families that we assist through the transfer process.

We consider the Broker Associates of Coldwell Banker Brown Realtors to be the most professional, committed and successful in the Midwest and we look forward to a long and satisfying relationship with you.

The pages that follow will explain our policies & procedures, define our departments, identify our staff, identify who to call in a given situation and explain our fee structure.

#### **Relocation Department Services**

Coldwell Banker Brown Realtors Relocation Services is divided into three groups: Corporate Relocation Services, Network and Sponsoring Broker Services, and Inventory Management Services.

Corporate Relocation Services works with the corporation in or outside of this area to assist their employees through the relocation process. We offer a relocation package of information on the area, homefinding assistance, area orientation and a wide variety of information on communities, schools, taxes, recreation, etc.

Network and Sponsoring Broker Services is charged with the responsibility of servicing incoming referrals from other Sponsoring Brokers, Cendant Mobility Services, affinity services, relocation companies and outgoing referrals from our own Broker Associates.

Inventory Management Services provides real estate marketing and management assistance. With the abundance of bank foreclosures and high-tech industry personnel restructuring, many corporations and banks find themselves in need of real estate specialist. We offer these sellers a wide range of services for residential property.

#### **Relocation Staff Directory**

##### **Regarding Outgoing Referrals:**

Referral Coordinator - Pat Schuetzenhofer - (618) 656-2278 Cell 407-4742

\* To place an outgoing referral.

- \* To find out which company we refer to in another area.
- \* To register a customer from outside our service area.

**Regarding a referral which has been assigned to you. (Incoming referral)**

Referral Coordinator - Pat Schuetzenhofer (618) 656-2278 Cell 407-4742

- \* With status on a referral given to you.
- \* With questions regarding our coverage nationwide.
- \* To register a customer from outside our service area.

**Regarding Third Party Listings & Corporate Owned Properties (Foreclosures)**

Director of Corporate, 3rd Party and REO Inventory Resale - Judi Sims (618) 655-3100 Cell 406-2125

- \* When you have been on a listing presentation and are told that the owner has a buy-out with their corporation.
- \* To report or present an offer on a third party listing that you are servicing.
- \* To place a lender referral.

**Regarding Corporate Relocation**

Director of Corporate Relocation - Judi Sims (618) 655-3100 Cell 406-2125

- \* To refer a corporation.
- \* To understand the services that we offer.
- \* To discuss a corporate referral, call the corporate consultant who placed the referral with you.
- \* To refer a company, corporation, or organization for affinity marketing,

**Incoming Referrals**

It is important for anyone working with Coldwell Banker Brown Realtors Relocation Services customers to understand how the business of relocation works and what our function is in relation to the relocating customer. We have outlined this information below:

We receive referrals from several sources:

1. Cartus Referrals
2. Coldwell Banker Referral Network.
3. Broker Associates around the country who know of a customer, friend or relative who will need assistance in their relocation to our market area and have their company place a referral for them;
4. Transferees who call in as the result of ads, prior relationship, or word of mouth.
5. Homefinding companies who work with corporations in assisting their employees in the relocation process.
6. Affinity Service Referrals (i.e. USAA) Attached you will find under "Exhibit A" an outline of USAA Standard Operating Procedures. These guidelines will be followed on all USAA referrals.

When we receive a referral we try to obtain as much information from our contact as possible in order to identify it as a qualified referral. As we take the referral, usually over the phone, we immediately enter it into our relocation computer system.

For a listing referral we obtain the names, addresses, phone numbers and if possible, a brief description of the property to be listed. If the property is currently listed, we will ask that the referring contact have the sellers contact us.

When we receive a referral of a buyer we need more information that we require for a listing referral. Regardless of whether we receive adequate information or not, we always call the buyer before referring them in order to counsel them. Many buyers accepting a new position in our area have no knowledge of our local communities. We can help them focus on an area by discussing the type of property they desire, the type of community or neighborhood they like, price range, commuting distance and other factors. During the counseling session we provide information on what different communities have to offer. The counseling process is important and enables us to know which office(s) to assign them to.

Coldwell Banker Brown Realtors Broker Associates will receive on incoming referrals 50 per cent of the total commission received by Coldwell Banker Brown Realtors less the franchise fee.

Before the prospective buyer comes to the area, we send them a relocation packet with information on the area. Included in the packet are town profiles on different communities, school statistics, information on local taxes, listings and much more. We ask that the referral Broker Associate personalize and localize the relocation kit and mail it to the prospective buyer.

One other very important point: If you receive a referral directly from another Sponsoring Broker or Broker Associate outside of our market area please report it to the Referral Coordinator.

When you receive a customer on your own who is from outside of our market area, it is very important that you register that customer with Coldwell Banker Brown Realtors Relocation Services. You may do this by calling the Referral Coordinator and providing her with the name of the customer and the town and state they come from. We will record them in our computer so that if for some reason they are referred to us from an outside source, we can reject the referral. Registering these customers is for your protection.

However, as a Primary Sponsoring Broker of Cendant Mobility it is part of the Strategic Alliance Agreement between Coldwell Banker Brown Realtors and Cendant Mobility Sponsoring Brokers Services that we pay a referral fee on all Cendant's "First Contact Clients" regardless of registration. A list of these clients is given to each office manager and Relocation Department.

Please note, all outgoing Referrals must be placed through Coldwell Banker Brown Realtors Relocation Services with the Referral Coordinator.

### **Incoming Referral Follow-up Procedures**

Thank you for accepting our referral. Your cooperation with our follow-up procedures is both needed and appreciated.

Coldwell Banker Brown Realtors Relocation Services is committed to providing high quality service to our transferees. Accurate and up-to-date information is a vital part of that service.

### **Initial Follow-Up**

1. Contact prospect immediately. If for some reason contact cannot be made within 24 hours, contact the Referral Coordinator at Coldwell Banker Brown Realtors Relocation Services.
2. Fill out the attached Referral Status Report and return to Coldwell Banker Brown



Realtors Relocation Services within 48 hours of contact with prospect.

### **Subsequent-Follow-Up**

Requests for specific referral updates will be sent to every office once a month, or as requested by the origination Sponsoring Broker. You will receive a pre-printed form if Coldwell Banker Brown Realtors Relocation Services requires an update.

1. Fill out each form and return it to Coldwell Banker Brown Realtors Relocation Services within 10 days.
2. If you do not fill out and return this form, a second request will be issued and your manager will be contacted. RETURN THIS FORM WITHIN 10 DAYS!

Please remember that our goal is to provide excellent service. Our computer system must have accurate and up-to-date information - an important part of our service to the companies that refer business to us.

Our hope is to continue to provide a high level of service to these companies and hopefully market our service to other companies.

### **Other Needed Information**

Referral Status Reports will be provided to each office. Use these forms to notify Coldwell Banker Brown Realtors Relocation Services of:

1. Sale
2. Closing
3. Status change
4. Update, etc.
5. Terminate File

Be sure to include the following:

Date of Referral

Current Date

Prospect name

Please notify Coldwell Banker Brown Realtors Relocation Services immediately should any problems arise or if you have any questions or concerns. Thank you.

### **Outgoing Referrals**

The Company's affiliation with Cendant requires us to send all outgoing referrals through the system. All Coldwell Banker Brown Broker Associates, therefore, agree to send all outgoing referrals through the Relocation Department and Coldwell Banker Brown Realtors.

On all outgoing referrals the following Broker Associate commission level shall apply: 1<sup>st</sup> referral paid in any calendar year (January through December) Broker Associate will be paid 65%,

2<sup>nd</sup> referral paid in a calendar year Broker Associate will be paid 75%, all subsequent referrals paid in the calendar year Broker Associate will be 85%.

WHAT IS AN OUTGOING REFERRAL? An Outgoing Referral is placed for someone who is buying, listing or renting outside of our market area. A referral can also be placed for someone who is moving from California and a buyer in New York.

EXAMPLE:

1. Your Aunt Susie lives in California and she wants to sell her home in California and to buy something in New York. We can have our contact in California call her for the listing and our contact in New York call her to help her with homefinding in New York.
2. You go on a listing presentation and find out your clients are moving outside our market area. Get all the necessary information and let them know that you can put them in touch with someone to help them with homefinding. Give us the information as soon as you get it so they don't contact someone else. We need as much information as possible, i.e. what they are looking for, price range, do they have children, what ages, etc.
3. You are working with some buyers and they mention that they are thinking of listing their home (it is not in our market area) tell them about Coldwell Banker Brown Realtors Relocation Services and ask if you can refer them. Then call the Referral Coordinator.

PLACING AN OUTGOING REFERRAL: When you have an outgoing referral there is a lot of information you need to obtain from the person(s) that you are referring. Attached is a form that you can use to get all the necessary information and transmit to Coldwell Banker Brown Realtors Relocation Services. Remember the more information you receive the better the chances are to convert to a sale!

1. All outgoing referrals must be placed through Coldwell Banker Brown Realtors Relocation Services.
2. After you have all the necessary information on your referral, please call the Referral Coordinator.
3. If more information is needed we may ask you, as the referring Broker Associate, to call the prospect and get additional information, the more information we have, the better chance of a sale on the other end.
4. We will then select the most qualified Realtor to handle the referral.
5. We then relay all the information to their Relocation Department. If the referring Broker Associate would like to speak with the company/Broker Associate, who will be contacting your prospect, please let us know when you are giving us the referral.
6. We will then ask the company receiving the referral to call the prospect within 24 hours. When contact is made they will counsel the prospect and based on the information they receive, assign the referral to an Broker Associate. That Broker Associate will call the prospect on the same day.
7. We will call the referring Coldwell Banker Brown Realtors Broker Associate and let him/her know the name of the Broker Associate/company, (and telephone numbers) that the prospect was referred to.  
We also ask the Coldwell Banker Brown Realtors Broker Associate to call their prospect within a couple of days and make sure they have been contacted and are satisfied with the service so far. If they have not been contacted or are not satisfied please call the Coldwell Banker Brown Realtors Relocation Services right away and we will take care of it.
8. We then send a Referral Agreement to the destination company for them to sign and send

- back to us. We try to negotiate the highest possible referral fee when placing a referral.
9. Within 30 days we will request status/update from the company we assigned the referral to and will request further updates on a monthly basis.
  10. If the status changes, i.e. goes under agreement, closes, cancels, we will let the referring Broker Associate know and we also ask that if the referring Broker Associate finds out anything regarding status they will let us know.

### **Relocation and REO Listings and Adopt-a-House Program**

**LEADS ON CORPORATE LISTING** Please encourage all associates who are aware of a potential corporate home buyout to alert the Inventory Manager at Relocation. We use these "leads" as an opportunity to contact the corporation/third party company and solicit the listing. In order to locate the appropriate contact person, we need the transferee's name, property address and name of his/her employer, or the name of the relocation company if it has already been identified. All Third Party listings are handled through Coldwell Banker Brown Realtors Relocation Services.

Third party homes are easy to show because the majority of them are vacant. The information sheet will provide you with information regarding description of house, MLS number, third party company and listing price.

When you show one of our homes, please call us with feedback. It makes it easier for us to do the monthly reports required by third party companies.

Once under contract and during the processing before closing, please contact our department with all questions regarding the transaction.

**ADOPT-A-HOUSE PROGRAM:** We encourage Broker Associates to adopt our homes. The adoption period will be for the time of the listing. We ask that you have one open house a month under normal circumstances.

You are allowed to erect a yard sign with your name rider on it.  
You can advertise this listing in your own personal promotion. Also  
you may write an ad for Coldwell Banker online with your name as contact person.

If the property sells during your adoption period, you will receive a \$150 bonus if you held an open house. Also, full listing \$ volume will be given to Broker Associate if the house sells during their adoption period.

The Relocation Department reserves the right to select the Broker Associate to adopt any of these properties.

### **Corporate and Affinity Services Department**

The purpose of the Corporate Services Department is to provide qualified buyers for the Coldwell Banker Brown Realtors sales Broker Associates. In order to obtain and maintain a stream of referral business from area companies, the following promises are made:

1. The transferee/family will receive the finest relocation assistance available. Information about education, lifestyles, commuting times, averages house prices, and other factors will be provided to help identify appropriate communities for the family's homesearch. Personalized attention will be given to specific requirements, such as locating appropriate schooling for a handicapped child.
2. There will be one point of contact for the corporation, the Coldwell Banker Brown Realtors

Relocation Department, who will organize the itinerary for the transferring family, choose appropriate Broker Associates to provide real estate services, and report back to the corporation on a regular basis with information about the progress of the transferring family.

3. Service to the transferring family will be provided by a team consisting of a relocation counselor/coordinator and one or more specially trained relocation Broker Associates. Through Coldwell Banker Brown Realtors Relocation Services the transferee/family will have the benefit of working with the finest sales Broker Associates in the country. Broker Associate choice will be made strictly according to the needs and wishes of the transferring family and the decision of the corporate consultant.

4. The transferee/family will be shown all housing which meets their needs with no regard for whether or not a particular property is a Coldwell Banker Brown Realtors listing.

5. The Corporate Services representative will monitor the satisfaction of the transferring family on a daily basis when that family is in town, coordinating changes itinerary when desired.

6. Each employee/family will receive, when appropriate, the spouse employment assistance program, and/or the corporate rental tour (fee based rental assistance).

The success of the corporate marketing program depends on the combined expertise, commitment, responsiveness and flexibility of each member of the team, who will then share in the rewards of increased corporate business.

#### **Corporate Services Referral Program**

To encourage Coldwell Banker Brown Realtors Broker Associates with corporation contacts to develop business by using our cooperate marketing division, we offer the following incentive:

A Coldwell Banker Brown Realtors associate who generates a qualified lead to a corporation which leads to corporate business will be the servicing associate in his/her area for any transferees coming from that source as long as the transferee asks for the Broker Associate by name.

A qualified lead consists of making an appointment for a corporate caller to meet with a person at a corporation who is in the position to refer leads to Coldwell Banker Brown Realtors.

If the transferee does not ask for the Broker Associate, compensation will be as follows: 25% referral fee on the bottom side on all corporate business generated from this account as long as you are an Broker Associate with Coldwell Banker Brown Realtors.

#### **Relocation Compensation Schedule**

Basic Rules on Figuring Referral Compensation:

1. Pay referral fee first.
2. Coldwell Banker franchise fee is deducted next.
3. Splits are figured last.
4. All referrals (buyers and sellers) are the property of the Relocation Company....if an Broker Associate leaves Coldwell Banker Brown Realtors, all referrals and leads stay with the Relocation Company.

5. If an Broker Associate leaves and they have any pending referrals (non-contingent only), they will receive their proportionate share, as per the Relocation Company, less a 28% closing fee when the deal closes. Repeat....this is on pending (non-contingent) deals through the Relocation Company.

Cendant Mobility Services has instructed us that, in order to maintain our status as Primary Sponsoring Broker, we must compile a specialist team comprised of no more than 20% of the company's Broker Associates. These Broker Associates will be selected from each office based on the volume of relocation business in their area. These Broker Associates will be known as our Relocation Specialist Team. The team will receive referrals from Sponsoring Broker to Sponsoring Broker, relocation and client generated business.

**Company Wide Referral Fees (all amounts =or> \$100 subject to 7% franchise fee)**

Effective on referrals placed beginning January 1, 2009.

When required to pay a 37.5% referral fee, the total referral fee taken at closing will be 42.5%. Broker Associates will be paid on a 50/50 split, unless it is an Broker Associate generated referral. When required to pay 35%, the existing fee structure will continue-40% total fee at closing. When required to pay less than 35%, the existing fee structure will continue-35% total fee at closing.

Pre-marketing	42.5%- unless company is required to pay less than 35% at closing then 35% applies (referral fee paid by Relo Dept.)
Relocation companies	42.5%- unless company is required to pay less than 35% at closing then 35% applies (referral fee paid by Relo Dept.)
Relocation department initiated	42.5%- unless company is required to pay less than 35% at closing then 35% applies (Through other Sponsoring Brokers, insurance, principles, etc.)
Corporate owned properties	<b>ADOPT A HOUSE</b>
ALL outgoing referral	12.5% of action side (Jan-Dec 1 <sup>st</sup> -65%, 2 <sup>nd</sup> -75%, all others 85%)

**Broker Associate Compensation on Incoming Referrals**

In-coming referrals	Referral fees as per above off the top, then 50% split
Broker Associate generated In-coming referrals	Referral fees as per above off the top, then Broker Associate's normal split (up to 65%)
Sponsoring Broker to Sponsoring Broker incoming referrals	Referral fees as per above off the top, then Broker Associates
and corporate business that requires a written ERC or BMA	normal split (up to 65%)
Drive by BPO'S	Broker Associate's normal split up to 65%

In the future, please keep in mind, that as referral fees rise an additional 5% will be added to the referral fee to continue running the Relocation Department.

(Page 36 revised effective January 1, 2009)

## HARASSMENT POLICY

Coldwell Banker Brown Realtors is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated. Harassment can come from supervisors, fellow employees, vendors, or customers.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- \* Unwanted sexual advances.
- \* Offering employment benefits in exchange for sexual favors.
- \* Making or threatening reprisals after a negative response to sexual advances.
- \* Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- \* Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- \* Verbal sexual advances or propositions.
- \* Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- \* Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Administration Department or any other member of management. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Administration Department or any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment. Harassing customers/vendors who do not change behavior after a request from management will be denied access to services.

**SPONSORING BROKER-BROKER ASSOCIATE AGREEMENT  
INDEPENDENT CONTRACTOR**

All new Broker Associates must sign the following Sponsoring Broker/Broker Associate Independent Contractor Agreement upon becoming affiliated with Coldwell Banker Brown Realtors.

All existing agreements between Broker Associate and Coldwell Banker Brown Realtors will be recognized by Company.

Please be aware that those Broker Associates who have signed Independent Contractor agreements prior to January 2012, all references to Broker-Salesman shall be construed to read Broker-Broker Manager.



**SPONSORING BROKER-BROKER ASSOCIATE  
AGREEMENT INDEPENDENT CONTRACTOR**

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ hereinafter referred to as Sponsoring Broker, and \_\_\_\_\_, hereinafter referred to as Broker Associate, for and in consideration of their mutual promises and agreements and for their mutual benefits.

**WITNESSETH**

WHEREAS, said Sponsoring Broker is now, and has for many years, been engaged in business as a real estate broker in the City of \_\_\_\_\_ and County of \_\_\_\_\_, State of Illinois, and is qualified to and does operate a general real estate business and is duly qualified to and does procure the listings of real estate for sale, lease or rental and prospective purchasers, lessees, and renters thereof and has and does enjoy the good will of, and a reputation for fair dealing with the public, and

WHEREAS, said Sponsoring Broker maintains an office in said \_\_\_\_\_, properly equipped with furnishings and other equipment necessary and incidental to the proper operation of said business, and staffed with employees, suitable to serving the public as a real estate Sponsoring Broker, and

WHEREAS, said Broker Associate is now, and has been engaged in business as a real estate Broker Associate, and has enjoyed and does enjoy a good reputation for fair and honest dealing with the public as such, and

WHEREAS, it is deemed to be to the mutual advantage of said Sponsoring Broker and said Broker Associate to form the association hereinafter agreed to under the terms and conditions hereinafter set out,

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants hereinafter contained, it is mutually agreed as follows:

1. Sponsoring Broker agrees to make available to the Broker Associate all current listings of the office, except such as the Sponsoring Broker for valid and usual business reasons may place exclusively in the temporary possession of some other Broker Associate, and agrees, upon request, to assist the Broker Associate in his work by advice and instruction and agrees to provide full cooperation in every way possible.

2. Sponsoring Broker agrees that the Broker Associate may share with other Broker Associates all the facilities of the office now or at any future time operated by said Sponsoring Broker in Connection with the subject matter of this contract.

3. Broker Associate agrees to work diligently and with his best efforts to sell, lease or rent any and all real estate listed with the Sponsoring Broker, to solicit additional listing and customers for said Sponsoring Broker, and otherwise promote the business of serving the public in real estate transactions to the end that each to the parties hereto may derive the greatest profit possible. Broker Associate agrees that any and all listings of property, and all actions taken in connection with the real estate business, shall be taken by Broker Associate in the name of the Sponsoring Broker. Such listings shall be filed with Sponsoring Broker within twenty-four (24) hours after receipt of same by Broker Associate. All listings shall be and remain the separate and exclusive property of Sponsoring Broker unless otherwise agreed by the parties hereto.

4. Broker Associate agrees to conduct his business and regulate his habits, so as to maintain and to increase the good will and reputation of the Sponsoring Broker and the Broker Associate, and the parties hereto agree to conform to and abide by all laws, rules and regulations, and codes of ethics that are binding upon or applicable to real estate Sponsoring Brokers and real estate Broker Associate. Broker Associate agrees to take membership in the local Board of Realtors in whatever classification may be available to him. Broker Associate shall pay all of the cost of his own real estate license, his dues for membership in the local Board of Realtors, and any other dues or bonds required.

5. The commissions to be charged for any services performed hereunder shall be those determined by the Sponsoring Broker, and the Sponsoring Broker shall advise the Broker Associate of any special contract relating to any particular transaction which he undertakes to handle. When the Broker Associate shall perform any service hereunder, whereby a commission is earned, said commission shall, when collected be divided between the Sponsoring Broker and Broker Associate, in which division the Broker Associate shall receive a proportionate share as set out in rider attached headed "Commission Schedule" and the Sponsoring Broker shall receive the balance. In the event of special arrangements with any client of the Sponsoring Broker or the Broker Associate on property listed with the



Sponsoring Broker or controlled by the Broker Associate, a special division of commission may apply, such rate of division to be agreed upon in writing in advance by the Sponsoring Broker and the Broker Associate. In the event that two or more Broker Associates participate in such a service, or claim to have done so, the amount of the commission over that accruing to the Sponsoring Broker shall be divided between the participating Broker Associates according to agreement between them or by arbitration under the rules set forth in paragraph 11 below. In no case shall the Sponsoring Broker be personally liable to the Broker Associate for any commission, nor shall said Broker Associate be personally liable to said Sponsoring Broker for any commissions, but when the commission shall have been collected from the party or parties for whom the service was performed, said Sponsoring Broker shall hold the same in trust for said Broker Associate and Sponsoring Broker to be divided according to the terms of this agreement.

6. The division and distribution of the earned commissions as set out in paragraph 5 hereof, which may be paid to or collected by either party hereto, shall take place as soon as practicable after collection of such commissions from the party or parties for whom the services may have been performed.

7. The Sponsoring Broker shall not be liable to the Broker Associate for any expenses incurred by him, or for any of his acts, nor shall the Broker Associate be liable to the Sponsoring Broker for office help or expense, and the Broker Associate shall have no authority to bind the Sponsoring Broker by any promise or representation, unless specifically authorized in a particular transaction; but the expense of attorney's fees, costs, revenue stamps, title abstracts and the like which must, by reason of some necessity, be paid from the commission, or are incurred in the collection of, or the attempt to collect, the commission, shall be paid by the parties in the same proportion as provided for herein in the division of the commissions. Suits for commissions shall, agreeable to the law, be maintained only in the name of the Sponsoring Broker, and the Broker Associate shall be construed to be a subBroker Associate only with respect to the clients and customers for whom services for whom services shall performed, and shall otherwise be deemed to be an independent contractor and not a servant, employee, or partner of the Sponsoring Broker.

It is agreed that Broker Associate shall furnish his own automobile and pay all expenses thereof and that Sponsoring Broker shall have no Responsibility therefore. Broker Associate agrees to carry public liability insurance upon his automobile with minimum limits of \$100,000 for each person and \$300,000 for each accident and with property damage limit of \$25,000. Broker Associate agrees to furnish to Sponsoring Broker a certificate certifying as to such insurance prepared by the insurance company.

8. This Contract, and the association created hereby, may be terminated by either party hereto at any time by written notice given to the other. Such termination is effective immediately upon receipt of such written notice, by personal delivery, delivery by regular mail, or delivery by Certified or Registered mail. If such notice is received by the Sponsoring Broker from the Broker Associate, the Sponsoring Broker agrees to immediately sign and return the Broker Associate's license to them and send notification to the Office of Banks and Real Estate of said termination. The rights of the parties to any commission

which accrued prior to receipt of Notice of Termination will be dependent upon whether or not the Broker Associate obtained a written Sales Contract, executed by all necessary parties, as to a given piece of real estate, that is, if the Broker Associate does, in fact, obtain a fully executed Sales Contract for the sale of a parcel of real property listed by the Sponsoring Broker, or another Sponsoring Broker, prior to receipt of Notice of Termination, the Broker Associate shall be entitled to a commission upon said Contract, at the time of the closing of the transaction upon it, and only if the Sponsoring Broker actually collects a commission for the sale of such property. In the event the Broker Associate obtains a listing of such real estate for sale prior to receipt of Notice of Termination, no commission shall be due unless a written, fully executed contract for sale of said real estate is entered into between the parties prior to the receipt of Notice of Termination.

Upon termination of employment with Coldwell Banker Brown Realtors for any reason, the Broker Associate is expected to return to management any signs, sign inserts, lock boxes, etc., that have been assigned to them. Failure to do so will result in the Broker Associate being billed for these supplies

The Broker Associate shall also be responsible for any outstanding fees, including MLS dues, that are due and payable as of the termination date.

Upon termination, a 28% processing fee will be deducted from Broker Associate's proceeds on all properties closing after termination date.

9. The Broker Associate shall not, after the termination of this contract, use to their own advantage, or to the advantage of any other person or corporation, any information gained for or from the files or business of the Sponsoring Broker. Upon notice of termination, Broker Associate shall furnish Sponsoring Broker with a bona fide list of all prospects, leads, and probable transactions developed by Broker Associate. Broker Associate further agrees not to furnish to any person, firm, company or corporation engaged in the real estate business any information as to Sponsoring Broker's clients, customers, properties, prices, terms of negotiations nor Sponsoring Broker's policies or relationships with clients and customers nor any other information concerning Sponsoring Broker and/or their business. Broker Associate covenants and agrees that, for a period of one (1) year after termination of this agreement, Broker Associate shall not solicit, nor otherwise recruit any Broker Associates, Broker Associates or employees of Sponsoring Broker to join any other person or entity. Broker Associate shall not, after termination of this agreement, remove from the files or from the office of the Sponsoring Broker any maps, books and publications, card records, investor or prospect lists, or any another material, files or data, and it is expressly agreed that the aforementioned records and information are the property of the Sponsoring Broker.

10. This agreement does not constitute a hiring by either party. The parties hereto are and shall remain independent contractors bound by the provisions hereof. Broker Associate is under the control of Sponsoring Broker as to the result of Broker Associate's work only and not as to the means by which such result is accomplished. This agreement shall not be construed as a partnership, and neither party hereto shall be liable for any obligation

incurred by the other except as provided elsewhere herein. Sponsoring Broker shall not withhold from Broker Associate's commissions any amounts for taxes. Sponsoring Broker shall not make any premium payments or contributions for any workmen's compensation or unemployment compensation for Broker Associate. The Broker Associate will not be treated as an employee with respect to the services performed by such Broker Associate as a real estate Broker Associate for federal tax purposes.

11. In the event of disagreement or dispute between two or more Broker Associates affiliated with Sponsoring Broker, or between Broker Associate and Sponsoring Broker arising out of or connected with this agreement, which cannot be adjusted by and between the parties involved, such questions shall be submitted to the committee of the local Board of Realtors governing such disputes.

IN WITNESS WHEREOF, the parties hereby have signed or caused to be signed, these presents this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
SPONSORING BROKER

\_\_\_\_\_  
BROKER ASSOCIATE

Revised 1/2012

## INTERNET ACCESS USER POLICY

The company offices have access to the internet via community use computers and wired and wireless connection of Broker Associates laptop computers. By connecting to our network via your laptop or use of community access internet you are agreeing to the following terms of use.

**CONSENT TO MONITORING:** Users acknowledge that they have been informed that network activities are monitored and logged to manage network performance and identify any abuses of the system. Computer and network logs can be used as proof of questionable activities and will be turned over to legal authorities at their request.

1. Internet access is being provided as a convenience to CBBR associates for the purpose of enhancing work related efforts. As a term of this service, an individual's access to the Internet may be terminated at the discretion of the company management team at any time. This service does not include any computer configuration or support of personal computers, which are the responsibility of each individual.
2. Users are prohibited from engaging in any illegal or questionable activities such as pornography, gambling, pyramid scams, email SPAM, file/music sharing programs, etc. while connected to the company networks. The user accepts all financial and legal responsibility for any activities that generate legal actions.
3. Internet multimedia broadcasts such as radio, music videos, talk shows, downloading of multimedia files, etc are not permitted because of the interference they create for other users.
4. Users will install and maintain at their own expense a current commercial anti-virus program designed for their operating system on their personal computers. Virus definitions will be updated on a regular basis and under no circumstances will be over 30 days old. Real-time file and email scanning will be enabled at all times. Failure to comply with this requirement will result in revocation of Internet access.
5. All expenses related to Broker Associates personal computer equipment configuration, data, and system maintenance are the user's responsibility. Specific configuration settings that directly relate to network access will be limited to company recommended technicians. Any work performed regardless of purpose is the user's financial responsibility and a direct agreement between the technician and end user. Under no circumstances will CBBR be held liable for any real or perceived damages to the user's computer system or loss of data regardless of circumstances.
6. Users are prohibited from providing any network security information to other users without the consent of CBBR management.

## **DO NOT CALL POLICY**

### **General Statement**

1. As you are probably aware, the Federal Trade Commission (“FTC”) adopted regulations under the Federal Telephone Consumer Protection Act (“Act”) adopting a national Do Not Call Registry (“DNC Registry”). The FTC and the Federal Communications Commission (“FCC”) are charged with adopting rules to implement the Act and handling complaints concerning violations of the Act. This policy is adopted by Coldwell Banker Brown Realtors to provide guidance for members of the Sponsoring Brokerage Company in connection with compliance with the Act and the DNC Registry.
2. The policy of Sponsoring Brokerage Company is that the Sponsoring Brokerage Company, all of its sponsored licensees, and any of its employees and representatives, will comply with the Act and DNC Registry.
3. Sponsoring Brokerage Company reserves the right to amend or modify this policy at any time as may be determined necessary by Sponsoring Brokerage Company.

### **General Rule**

1. Sponsored licensees of the Sponsoring Brokerage Company, employees of the Sponsoring Brokerage Company, and any other representatives of the Sponsoring Brokerage Company shall not make any telephone calls to any telephone number listed on the DNC Registry or the Company Do Not Call List (“Company DNC”) (as explained below) unless one of the following exceptions applies:
  - (a) You are currently working with the consumer;
  - (b) Within the last 18 months you have represented the consumer in a real estate transaction;
  - (c) The consumer has made an inquiry concerning real estate Sponsoring Brokerage services or inventory within the last three months;
  - (d) The consumer is a personal friend or acquaintance of the caller; or
  - (e) Written consent has been obtained from the consumer to call a specific number(s).
2. PLEASE BE AWARE THAT EVEN IF AN EXEMPTION APPLIES, INCLUDING CURRENTLY WORKING WITH A CONSUMER, THE CONSUMER CAN

REQUEST EITHER ORALLY OR IN WRITING THAT THEY NOT BE CALLED AND THAT REQUEST MUST BE HONORED. FURTHER, THAT NUMBER MUST BE PLACED ON THE COMPANY DNC.

3. Do not make any calls to numbers listed on the Company DNC without written permission from the consumer to call that specific number.

### **Access to DNC Registry and Company DNC**

1. On brownrealtors intranet page there is a link to a master list of customers who may not show on the DNC registry but have requested to be placed on a list of DNC. These numbers MAY NOT be called. Provided on brownrealtors intranet page is a set of instructions on how to search for phone numbers at the DNC web site. Both of these areas must be consulted prior to making a call.
2. Any person making a call to a consumer whose telephone number is not on the DNC Registry and which consumer requests that they not be called again shall immediately report that request to office manager for inclusion on the Company DNC.
3. If a consumer's name does not appear on the DNC Registry but they fall under one of the exemptions referred to above, and that person requests, either orally or in writing, that their number not be called again, that request must immediately be reported to office manager for inclusion on the Company DNC.
4. Before making a call to a consumer, you should check the DNC Registry and the Company DNC as provided for in this policy.
5. The information on the DNC Registry and Company DNC shall not be sold, transferred, or used for any purpose other than determining whether a cold call or telemarketing call can be made to a specific telephone number.

### **Making Sales Calls**

1. No sales calls shall be made except in accordance with this policy.
2. If you will be making calls to consumers, you must:
  - (a) Disclose on every sales call your name, name of the Sponsoring Brokerage Company, and the telephone number or address where you or the Sponsoring Brokerage Company may be contacted.
  - (b) Describe the services you are offering.
  - (c) Make calls only after 8:00 a.m. and before 9:00 p.m. (local time at consumer's location).

- (d) You may not misrepresent, harass, intimidate, annoy, or use obscene language in any such call.
3. Sponsoring Brokerage Company prohibits you from contracting with or using third party or outside calling services without first obtaining permission from Sponsoring Brokerage Company.

### **Record-Keeping and Record Retention**

1. Documents containing the express written consent of the consumer to call specific numbers shall be retained in the Sponsoring Brokerage Company's files.
2. If you are requested not to call a number, provide written information to office manager of the request so the phone number can be placed on the Company DNC.
3. If a telephone call is inadvertently made to a consumer whose number appears on the DNC Registry and you are so advised of that during the telephone call, then prepare a written report to the office manager advising them of that fact.

### **Questions**

1. Frequently asked questions and answers are available both on the websites of the Illinois Association of REALTORS® and the National Association of REALTORS®. Acquaint yourself with those questions and answers with regards to the making of calls under specific circumstances.
2. If you have other questions concerning the policy or compliance with this policy, consult with or direct your questions to office manager or the administration office.
3. If you have questions concerning access to the DNC Registry or the Company DNC, contact or direct your inquiries to office manager or administration office.
4. Some common scenarios that you may be faced with and the company policy on those scenarios are as follows:
  - (a) If a For Sale by Owner (FSBO) has their telephone number on the DNC Registry, then you should not be calling that consumer unless you have a bona fide buyer prospect for the subject property. In the course of the conversation, do not try to steer the conversation to issues regarding your listing of the property unless the owner makes inquiry concerning that possibility. If the FSBO requests not to be called in the future, then notice should be given to office manager so that number can be placed on the Company DNC.
  - (b) Do not contact individuals who simply visit an open house of yours. If you wish to contact guests who come to an open house that you are conducting,

you must include in the guest register a space allowing the guest to specifically indicate that they can be called and to indicate the phone number that can be called.

- (c) If you have a contact on your web site from a consumer, please ask them to specifically indicate whether they can be called and, if so, at what number. This can be accomplished by e-mail or by a point to click on your website.
- (d) If your cell phone indicates a call from an unknown number, do not call that number without checking the DNC Registry and the Company DNC except to indicate that your cell phone had indicated a call from that number and that you were responding to determine what was needed. If there is an indication that no assistance is required, then the call should be broken off at that point, without discussing your Sponsoring Brokerage services or inventory.

### **Responsibility**

1. Fines under the Act can be up to \$11,000 per incident or private litigation can be brought by an individual resulting in a fine of up to \$500 plus attorneys fees, costs, and any actual damages.



## COLDWELL BANKER BROWN REALTORS WEB SITE POLICY

In today's real estate market, Buyers and Sellers typically start their search for real estate on the Internet. With that in mind, Coldwell Banker Brown Realtors is continuously investing in website development and marketing of our site to the public. To best take advantage of our continuous investment, we encourage all Broker Associates to use the website address we provide for their personal website. If, however, a Broker Associate develops a website not connected with Coldwell Banker Brown Realtors, the following guidelines must be followed:

Broker Associate having a personal Web Site must follow the following guidelines:

1. Site must be maintained by the Broker Associate in a manner that is compatible with the image and quality of the company's reputation.
2. Broker Associates must not use the name or logo of Coldwell Banker Brown Realtors in conjunction with any bank, mortgage lender or title company, other than Mortgage Makers or Gateway Title.
3. Broker Associates must comply with all laws pertaining to on-line promotions of real estate Broker Associates and client's properties, as well as Coldwell Banker's trademark standards.
4. Commissions and lease fees must be paid to the company on all properties advertised on personal web sites.

Management will periodically monitor personal web sites in an effort to keep sites in compliance with both company policy and on-line laws.

Broker Associates must be aware that anything advertised and sold on their personal web sites, other than real estate, will not be covered by Errors and Omissions Insurance. In the event that advertising of anything except real estate leads to litigation, the Company will bear no liability and the Broker Associate will be liable for all legal and settlement cost.

## SOCIAL MEDIA POLICY

### (Governing the use of e-mail, Internet and Social Networking Tools)

COLDWELL BANKER BROWN REALTORS® (Company) policy is that Company owned computers and Company provided access to e-mail and the Internet are to be used principally for business purposes. **(Personal use of Broker Associates'/employees' own equipment and access secured on your own are covered by this policy when used for business purposes. When using your personal equipment and access secured on your own remember that you are always licensed and thus subject to regulation whenever you are discussing your business, even when using personal e-mail, the Internet or social networking tools.)** The Company recognizes that limited personal use of e-mail, the Internet, and social networking tools (such as Facebook®, Twitter®, Linked In®, You Tube or “blogging”) can be a benefit to Broker Associates, employees and other authorized users.

The use of technology in our business is changing at a very rapid pace. Therefore, this policy will not only provide guidance with regard to the use of the Internet, e-mail and social networking tools in the businesses of Broker Associates/employees of the Company but also general principles to be followed in using future technologies and communication. Note that this policy applies when Broker Associates/employees are using e-mail, the Internet, and social networking in an effort to advance their real estate Sponsoring Brokerage business while using Company, personal or a third party's equipment. The Company directs its Broker Associates/employees to follow the basic limits listed below; along with more specific requirements outlined in this chapter of the Policy Manual.

#### General Requirements

1. Broker Associates/employees must take care to protect their client's confidential information at all times. This includes in the Broker Associate/employee's use of the Internet, certain email messages and social networking tools.
2. Broker Associates/employees must be courteous and professional at all times, especially when representing the Company. This includes the Broker Associates/employees' use of the Internet, e-mail and social networking tools. Broker Associates/employees shall not make defamatory or derogatory remarks about others in their electronic communications. They will not engage in gossip, rumor-spreading, “cyberbullying” or any similar behavior.
3. Broker Associates/employees must take care to be truthful when advertising or making other representations. This includes those statements made or advertising placed through use of e-mail, the Internet, your personal Website or social networking tools.
4. Broker Associates/employees are encouraged to seek the advice of their managing Sponsoring Broker if they have questions or concerns regarding the use of the Internet, e-mail or social networking tools before publishing any information that could be questionable.

Use of the Internet, e-mail or social networking tools while at the office of the Company or on Company equipment.

Use of e-mail, the Internet and social networking tools by Broker Associates and employees is subject to the following guidelines:

1. Broker Associates/employees may use e-mail, the Internet and social networking tools in connection with conducting their business on behalf of the Company.
2. Broker Associates/employees may not use e-mail, the Internet or social networking tools for personal use except during break times, lunch time, and before and after normal working hours so as not to interfere with Broker Associates'/employees' duties for the Company.
3. Broker Associates/employees may not use e-mail, the Internet or social networking tools for non-work related private business.
4. Broker Associates/employees may not use e-mail, the Internet or social networking tools to participate in football, basketball or other sports pools or leagues, or to gamble.
5. Broker Associates/employees may not use e-mail, the Internet or social networking tools to conduct political activities (unless expressly authorized to do so as part of Broker Associate's/employee's duties to the Company).
6. Broker Associates/employees may not use e-mail, the Internet or social networking tools to visit any pornographic sites.
7. Broker Associates/employees should not use e-mail, the Internet or social networking tools to discuss the business policies or practices of the Company with any person outside the Company without first clearing that with your managing Sponsoring Broker. Broker Associates/employees may discuss policies/practices of the Company with a client or prospective client, but only through "private" e-mail and not through the use of social networking tools.
8. Broker Associates/employees may not use e-mail, the Internet or social networking tools to transmit any defamatory, offensive, harassing, disruptive, or derogatory statements or images; or statements or images that offend on the basis of race, religion, ethnicity or national origin, sexual orientation, political beliefs or disabilities.
9. Broker Associates/employees may not use e-mail, the Internet or social networking tools to distribute chain letters, search for alternative employment, transmit jokes, or participate in Internet discussion groups (unless such discussion groups relate directly to Broker Associates/employee's job).

10. Broker Associates/employees may not use e-mail, the Internet or social networking tools in any manner that may impair the Company's reputation or public standing, or that is prohibited by law or otherwise illegal.

11. Broker Associates/employees may not use e-mail, the Internet or social networking tools to upload, download or transmit, without the Company's managing Sponsoring Broker's permission, copyrighted, trademarked or patented materials, trade secrets, or confidential, proprietary or private information or materials, except to the extent that they are used by an Broker Associate/employee in connection with a transaction.

12. Broker Associates/employees should not use e-mail or social networking tools in any manner that would advocate that the Company adopt or that would indicate that the Company has a position or policy in place that is anticompetitive or which would otherwise violate state or federal antitrust laws.

The Company reserves the right to monitor, access, retrieve, read and (for legitimate business purposes) disclose all communications by or to Broker Associate/employee with or without notice to Broker Associate or employee. Accordingly, Broker Associates/employees have no right to or expectation of privacy in the use of e-mail, the Internet or social networking tools on equipment owned by the Company. The Company has no obligation to ensure against authorized access to your e-mail or Internet use.

### Advertising

1. When Broker Associates/employees are advertising properties using e-mail, the Internet or social networking tools they shall abide by all provisions contained in the Illinois License Law, its rules, and the REALTOR® Code of Ethics. Examples are including the Company name and information that makes the message truthful and complete in all advertising.

2. Broker Associates/employees will comply with Federal CAN-SPAM requirements when using e-mail, the Internet or social networking tools to transmit electronic commercial messages.

3. Broker Associates/employees will not use deceptive key words, meta tags or other devices to deceptively drive traffic to an Internet site.

4. Broker Associates/employees will make sure that all advertising information given via email, the Internet or social networking tools is current and accurate. Information should be checked at least every 30 days for accuracy and freshness.

5. Broker Associates/employees will comply with all Fair Housing laws or regulations (federal, state, local and ethical) when using e-mail, the Internet or social networking tools in their businesses.

6. Broker Associates/employees will discuss with client(s) the advertising/marketing to be done on their behalf including the use of e-mails, the Internet and social networking tools to market properties. Broker Associates/employees must note if there is any objection to marketing via use of these methods and if so, avoid such marketing methods.

#### Collection of Information

1. Broker Associates/employees may not collect consumer information through the use of email, the Internet or social networking tools unless the Broker Associate/employee:

- Tells the consumer they are doing so;
- Tells the consumer what they will be doing with the information gathered; and,
- Tells the consumer how they are protecting the information.

#### E-mailing

1. Broker Associates/employees are required to follow the provisions set forth in Section 1450.145 in the Administrative Rules under the Illinois Real Estate License Act of 2000 as from time to time amended.

2. Broker Associates/employees are also required to follow the provisions set forth in the federal CAN-SPAM Act as from time to time amended.

3. Broker Associates/employees should make sure they double-check any text they are sending or posting via e-mail and to whom it is being sent before they hit the “send” button.

4. Broker Associates/employees are required to print those e-mails that deal with specifics of a transaction or authorization to perform a service or task and to place those printed copies in the appropriate transaction files.

#### Blogging

1. Broker Associates/employees may participate in “blogging” in relation to their business as a real estate licensee so long as they follow all the policies and procedures set forth in this manual with regard to the use of e-mail, the Internet and social networking tools.

2. If Broker Associates/employees wish to establish a blog, they should contact their managing Sponsoring Broker. When establishing a blog, Broker Associates/employees should post “terms and conditions” that will apply to the blog.

#### Copyright and Protected Information

1. Broker Associates/employees shall not copy, frame or otherwise use information received or viewed through e-mail, the Internet, or social networking tools without the express written consent or other appropriate authority from the owner of the

information. If permission is given with certain conditions then follow those conditions. Document the conditions when possible for your files.

2. Broker Associates/employees must recognize that the Company owns the copyright to Company information contained on its web site or in other printed materials.

Republishing or copying of this information for other than use in a transaction requires consent of the Broker Associate/employee's managing Sponsoring Broker so long as the information includes the following: copyrighted or © by Coldwell Banker Brown Realtors. If Broker Associates/employees have any questions about intended use or how to show the copyright, contact the managing Sponsoring Broker or the Office Internet Consultant.

#### Linking

1. Broker Associates/employees shall review the content of any Internet site to which they might link. Broker Associates/employees shall obtain the consent of the site owner before linking.

#### Designated Office Internet Consultant

1. Questions regarding the business use of e-mail, the Internet or social networking tools should be directed to the administration office.

2. Broker Associates/employees should contact the Administration office to report suspected illegal, unethical or inappropriate use of e-mail, the Internet or social networking tools by other Broker Associates/employees.

#### Policy Changes

The Company reserves the right to modify, amend, or change this policy in any manner at any time.

## **Web Site Requirements**

### Web Site and E-Mail Requirements

#### **Illinois Real Estate License Act of 2000**

Each page (HTML document) of the Web site must include:

- Company name or assumed name as registered with the Department of Financial and Professional Regulation (DFPR)
- City and state of company's principal office
- Licensee's name, if it is the licensee's site
- If marketing property at the site it should also include the city and state where the property is located

If the broker (or broker's site) is not licensed in the state of the marketed property then where the broker is licensed If this information is on a frame that appears with each page on the Web site then it need not be on each page (HTML document) of the Web site.

Must keep updated so the information is accurate

Must include name of listing broker with each property shown unless behind a password protected firewall

The first or last page of any electronic communication from a sponsoring broker must include:

- Company name or the assumed name registered with DFPR
- City and state of the company's main office or the office from which the message originated

The first or last page of any electronic communication from a real estate licensee must include

- Licensee's name
- Name of the company with which the licensee is affiliated
- City and state in which the licensee's office is located

(The above information regarding electronic communications for both sponsoring broker and licensee does not apply if the communication is a message in response to a member of the public and the required information has previously been provided)

## **REALTOR® Code of Ethics**

ARTICLE 12. Applies to all forms of communication including communication by electronic means. This would include Web site advertising, e-mail messages, blog entries, social media, text messaging or any other electronic means of communication that relate to the practice of real estate brokerage

REALTORS® must:

- Disclose status as real estate professional in a “readily apparent” manner
- Make sure all communications are honest and truthful
- Truthful representations include the use of URLs and domain names that are not
  - Deceptive or framed in an unauthorized manner
  - Manipulated to produce a deceptive or misleading result
  - Deceptive in the way they direct Internet traffic (i.e. using metatags, keywords or other devices to divert traffic in a deceptive manner)
- Be sure the recipient knows the communication is from a real estate professional
- Include the company name in any advertising
- Ensure that information included on Web site is kept current and if not promptly take corrective action
- Disclose the state of licensure in a “readily apparent manner”
- Disclose if the REALTOR® will share or sell information gathered via the Internet
- Not use URLs or domain names that do not present a “true picture”

## **ARTICLE 15**

- REALTORS® shall not knowingly or recklessly make false or misleading statements about competitors, their businesses or business practices
- These principles apply to electronic communications such as blogs, social media, e-mail messages etc.

## **Federal Can-Spam Requirements for Commercial E-mails**

Applies to “commercial electronic mail message(s)” defined as “any electronic mail message the primary purpose of which is the commercial advertisement or promotion of a commercial product or service (emphasis added) (including content on an Internet website (sic) operated for a commercial purpose)” and a commercial message does not include a transactional or relationship message

- All commercial e-mail messages must contain:
  - A legitimate return e-mail and physical address (which can include a post office box or a private mail box that the sender has accurately registered with the U.S. Post Office or a commercial mail agency that follows U.S. Postal Service regulations
  - A conspicuous way to opt-out of receiving the commercial e-mail messages
  - The opt-out is available for at least 30 days after transmission



- A clear and conspicuous notice that the e-mail is an advertisement or solicitation
- The sender may not
  - Charge a fee to opt out
  - Require personal information to opt out
- The recipient must be able to opt out
  - By sending an e-mail message
  - By requesting to opt out through a Web site

Note: Senders of electronic commercial messages to wireless devices must check for wireless domain names that require express consent to receive these messages.

If you participate in a Multiple Listing Service (MLS) that has an Internet Data Exchange (IDX) Policy, you will also need to comply with your particular IDX policy requirements by virtue of your participation in your MLS. You should check your local/regional policy for those requirements.

Also Note: This information does not take the place of specific legal advice and only constitutes general rules without the rules being applied to specific factual situations. So, before establishing policies and procedures consult with your own attorney for specific legal advice.

## Licensed and unlicensed assistants

1. Licensed assistants must have their license sponsored by the Sponsoring Broker in the office where they are working, even if they are just performing unlicensed activities and must be paid by the Sponsoring Broker and not by an Broker Associate or a team
2. Unlicensed assistants are generally considered employees according to IRS guidelines.
  - THE's company policy is that unlicensed assistants are to be employees of the individual Broker Associate. Individual Broker Associate is responsible for proper withholding that must be done and responsible to issue W-2 at the end of the year.
  - Unlicensed assistants cannot be paid commissions or referral fees for referral of business
  - Unlicensed assistants pay cannot be a percentage of an Broker Associate's commissions
  - Individual Broker Associates must pay unlicensed assistance at least minimum wage
  - Training that is the responsibility of Sponsoring Broker under license law is to be provided not just with Broker Associates but also with unlicensed assistants and staff. Sponsoring Broker is ultimately responsible for the actions of licensees regarding training and supervision even if some of the responsibilities can be delegated to others.

# **BROKER ASSOCIATE SAFETY**

It is critically important that a Broker Associate be aware of safety risks inherent in any business. The residential real estate business presents certain safety risks because of the time of day and week when much of the business is conducted. Coldwell Banker Brown Realtors has the following safety policies, guidelines and suggestions:

1. If the Broker Associate does not know a customer, try to arrange a meeting at the office or other public place. Another alternative would be to do a basic internet search of the name of the individual(s).
2. NEVER meet a prospect at a vacant house ALONE. ALWAYS take another person with you. DO NOT meet the prospect after dark.
3. ALWAYS let the office or someone at your home know where you will be when showing property, especially, to prospects you are first meeting.
4. When on the showing, DO NOT go to dark areas, basements, garages, or areas without multiple exits. Allow the prospect to view those areas on his/her own and stay in an area which allows for quick exit.
5. ALWAYS drive your own car. DO NOT let a prospect you do not know drive your car. Preferably, meet the prospect at the office, tell the office your destination and expected time of return and drive separate cars to the showing.
6. USE COMMON SENSE. If something doesn't feel right or look right, trust your instincts and remove yourself from the situation.
7. Whether to use self-defense techniques and how to handle a crisis if it occurs are personal decisions. Think about your choices in advance.
8. Each office at Coldwell Banker Brown Realtors has an emergency plan in place for Broker Associates if they become uncomfortable when out with clients. Be aware of this procedure and do not hesitate to implement it.

The basic risk reduction techniques in this manual can contribute significantly to the safe and successful practice of the real estate business for Coldwell Banker Brown Realtors and each of its Broker Associates. The Company appreciates each agent's and staff member's endorsement of these concepts.

**ACKNOWLEDGMENT AND AGREEMENT**

The undersigned Broker Associate or employee of Coldwell Banker Brown Realtors acknowledges receipt of a copy of Coldwell Banker Brown Realtors Office Policy Manual or review of manual on company intranet.

The Company reserves the right to modify, amend, or change this policy in any manner at any time. Violation of this policy will subject you to discipline as provided for in this Policy Manual.

As a condition of his/her association or employment with Coldwell Banker Brown Realtors, the agent or employee agrees to abide by the terms of this Manual as presently adopted and as amended in the future by publication from management of any changes. The current manual and any changes will be posted to company intranet. It is the agents responsibility to review and adhere to changes posted on company intranet.

Failure to abide by the terms of this Manual as adopted and amended will be grounds for disciplinary action of the agent or employee, including termination of association or employment.

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Agent or Employee

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Date

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Managing Broker

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Date