



Broker's Office Policies and Procedures Manual

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THIS BROKER'S OFFICE POLICIES AND PROCEDURES MANUAL (THE "MANUAL") REPLACES ANY AND ALL PRECEDING POLICIES AND/OR PROCEDURES CONTAINED IN PREVIOUS VERSIONS OF SAID MANUAL.

1. **MISCELLANEOUS PROVISIONS.**

- 1.1. **Entire Agreement.** NO CHANGE OR MODIFICATION OF THE FOLLOWING POLICIES AND/OR PROCEDURES SHALL BE VALID UNLESS BROKER APPROVES IN WRITING ANY SUCH CHANGE OR MODIFICATION IN ADVANCE. FURTHERMORE, NO CHANGE OR MODIFICATION SHALL BE VALID UNLESS THE SAME SHALL BE IN WRITING SIGNED BY ALL OF THE PARTIES HERETO AND APPROVED IN ADVANCE BY BROKER.
- 1.2. **Waiver.** No waiver of any breach of any condition herein shall constitute a waiver of any subsequent breach.
- 1.3. **Controlling Law.** The policies and procedures herein shall be governed by and construed in accordance with the laws of the State of Texas. All references hereto to the "State" shall be to the State of Texas.
- 1.4. **Severable Clauses.** The invalidity or unenforceability of any particular word, sentence, section subsection or provision herein shall not affect the other words, sentences, sections, subsections or provisions herein. This document shall be interpreted in all respects as if such invalid or unenforceable parts were omitted. Associate, whether male or female, is herein called Associate and may be referred to by the masculine and/or feminine singular personal pronoun.
- 1.5. **No Assignment.** Neither Associate nor Broker may assign, pledge, hypothecate or transfer the policies and procedures contained within this document, or its interest herein, unless otherwise agreed to in writing by Broker.

2. **BROKER'S SERVICES AND FEES.**

- 2.1. **Standardized Fees and Services.** It is the policy of Broker to standardize the services, terms, conditions, policies, fees and/or commissions the Broker offers to the public to the maximum extent possible.
- 2.2. **Non-Standard Fees and Services.** If the Associate and Principal(s) should agree, in writing, to a non-standard selling service, a customized fee and/or commission structure may be offered, provided that it conforms to all other applicable terms, conditions and policies specified herein and Broker provides Associate with prior written approval of same.
- 2.3. **Broker's Right to Change Broker's Services and Fees.** Broker reserves the right to unilaterally change Broker's services and fees at anytime, without prior notice.
- 2.4. **Broker's Right to Offer Promotional Pricing and Services.** To promote Broker's business, Broker reserves the right to unilaterally advertise and/or make available special pricing and services whose pricing and/or services vary from Broker's Standardized Fees and Services. Said special pricing and services may be offered at anytime. Broker will use Broker's best efforts to notify Associate in advance of same.

3. **BROKER'S LISTING SERVICES AND FEES.**

Notwithstanding any other applicable term and/or condition herein to the contrary, Broker's listing services, the corresponding fees, and the definitions for when they are earned and payable are listed in Broker's Listing Agreement. For each service agreed to in Broker's Listing Agreement, Associate agrees to personally provide the corresponding services detailed below, at Associate's expense.

3.1. **"Enhanced For Sale By Owner (FSBO)" Listing Service.**

3.1.1. **Broker's Services to Seller.**

- 3.1.1.1. Preparing and providing the Seller with an appropriate Competitive Market Analysis.
- 3.1.1.2. Providing Seller with Broker's document regarding preparing and maintaining properties in good showing condition.
- 3.1.1.3. Providing the Seller with any personalized showing advice that may be necessary for preparing and maintaining their property in good showing condition.
- 3.1.1.4. Properly recording the attributes for the listed property on the GDAR-approved MLS Listing Input sheet and entering/listing/advertising the property for sale in the Greater Dallas Association of REALTORS' (GDAR) MLS® System (NTREIS) and on the Internet at REALTOR.com as an Exclusive Agency listing.
- 3.1.1.5. Furnishing to the Seller a broker-approved yard-sign unit (see herein for a complete description)
- 3.1.1.6. Preparing and providing the seller with TWENTY-FIVE (25) color and FIFTY (50) black and white broker-approved listing flyers.
- 3.1.1.7. Furnishing to the seller a GDAR-approved electronic lockbox.
- 3.1.1.8. Personally fielding showing requests from prospective buyers and coordinating showing requests between prospective buyers and selling principal(s).
- 3.1.1.9. Following up with each prospective buyer (Buyer) and, on at least a weekly basis, providing the Seller with Buyer's showing feedback.
- 3.1.1.10. Providing the Seller with Broker's contract "terms sheet" (a.k.a. "Letter of Intent") to be used by the Seller to document the proposed terms of sale between the Seller and the prospective Buyer.
- 3.1.1.11. In accordance with Broker's Listing Agreement, as may be required, assisting the Seller with advertising their property in the classified ads of selected newspaper(s).
- 3.1.1.12. Assisting the Seller prepare a final binding sales contract, using all required promulgated and broker-required contracts and forms.

- 3.1.1.13. Receiving, transmitting and delivering real estate contracts and forms to all applicable parties.
- 3.1.1.14. Within the limits of the law, providing the Seller with advice and assistance regarding all real estate contractual matters.

3.1.2. Commission Offered to Buyer Brokers/Agents.

As this "Enhanced for Sale by Owner Service" is primarily a tool in which to help sellers sell their homes themselves, no Buyer Broker/Agent commission is offered with this service. If the Seller would like to offer a commission to Buyer Brokers, the Associate should sell/upgrade the Seller's listing to include Broker's Agent Marketing Service.

3.1.3. Buyer Agent Marketing Service. This service is only available if it is added to Broker's Enhanced FSBO Listing Service.

- 3.1.3.1. **Listing Broker's Fee.** Other than the commission offered to Buyer Brokers/Agents, there shall be no additional charge for this service. If, however, Broker represents both Seller and Buyer in an Intermediary relationship, Broker shall also be eligible for the commission offered to Buyer Brokers/Agents.

3.1.3.2. Services Provided to Seller.

3.1.3.2.1. The Seller shall receive the same services specified in the "Enhanced For Sale By Owner Listing Service" section of this document, including, but not limited to, the following exceptions:

- 3.1.3.2.1.1. Associate shall make the necessary modifications to the broker-approved MLS system listing so that the Seller's property is NOT listed as an Exclusive Agency listing.
- 3.1.3.2.1.2. Broker-approved showing instructions shall be provided to Buyer Brokers/Agents.
- 3.1.3.2.1.3. The commission offering to Buyer Brokers/Agents shall be clearly advertised.
- 3.1.3.2.1.4. Any listing information, which may cause Buyer Brokers/Agents to contact or submit information directly to the Seller, shall be removed.
- 3.1.3.2.1.5. As applicable, Associate shall communicate to, and establish with, the broker-approved property showing appointment service, the broker-approved showing instructions for the listed property.
- 3.1.3.2.1.6. If Broker represents both Seller and Buyer in an Intermediary relationship, Associate shall have the option to not use Broker's "terms sheet" and instead use the appropriate promulgated and broker-required contracts and forms.

3.1.3.3. Commission Offered to Buyer Brokers/Agents.





- 3.1.3.3.1.1. Competitive Commission Offering Required. For this service, a commission offering to Buyer Brokers/Agents is required and shall be competitive. Broker's policy is to offer a commission offering of 1.5% to 4.0% to Buyer Brokers/Agents totaling at least \$1,500. Note that many properties (e.g. properties less than \$150,000 and/or in slow moving areas) are likely to require a higher Buyer Broker/Agent incentive (e.g. 3%).
- 3.1.3.3.1.2. Commission Offering is Negotiable. To the extent the commission offering is competitive and complies with any of Broker's other applicable policies, the commission offering to Buyer Brokers/Agents may be negotiated with the Seller.
- 3.1.3.3.1.3. Factors to Consider When Negotiating Commission Offerings. The commission offered to Buyer Brokers shall take into consideration Broker's Policies, the general demand for property in the subject marketing area, the anticipated demand for and condition of the subject property, and in particular, the net commission (in dollars) being offered to a Buyer's Agent.
- 3.1.3.3.1.4. Exceptions. Broker must approve, in writing, any exceptions to this policy.

3.1.4. Premium Selling Services. As defined in Broker's Listing Agreement, Associate may enter into agreements with Sellers to provide additional marketing services, open houses, traditional print advertising, extensive showing feedback, etc. Unless Broker's fees for such services are defined in Broker's Listing Agreement, Associate may negotiate with Seller and agree to reasonable fees, commissions, bonuses, etc. for said services. **ASSOCIATE SHALL NOT, HOWEVER, AGREE TO PROVIDE ADDITIONAL SERVICES WITHOUT RECEIVING SUITABLE COMPENSATION FOR SAME. SEE THE TOPIC, "REPRESENTING A SELLER" FOR MORE INFORMATION.**

3.2. BUYER REPRESENTATION AND REFERRAL FEE POLICIES. When Broker represents a Buyer Principal ("Buyer") in a transaction, it is the Broker's policy to share the Buyer Broker's portion of the commission Broker receives with the Buyer Broker represents. The commission amounts shared, terms, and conditions for sharing said commission with Buyer is defined in Broker's Special Provisions Addendum to Broker's Buyer Representation Agreement.

3.3. AGENT REFERRAL FEE SHARING POLICIES.

- 3.3.1. **General Policy.** In accordance with applicable law, Broker's policy is to share its agent referral commissions with Selling and/or Buying Principals, but not with lessors or lessees.
- 3.3.2. **Associate's Best Efforts.** When executing a referral for a selling and/or buying prospect, Associate should use Associate's best efforts to locate and qualify one or more competent real estate licensee(s) whose background reasonably matches the prospect's desired licensee search criteria, particularly the prospect's geographical areas of selling and/or buying interest.
- 3.3.3. **Referral Fees.** The Associate should first attempt to negotiate a THIRTY PERCENT (30%) referral fee. In no case, however, should Associate accept a total referral fee less than TWENTY PERCENT (20%). Upon successful negotiation of the referral, the Associate shall structure the referral through the Broker's then-current Master Referral Agreement. In said Referral Agreement, Associate shall reserve a 10% referral fee for Broker, with the remaining portion of said referral fee going to the client. For example, assuming a 30% referral fee, a 10% referral fee shall be payable to the Broker and a 20% referral fee shall be payable to the client.

4. **COMMISSIONS/BONUSES OFFERED TO OTHER BROKERS/AGENTS.** Once a commission offering has been advertised to an agent/broker (through the MLS and/or any other means) it is considered a separate offer from one Broker to another. Associate should use great care to ensure and verify that the commission offering advertised and/or fee offered to another Broker has been agreed to by all the appropriate parties and is precisely accurate. Said commissions and/or fees may not be withdrawn or changed without great risk and substantial effort. For that reason, it is Broker's policy to not change the commission and/or fee originally offered to other Brokers/Agents without first obtaining Broker's prior written permission. Associate agrees to assume 100% of all risks, financial or otherwise, associated with commissions/bonuses offered to other brokers/agents.
5. **COMMISSIONS/BONUSES OFFERED BY OTHER BROKERS/AGENTS/BUILDERS/MLS PARTICIPANTS.** Pursuant to Article 16-16 of the National Association of REALTORS' (NAR) Code of Ethics (Code), It is Broker's policy to not request a commission, bonus and/or fee in excess of the amount(s) originally advertised without Broker's prior written approval of same.
6. **INTERMEDIARY POLICY.** In the event Broker represents both Seller and Buyer in the same transaction, thus creating an intermediary situation, it is the policy of the Broker to fully comply with the Texas Real Estate Licensing Act (TRELA).
 - 6.1. **Associate May Represent Seller and Buyer In the Same Transaction.** The Associate may personally represent both parties in Intermediary transactions provided that 1) both Seller and Buyer previously elected the Intermediary option in Broker's Listing and Buyer Representation Agreements respectively and 2) Associate presented to and obtained the signatures of both Seller and Buyer on the broker-authorized Notification of Intermediary Status form at the time defined in the TRELA.
 - 6.2. **Separate Representation of Seller and Buyer.** In the event the Seller and/or Buyer should wish to be represented by someone other than the Associate, the Associate should contact the Principal Broker for assistance. In such an event, the Principal Broker will either appoint another Associate to represent the Buyer or Seller or the Principal Broker may personally represent the Buyer or Seller. Payment from one Associate to another, from an Associate to Broker, or from Broker to Associate for assisting with such transactions is at the discretion of the agreeing parties. Broker's policy is that any and all such agreements, financially-related or otherwise, between Associates or between Broker and Associate(s) are to be in writing and signed by the agreeing parties. Broker will not act as an arbitrator for unwritten agreements.
7. **ADVERTISING POLICIES.**
 - 7.1. **Broker Prior Written Approval Required for Custom Advertising.** All advertising, whether printed or otherwise, which is not obtained directly from Broker in its original form, shall require Broker's prior written approval prior to its release to any third party. Associate shall give Broker reasonable prior notice (i.e. 5 calendar days) to review said advertising, and any revisions thereto, prior to its release.
 - 7.2. **Required Phrases.** The phrases, "Terms and conditions apply", "A licensed real estate broker", "Equal Housing Opportunity" and "All amounts subject to change without prior notice" must be included in any and all advertising that directly or indirectly promotes Broker's services, unless waived in writing by Broker. Logos, icons, symbols, graphics and the like that have been approved by or through applicable member, local, state and/or federal laws, rules and/or regulations may be substituted for the respective verbiage. Broker reserves the right to require additional words and/or phrases in said advertising.
 - 7.3. **Display Advertising Requirements.** All display advertisements, including media such as the Internet, are subject to the following requirements:
 - 7.3.1. **Member Logos/Symbols Required.** The National Association of REALTORS® (NAR) logos,  and  are required for all display advertising and must comply with all applicable member rules. However, the  logo may be substituted for both of the preceding logos. REALTOR logos must be readable and their usage must conform to the National Association of REALTORS' guidelines.
 - 7.3.2. **HUD Logo/Symbols Required.** The Equal Housing Opportunity logo  is required for all display advertising and must comply with all applicable federal guidelines. The "Equal Housing opportunity" verbiage printed immediately below the symbol is optional.
 - 7.3.3. **DISCOUNT-REALTOR® Trade Name Logo Required.** Broker's "DISCOUNT-REALTOR®" logo is required. Broker's logos are available to Associate in both color and black and white versions, and in various sizes. Associate agrees to use Associate's best efforts to use Broker's existing logos, in their original size, color and format, in all of Associate's display advertising.
 - 7.3.4. **Broker's Slogan Recommended.** Broker's "Low listing fees! Shared commissions!" slogan is recommended.
 - 7.3.5. **Broker's Color Scheme and Font Matching Required.** Broker's color and font schemes for printed and electronic advertising are available to Associate. In order to provide a consistent branding image of Broker's business, When Associate plans to run color display ads, Associate agrees to use Associate's best efforts to match Broker's existing color schemes, font types and font sizes.
 - 7.3.6. **Broker's Main Office Phone Number Required.** Without Broker prior written approval, Broker's then-current main office phone number (972-402-8888) is required and shall be printed in a minimum of 10-point size font. The 10-point type requirement assumes a standard column inch and should the ad be larger than one column inch, the size of the Broker's phone number shall be increased proportionately.
 - 7.4. **Discrepancies Between Applicable Laws and Rules.** The prevailing order for any discrepancies between Broker's advertising policies, applicable law and/or member rules shall be applicable law, then member rules, then Broker's policies.

8. **YARD AND DIRECTIONAL SIGN POLICIES.**

- 8.1. Only Broker-Authorized Yard Signs and Suppliers Allowed. To ensure consistency and marketability of the DISCOUNT-REALTOR® trade name and brand to the public, Associates shall only use broker-approved yard signs and yard sign materials from Broker-authorized suppliers.
- 8.2. Yard Signs are Strongly Recommended, But Not Required. Because yard signs are a very significant source of leads for both the Seller and Broker, the use of yard signs is strongly recommended, but not required.
- 8.3. Local Laws and/or Deed Restrictions. Local laws and/or deed restrictions for a listed property may prohibit the use of, or define certain rules regarding the use of, yard and/or directional signs. Said laws and/or restrictions may include, but are not limited to, prohibiting the display or use of said signs altogether, restricting the display thereof to certain time periods, restricting the colors and sized used to only those authorized, etc. It is Broker's policy to comply with all applicable laws and restrictions. Associate shall use Associate's best efforts to determine and maintain a sound understanding of said laws and regulations and to maintain compliance therewith at all times. To comply with local rules and restrictions governing yard sign usage, Broker may authorize certain deviations to the standard usage requirements.
- 8.4. Minimum Yard Sign Unit Configuration. When the Seller, local laws and deed restrictions permit the use of a yard sign to be displayed on the listed property, the standard minimum configuration for a yard sign unit shall consist of a fully assembled, broker-approved yard sign frame, main panel, one rider stating the number of bedrooms in the property (if applicable), and a brochure box. An additional requirement is that all inserts of the main yard sign frame and any frame toppers used be filled at all times with broker-approved riders.
- 8.5. All Yard Sign Inserts Must Be Filled At All Times. All yard sign inserts, both on the yard sign frame, and on any frame toppers used must be filled with a broker-approved rider at all times.
- 8.6. Authorized Yard Sign Supplier. The Broker-authorized yard sign and accessories supplier is as follows:
Dee Sign Company (Dee Sign)
6163 Allen Rd.
Westchester, OH 45069-3855
800-DEE-SIGN
www.dee-sign.com
- 8.7. Authorized Yard Sign Frame. #215, White
- 8.8. Frame Topper. One yard sign frame topper per yard sign is allowed. The part number is #624T and it must be white.
- 8.9. Authorized Yard Sign Main Panel. 20" x 30" custom DISCOUNT-REALTOR® three-color design. Identical to order #161103 (See graphic below):
- 8.10. Brochure Box. One white, weather-resistant brochure box, which attach to the broker-approved yard sign frames and permits listing flyers to stand straight up is required with each primary yard sign displayed on each listing. The part number is "BB".
- 8.11. Stock Yard Sign Riders. Dee Sign's carries a large selection of 6" x 24" yard sign inserts/riders, including, but not limited to "3 BEDROOMS", "4 BEDROOMS", "5 BEDROOMS", "SWIMMING POOL", "SALE PENDING", "SOLD – WE HAVE OTHERS!", "SOLD – LIST WITH US!, SALE PENDING", etc. Contact Dee Sign for details and a complete list of their riders. Subject to applicable member rules, laws and deed restrictions, Broker authorizes the use of any stock rider Dee Sign's carries.
- 8.12. Custom Yard Sign Riders. Subject to Broker's prior written approval, and compliance with applicable laws, member rules, etc. Broker authorizes the use of any custom yard sign insert Dee Sign Company shall design and produce, provided it fits in the Broker-authorized yard sign frame inserts.
- 8.13. "CALL: <AGENT NAME> <AGENT TELEPHONE>" "NEIGHBORHOOD SPECIALIST!" Rider. To promote Associate's name and to direct property inquiries directly to Associate, Broker strongly recommends the use of a rider substantially similar to said rider. Broker's policy is that said rider shall be used to fill the top most insert of the broker-approved yard sign frame or frame topper. Red ink is recommended. Note that Broker requires the top insert of the main yard sign to be filled with a broker-approved rider at all times.
- 8.14. "I'LL SHARE BY COMMISSION WITH YOU!" Rider. Red recommended – Identical to order #70196.
- 8.15. "SALE PENDING" and "SOLD" Riders Strongly Recommended. To promote Associates' name and Broker's business, when a sales contract is executed, and when all sales contingencies are removed, on a property in which a yard sign is placed, providing the Seller(s) agree(s), Broker strongly recommends the use of the subject yard sign riders respectively.

8.16. Graphical Depiction of a Typical Broker-Approved Yard Sign Configuration. See below.



9. **LISTING FLYERS.**

- 9.1. Listing Flyers Required To Be Displayed In Homes. For each listing taken on a single family residence, Broker requires high-quality color Listing Flyers, printed in color on a high, photo quality color printer using high-quality photo or photo-like paper, to be displayed inside the home at all times. Because of their ability to print subtle flesh-tone like colors present in stucco and other exterior finishes, the usage of high resolution, five or more ink color “photo” printers are strongly recommended.
- 9.2. Listing Flyers Required To Be Displayed in the Main Yard Sign Brochure Box. If one or more yard signs are displayed on the property, Broker requires color or black and white Listing Flyers, printed on economical paper, to be displayed in the main yard sign brochure box at all times.
- 9.3. Listing Flyers Format. Unless Broker provides prior written approval of deviations, the format of the Listing Flyers displayed inside the home and in the main yard sign brochure box shall be substantially similar to Broker’s then current Listing Flyer template.

10. **BUSINESS CARDS.** Broker will make available to all Associates one or more electronic formats of a Broker-approved business card layout template in Adobe Illustrator format. Such business card layouts may be printed by a number of sources, including convenience printers (e.g. Kinko’s). Deviations from the standard layout are allowed provided they conform to Broker’s printed advertising rules and Broker provides prior written approval.

11. **SHOWING SERVICES**

- 11.1. Associate's Duty to Engage Showing Service. Immediately after securing a residential property Listing, Associate shall specify in the MLS system, and perform any administrative functions required to engage the services of a Broker-authorized Showing Service to setup property showing appointments with authorized parties.
- 11.2. Broker-Authorized Showing Service. The following Showing Service(s) is/are approved by Broker:
Centralized Showing Service
1901 Central Drive
Suite 401
Bedford, TX 76021
817-858-0055 (metro)
817-858-0282 (metro fax)
- 11.3. Showing Service Costs Are Associate's Responsibility. Associate shall be responsible for all Showing Service related costs.
- 11.4. Direct Billing to Associate. When engaging a Broker-authorized Showing Service, Associate shall use Associate's best efforts to establish and verify that all invoices for such services are billed to Associate and mailed to Associate's address.

12. **TAKING A LISTING (REPRESENTING A SELLER)**

- 12.1. Verify the Selling Party(ies). An Associate shall never take a listing without obtaining the written consent of all the legal property owners. Before taking any listing, the Associate shall review the property deed and verify the Selling Party(ies). All persons and/or entities listed on the current property deed must personally sign all disclosures and agreements. In addition, if the property was originally purchased as separate property, and, at the time the listing is taken, the original purchaser is married, or is recognized by law as married, the spouse must also sign the Listing Agreement. An exception to this rule is when a duly authorized court order and/or power of attorney document is provided to the Associate in lieu of a signature. In such an event, the Associate shall keep a copy of said document for Associate's and Broker's files.
- 12.2. Prepare the Seller for the Listing Appointment. Associate shall use Associate's best efforts to prepare the Seller for the face-to-face listing discussion. This discussion includes asking the Seller to locate and make available, as applicable, the following items prior to the listing appointment:
 - 12.2.1. The deed to the property (for verifying the property's legal description and owners).
 - 12.2.2. The Seller's current mortgage information: mortgagor's name(s), current loan balance(s), and interest rate(s).
 - 12.2.3. If available, the home's floor plan, with dimensions (for quickly capturing the room dimensions and optionally for marketing purposes).
 - 12.2.4. A spare key to be placed in the listing lockbox.
 - 12.2.5. Room dimensions. In the event the room dimensions are unavailable, the Associate may use the dimensions previously listed in the MLS, however the Associate shall confirm the measurements. In the event the room dimensions are not available, the Associate may discuss this issue with the Seller and negotiate a resolution.
- 12.3. Prepare a Competitive Market Analysis (CMA). Prior to the Listing Appointment, Associate shall prepare a CMA for the subject property. Whenever possible, the criteria used for the comparables should closely match the listing property's geographical area (i.e. neighborhood, Mapsco coordinates); number of bedrooms, baths, and garage spaces; age; condition; and amenities.
- 12.4. Conduct an On-Site Walk Through of the Seller's Property. It is the Broker's policy that the Associate should conduct an on-site walk-through of the Seller's property with the Seller present.
- 12.5. Provide Showing Advice. During the on-site walk through, it is Broker's policy that the Associate shall give the Seller any and all showing advice or opinions that will help the Seller sell their property quickly, for the highest value possible. At the Associate's discretion, Associate shall provide Seller with Broker's standard Showing Instructions document.
- 12.6. Provide Mandatory Disclosures. At the first Face-To-Face meeting (or if a listing is done over the phone or through electronic means), the Associate should always first provide a prospective client with any mandated notices and/or forms, such as the TREC-promulgated "Information About Brokerage Services" document and attempt to obtain the Seller's signature. Generally, it is more efficient if the Associate reviews such documents with the Seller and explains that the document is merely a disclosure and not an agreement. If the Seller refuses to sign the document, the Associate should write "SELLER REFUSED TO SIGN", the current date, and the Associate's initials on the document and place it into the listing folder the Associate has created for the Seller.
- 12.7. Review the Competitive Market Analysis (CMA) With The Seller. To set realistic listing and sales price expectations for the Seller, it is Broker's policy that the Associate shall review the CMA the Associate prepared with the Seller. Once the Associate has personally seen the property, the Associate should discuss and make any adjustments (positive or negative) that may be required to the CMA. In particular, the Associate should realistically discuss the net financial aspects any repairs or improvements the Seller may have made. The Associate shall communicate that repairs are generally considered maintenance, are expected to be made, and are not considered improvements. The Associate shall further communicate to the Sellers that their return on investment for improvements made typically yield only a fraction of their original investment.
- 12.8. Discuss Seller's Expectations Regarding Representation. It is Broker's policy to thoroughly discuss the Seller's expectations regarding representation prior to final acceptance of a listing. It is usually best if this discussion is done in the Seller's home. This includes a full discussion of Broker's "standard" and "premium" selling services. The Associate should emphasize to the Seller that the Broker is capable of and willing, for additional charges, to provide similar "full-service" selling services providing by other brokers. In many cases, a Seller may inquire about and/or request services that are not included in Broker's standard services. Examples of such services include conducting open houses, customized advertising, and attempting to provide feedback for every showing. These "custom" services may be negotiated on a fee for service basis between the Seller and the Associate and may be paid in advance, and/or may be incorporated into the total contingency-based commission. Broker's Listing Agreement may be used to facilitate such a discussion. Prior to accepting a listing, Associate shall ensure that Associate fully understands the Seller's expectations and that Associate sells to the Seller the services that meet their needs.

- 12.9. Execute Broker's Listing Agreement. The Associate shall use Broker's Listing Agreement, which is based very closely upon the current Texas Association of REALTORS' (TAR) Listing Agreement, for all listings. For efficiency, Broker will make available to Associates electronically or via other means said agreement and other frequently used Addendums. The Associate should review each section of said Listing Agreement thoroughly with the Seller(s), as required. The Seller(s) shall, in their own handwriting, place their initials, signatures and tax identification numbers on all documents without the assistance of the Associate. In addition to any other instructions and/or requirements, the Broker has provided additional instructions for the following sections of the Listing Agreement:
- 12.9.1. **Listing Price:** If a contingency-based fee is chosen for this service, to maximize the chances that the property sells quickly and the Associate receives the highest compensation possible in a timely manner, Broker's policy is to set the listing price within the range specified within the CMA. All padding should be removed from the listing price. In the event the Seller would like to price the home at the upper end of the suggested listing price range, at Associate's discretion, Broker's Listing Agreement may be used to automatically reduce the listing price of the property if it has not sold within an agreed upon period of time.
- 12.9.2. **Listing Term Limit.** To help ensure that Broker's listings are highly competitive, the Principal Broker must personally sign any listings in which the term is greater than 120 days.
- 12.9.3. **Broker's Fees:** Broker's Listing Agreement contains "Pre-Paid" and "Contingency Paid" sections. The "Pre-Paid Fees" section is for any and all fees that are to be paid to Broker in advance. The "Contingency Fees" section includes contingency-based fees for both the Listing and Selling Broker. Associate should place the total contingency-based fees for both the Listing and Buyer Brokers in this section.
- 12.9.4. **Keybox:** Associates are required to use a GDAR-approved Keybox for each listing. Alternatively, the Seller must agree, in the Listing Agreement, to be present for all showings. Associate must not agree to be present for all showings without Broker's prior written approval.
- 12.9.5. **Maintenance of Listing Flyers Quantity:** Other than the initial set of Listing Flyers, Associate shall NOT agree to maintain the listing flyers on hand without Broker's prior written approval.
- 12.9.6. **Required Disclosures:** Associates shall place an "X" through any boxes denoting additional required disclosures, supply Seller with said disclosures, and obtain completed disclosures from Seller as required.
- 12.9.7. **Agency Relationships:** For the Seller's, Associates, and Broker's benefit, Broker recommends that the "Intermediary Relationship Authorized" box be checked. If the Seller refuses to accept an Intermediary Relationship, the "Intermediary Relationship not Authorized" box shall be checked and in addition, the box "Broker represents both buyers and sellers..." shall be checked.
- 12.9.8. **Special Provisions:** In addition to any other Special Provisions language, in the event the showing of the listed property may put the Seller and/or a showing party at risk for some type of loss, (i.e. swimming pools, pets, etc.) the Associate should provide instructions to the Seller to take applicable precautions. Said precautions may be in the form of one or more Broker, GDAR or TAR-supplied Addendums. If no such addendums are available, the Special Provisions Section should be modified to contain suitable text informing the Seller to take applicable precautions. For example, if the property contains a swimming pool, the Associate shall place verbiage in the Special Provisions Section substantially similar to the following: "Seller agrees to post, at Seller's expense, a notice on all doors and gates leading to the pool area instructing visitors to use caution around the pool area and to lock all related doors and gates upon exiting the pool area." Similar notices and precautions should also be posted for pets that may escape, enter the house, jump on people, etc.
- 12.9.9. **Notices:** Broker's contact information shall be entered as follows:
9603 Valley Lake Lane
Irving, TX 75063
Phone: (972) 402-8888
Fax: (972) 402-9129
- 12.9.10. **Agreement of Parties - Addenda:** The Associate shall always list the "Information About Brokerage Services" and "Broker's Responsibilities Addendum" in the space provided.
- 12.9.11. **Broker's Printed Name:** Broker's printed name is SellOrBuyAHome.com, Inc. dba DISCOUNT-REALTOR®.
- 12.9.12. **Broker's License No.:** Broker's license number is 0469454.
- 12.9.13. **Broker's or Associate's Signature:** The Associate shall clearly sign his/her name.
- 12.9.14. **Seller's Signature:** All legal Sellers of the listed property, or as authorized by a Power of Attorney document or Court Order, shall sign here. See the section titled, "Verify the Selling Party(ies)" for more information.
- 12.9.15. **Seller's Social Security Numbers or Tax IDs:** All Sellers listed on the Property Deed, or as authorized by a Power of Attorney document, must enter their appropriate social security numbers or tax identification numbers here.
- 12.10. Seller's Disclosure. The Associate shall provide the Seller with a Texas Association of REALTORS' or Greater Dallas Association of Realtors' (GDAR) Seller's Disclosure form and instruct the Seller to fill out and return a copy of the form to Associate within 48 hours and create 10 photocopies of the form and place them next to the Listing Flyers displayed inside the home.

- 12.11. Homeowners Association Resale Certificate(s). In the event the selling property should reside in one or more Homeowner's Associations, the Associate shall provide the Seller with the appropriate TAR documents and instruct the Seller, in preparation for an accepted offer, to obtain a Resale Certificate for each Homeowners Association the Seller's property may reside in as soon as possible.
- 12.12. Complete MLS Residential Data Input Form. Using the then-current local MLS Board's Residential Data Input Form, document the property's applicable listing information and selling features. Be sure to have the Sellers sign the completed document.
- 12.13. Complete Broker's Listing Information Sheet. Using Broker's Listing Flyer template, document the property's applicable listing information and selling features.
- 12.14. Obtain Spare Key. Obtain a spare key from the Seller for placement in the electronic lockbox.
- 12.15. Showing Instructions. Document any applicable showing instructions on the form provided by Broker's authorized showing service. Be sure to include all showing instructions including any security codes, time of day restrictions, pet instructions, etc.
- 12.16. Take A Digital Color Photograph of Home's Exterior. Using a digital camera or an electronically digitized scan of a standard color photograph, create a .JPG-formatted file. If possible, resize the image to the size currently requested by the local MLS (768 x 512 pixels as of this writing).
- 12.17. Hang Electronic Lockbox and Door Protector on the Front Doorknob. Attach the spare key obtained from the seller to the chain inside the electronic lockbox. Then, place the electronic lockbox, and a door protector, on the front doorknob. Record the keybox number, shackle code, and CBS code on the MLS' Residential Data Input Form.
- 12.18. Create Listing File. Using a letter-sized manila folder, record the property's street address on the folder's tab. All related contracts, forms, contact information (i.e. title company, mortgage, other agents, etc.) and correspondence (including printed electronic versions) shall be recorded and maintained in this folder. In addition, Associate shall keep in Seller's file a printed copy of every amendment made to a listing, including any corresponding Multiple Listing Service changes.
- 12.19. Enter Listing Information into the Multiple Listing System. Using the MLS Residential Data Input form, the Associate shall enter the corresponding information into the MLS.
 - 12.19.1. **Enter Listing Into the MLS As Soon As Possible!** Associate shall enter all required listing information into the MLS as soon as possible. Associate shall strictly adhere to all member rules regarding MLS listings. In particular, Broker advises Associate to enter the information into the MLS accurately, completely and in a timely manner. Associate shall be wholly responsible for non-compliance with MLS rules.
 - 12.19.2. **Showing Instructions.** To help prevent potential liability, Associate shall enter any critical showing instructions ("2 dogs and 2 cats inside – don't let out") in the MLS' "Showing Instructions" field as space permits.
 - 12.19.3. **Room Width and Length Measurements.** Enter the room width first (width is the left to right dimension as seen from the front of the property). Round all measurements down to the nearest foot.
 - 12.19.4. **Property Dimensions.** If the property is in a perfectly rectangular shape, enter the dimensions as property width times property length (e.g. 65' X 110'). If the property is substantially rectangular, but the matching left, right, front or rear dimensions are not the same, enter the dimensions in a clockwise fashion, starting from the property front width (e.g. property front width, times property left side, times property rear width, times property right side (e.g. 66' X 108 X 64' X 112').
- 12.20. Send the Digital Color Photograph to the Multiple Listing System Provider. As soon as possible after the MLS listing information has been entered, the Associate shall send, via e-mail, a digital color photograph of the property's front exterior to the MLS system provider. The Associate shall follow the then-current directions provided the MLS service provider to submit same. Currently, the filename format for the digital color photograph is the MLS number, followed by a period, following by the "JPG" extension. If possible, resize the image to the then-current size requested by the MLS service provider (currently 768 x 512). Once said file has been created, the file should be sent via the method defined by the MLS service provider (currently via e-mail to "photos@ntreis-mls.com").
- 12.21. Send the Showing Instructions to the Broker-Authorized Showing Service. Using the Showing Service's or the Broker-provided template, the Associate shall send via facsimile, e-mail, or through the Internet (as determined by the Showing Service) the showing instructions for the property. The Associate shall keep a copy of said instructions in the file established for the Seller. If not already done, Associate shall establish billing for said service to be sent directly to Associate's residence.
- 12.22. Create Listing Flyer. Using the Broker-supplied or Broker-approved Listing Flyer template, digital color photograph and previously documented home selling features, create a final Listing Information Sheet using Microsoft Word 2000 or compatible word processing software. To adequately reproduce photographs, Broker strongly recommends the use of a photograph quality printer. Alternatively, the Associate may use an actual color photograph in place of a digitized image.
- 12.23. Make/Distribute Copies of the Listing Information Sheets. As defined within Broker's Listing Agreement, prepare and provide to Seller the appropriate type(s) and quantities of Listing Flyers (currently twenty-five (25) color and fifty (50) black and white copies). The Associate shall remind the Seller that they are responsible for reproducing and redistributing additional copies of the Listing Information Sheets.
- 12.24. E-mail a Copy of the Listing Flyer to Broker. Broker will use the listing flyer as a backup to Associate's listing flyer.
- 12.25. Place the Yard Sign, With Brochure Box, and Listing Information Sheets in Seller's Yard. Provided that the Seller has authorized the placement of a yard sign in their yard, and there are no deed restrictions to the contrary, the Associate shall then strategically place the yard sign in the Seller's yard. The objective is to select a prominent location in the yard that is easily recognizable and accessible from the street and/or sidewalk.

- 12.26. Send Broker a Complete Copy of the Listing File. Within 48 hours of taking the listing, via facsimile, e-mail or other Broker-approved means, the Associate shall send the following to Broker:
- 12.26.1. **A copy of the signed Information About Brokerage Service document.**
 - 12.26.2. **A copy of the completed and signed Listing Agreement, including all necessary addendums.**
 - 12.26.3. **A copy of the completed and signed MLS Data Input sheet.**
 - 12.26.4. **A copy of the completed and signed Seller's Disclosure, including all necessary addendums.**
 - 12.26.5. **An electronic copy of the completed Listing Flyer.** If the digital color photograph is not included within Associate's Listing Flyer document, the Associate shall provide Broker with a separate electronic copy of same.
 - 12.26.6. **Any other relevant documents.**
- 12.27. Provide Weekly Showing Feedback To The Seller. Unless the Associate and Seller has entered into a different agreement, the Associate shall attempt to provide the Seller with weekly feedback regarding showings. The Associate shall make reasonable attempts to provide such feedback and shall keep the Seller updated – even if it is only to say that the Associate's requests for feedback were not honored.
- 12.28. Update MLS Listing Information. Listings status changes must be updated in the MLS within the time prescribed by the local board. Associate shall immediately notify Broker, in writing, through e-mail, facsimile, or other process established by Broker, of any listing, status or price changes in listings taken by Associate. Said notification must be on TREC and/or board approved forms as required. In addition, Associate shall comply with all MLS rules and regulations, including time restrictions, on creating, changing and/or updating MLS status codes, dates and other information.
- 12.29. Assist Seller With Contracts. Unless the Associate and Seller has entered into a different agreement, the Associate shall personally assist the Seller with all contract-related issues. The Associate shall not unreasonably provide an extended period of time (i.e. more than 10 days) for a buyer to secure financing and/or complete the home inspection (a.k.a. option period) process.
- 12.30. Execution of the Sales Contract. Once a sales contract has been executed, Associate shall immediately fax to Broker the completed and signed contract, including the signed Seller's Disclosure and all necessary addendums. All earnest money checks must be made payable to the title company involved in the transaction. All option period checks must be made payable to the Seller(s). Prior to closing, the Associate shall use great care to assist the Seller comply with all contractual issues and to reduce or eliminate Seller's risks. In the event any contract-related form is modified or added, Associate shall immediately provide Broker with a copy of same.
- 12.31. Prepare for Closing. The Associate shall prepare the Seller for closing by instructing Seller to bring to closing all keys, garage door openers, papers, etc. necessary.

13. **REPRESENTING A BUYER**

- 13.1. Determine the Buyer's Home Search Criteria and Pre-Approval Status. Before showing a property to a Buyer, Broker strongly recommends that the Associate and Buyer engage in a brief discussion (e.g. over the phone) regarding the Buyer's search criteria and pre-approval status. Although the Associate may elect to skip this step (particularly for luxury or new home sales), it is the Broker's experience that unnecessary time will be wasted showing homes to Buyers who are not fully qualified and/or ready to buy a home. Furthermore, it is oftentimes advantageous to the Buyer to obtain a pre-approval status and letter from the lender for negotiating reasons. Determining a Buyer's search criteria can usually be done over the phone and usually takes twenty minutes or less. Broker strongly recommends the use of Broker's Home Search Criteria Form/Template. Determining a Buyer's needs up front, in detail, is generally much more efficient than driving neighborhoods and learning about their needs during the showing process.
- 13.2. Search for Homes That Match Buyer's Search Criteria. In addition to using the Multiple Listing System, Broker recommends that, prior to showing (a) listed property(ies), Associate call the respective Listing Agent(s) to discuss Buyer's non-computerized buying criteria. Reviewing the Buyer's search criteria with the Listing Agent(s) will almost always provide helpful insight and prevent wasting Associate's and client's time.
- 13.3. First Meet the Buyer(s) in a Public Place. For Associate's protection, Broker strongly recommends that the Associate first meet the Buying Party(ies) in an appropriate public location, such as a hotel or restaurant. There, the agent may obtain the name(s) and address(es) of the Buying Party(ies) and confirm and record the Buyer's identity through their Drivers' Licenses. In addition, such an atmosphere oftentimes helps facilitate the process of obtaining signatures on Mandated Disclosures and Broker's Buyer's Representation Agreement. The Associate may want to consider offering to pay for Buyer's drinks and/or meals to facilitate this process.
- 13.4. Issue and Obtain Signatures on Mandatory Disclosures. At Associate's first Face-To-Face meeting with a prospective client, as required by TREC, the Associate shall provide to said prospective client any mandated notices and/or forms, such as the TREC-promulgated "Information About Brokerage Services" document and attempt to obtain the prospective client's signature. Generally, it is more efficient if the Associate reviews such documents with the Buyer and explains that the document is merely a disclosure and not an agreement. If the Buyer refuses to sign the document, the Associate should write "BUYER REFUSED TO SIGN", the current date, and the Associate's initials on the document and place it into a separate letter-sized manila folder the Associate has prepared for the Buyer.
- 13.5. Attempt To Obtain a Buyer's Representation Agreement. When possible, Broker strongly recommends that, before showing any properties, Associate execute Broker's Buyer's Representation Agreement with the Buyer(s). While it is possible to obtain a Buyer's Representation Agreement through other means, the Associate will usually need to meet the Buyer(s) in person first in order to gain their trust. One proven approach is to first "meet" the prospective Buyers in a public place (an appropriate hotel or restaurant). There, the Associate may want to consider offering the prospective Buyer(s) a drink, snack, meal, etc. During the face-to-face process of getting to know one another, the Associate will usually then be better positioned to discuss the commission sharing benefit of the Buyer's Representation Agreement. If the Buyers are still apprehensive, Broker recommends that Associate adjust the period of the Agreement to represent a period of time the Buyer is comfortable with (i.e. a day or a week) in which the Associate and Buyer have agreed to see properties. Be sure to attach the "Broker's Special Provisions Amendment" to said Buyer's Representation Agreement.

- 13.6. Showing Properties. In the event the Associate should feel in any way uncomfortable with showing a Buyer a property, Broker strongly recommends that the Associate call Broker to discuss making arrangements for another Associate and/or Broker to accompany them. Broker further recommends that, when in the company of unknown persons, the Associate carry a cell phone on their person at all times. If the Associate agrees to let the prospective Buyers ride in the Associate's car, Associate must have the proper insurance coverage, as stated in Broker's Independent Contractor Agreement.
- 13.7. Making an Offer. Associates may only use TREC, NAR, TAR, GDAR and Broker-Provided forms, contracts and Addendums. Builders' contracts and attorney-prepared documents are an exception to this policy. Associate must attach any and all applicable addendums. Broker recommends, but does not require, that the Associate include a Seller-paid Home Warranty package, to include termite coverage, as part of any offer. Broker strongly recommends that Associate also assist Buyer in obtaining from Seller, through the sales contract, a home warranty program at Seller's expense.
- 13.7.1. **Home Inspection Required.** Unless Broker provides Associate with prior written approval, for Errors & Omissions Insurance reasons, Broker requires a home inspection for all transactions in which Broker represents a Buyer. Broker further recommends that the Associate provide prospective Buyers with the names and phone numbers of at least three home inspectors – including new construction.
- 13.7.2. **Offering of Home Warranty Required.** If not already provided for in the Sales Contract, to comply with Errors & Omissions insurance, Broker requires Associate to offer to each prospective Buyer, in writing, a Home Warranty program. Broker strongly recommends that Associate assist Buyer in obtaining from Seller, through the sales contract, a home warranty program at Seller's expense.
- 13.7.3. **Use and Attach the Correct Contracts, Forms and Addendums!** Make sure the contract type matches the purchase type (FHA, VA, Conventional, Cash, Resale vs. New Construction, etc.). Most new homebuilders will insist on using their own contracts, however the Associate must still provide the builder with Broker's Commission Sharing Disclosure form and have it initialed by all parties. Also note that the "Information About Brokerage Services" and "Buyers Representation Agreement" must be signed prior to signing the Builder's contract. Broker's Commission Sharing Addendum is required for all new or existing home purchases. If you have any questions regarding a form and/or contract, contact the Broker prior to offering it!
- 13.7.4. **Make sure the closing date is set far enough in advance!** Although a Seller and Buyer may occasionally agree to close earlier than the Closing Date, the Closing Date should be set far enough in advance that it meets the Buyer's expectations. For example, if the Buyer is required to give 30 days written notice of his intent to move out of his current residence, the Associate will need to include the option period in his/her calculations.
- 13.8. Compliance with RESPA. Broker hereby instructs Associate to comply with all RESPA requirements, including the timely participation of a final walkthrough prior to closing. Note that this includes new construction.
14. **COMMISSION DISBURSEMENT REQUESTS.** At least two business days before a schedule closing, using Broker's electronic Commission Disbursement Request form, Associate shall e-mail, or send via facsimile, to Broker a completed Commission Disbursement Request form. Broker will then prepare and forward Broker's Commission Disbursement Request instructions to the Title Company, authorizing and directing the title company to issue proceeds from the transaction, as contractually agreed to, to the applicable parties.
15. **DOCUMENT STORAGE AND ARCHIVAL.** Upon successful completion of a transaction, Associate shall send to Broker via e-mail, facsimile or US Postal Service, any pertinent documents not already provided to Broker. In the event the title company does not send Broker a final copy of the HUD-1 statement, Associate agrees to provide Broker with a copy of same at Associate's expense. Associate agrees to maintain personal copies of all listings and/or transaction documents for a minimum of seven (7) years and provide any requested document and/or file upon Broker's request.
16. **PROPERTY MANAGEMENT, COMMERCIAL PROPERTY, AND OTHER SERVICES.**
Broker's policy is that Associates may not, without the prior written approval of Broker, engage in any other real estate related activity other than the Selling, Buying and Leasing of residential real estate. The selling or leasing of any other real estate related product or service is strictly prohibited.
17. **RENTAL/LEASE PROPERTIES.**
While an Associate may assist with renting and/or leasing transactions, Associates may not share their commission with the landlord and/or tenant. Landlords and tenants are not principals; therefore they are not eligible to share an Associate's commission.
18. **SELLING ASSOCIATE OWNED PROPERTY.**
It is the policy of the Broker that Associate may list their own real property for sale, provided the following rules are adhered to:
- 18.1. Adherence to Then-Current Errors & Omissions Insurance (E&O) Requirements. Notwithstanding Broker's specific requirements set forth below, Broker requires Associate to contact Broker prior to the listing and/or sale of Associate's real property. E&O insurance eligibility requirements change from time to time and Associate agrees to fully comply with same.
- 18.2. Disclosure Required. The Associate must fully disclose their status as a licensed agent or broker, as legally required, to all prospective Buyers and licensees, and on all advertising mediums, including, but not limited to: the MLS, including areas such as the "Owner Type", "Showing Instructions" and "Description fields"; any and all Listing Flyers; the "Special Provisions" section of the Purchase Agreement.
- 18.3. Completed Seller's Disclosure Form Required. The Associate must complete and provide a Broker-approved Seller's Disclosure form to the Buyer.
- 18.4. Inspection Required. A licensed inspector must provide the Buyer with an inspection report.

- 18.5. Time Period Owned and Number Sold Limits. E&O Insurance may require the Associate to own the real property for a minimum period of time prior to selling it (i.e. six months). E&O Insurance may also place limits on the number of properties sold within a specified timeframe (i.e. one Associate-owned property per six months).
- 18.6. Full Compliance With All Laws, Member Rules and Regulations. Associate agrees to comply with all applicable laws, member rules and regulations.
- 18.7. Personal Acceptance of Liability. Associate agrees to be 100% responsible for all financial and other risks incurred in conjunction with selling Associate's real property.

19. MULTIPLE LISTING SERVICE (MLS) USAGE.

Broker requires Associate to fully comply and adhere to all MLS usage and data rules.

20. PERSONAL WEB SITE USAGE.

In the event Associate should make available to the public their own web pages, Associate must abide by the following rules:

- 20.1. Associate must abide by all other advertising rules discussed herein.
- 20.2. Associate must abide by all MLS data-usage rules. In particular, Associate may only advertise "current" listings (as defined within the MLS data usage rules) and must advertise the listing broker and agent associated with each property.
- 20.3. Associate must abide by all other applicable laws and restrictions as designated by TREC and other member organizations.

21. REFERRALS TO THIRD PARTIES.

When providing direct or indirect referrals (i.e. through web sites) for third party services (i.e. mortgage brokers, inspectors, handymen, etc.), Associates shall provide at least three referrals to competing persons and/or businesses. Associate must also personally assume all risks associated with such referrals.

22. SALESPERON'S CONTACT INFORMATION.

Associate shall keep Broker informed, in writing, of any changes in Associate's address, phone number and/or other contact information, as soon as Associate becomes aware of the event, or the possibility of same.

23. VACATION/UNAVAILABLE TIME.

Broker does not control Associate's working hours. However, if Associate is obligated to service a client under a Listing and/or Buyer Representation Agreement, Associate must notify Broker of any planned or unplanned vacation and/or unavailable time in which Associate will be unavailable for twelve (12) or more consecutive hours. Before "becoming unavailable", however, the Associate must personally fulfill any prior agreements with prospective or actual clients and make alternative arrangements for handling any prospective or actual client needs. Prospective or actual client needs may be handled through another Associate and/or Broker, provided, however, that all parties have agreed, in writing, to the terms and conditions for handling such issues.

24. OFFICE INQUIRIES.

- 24.1. General Consumer Inquiries. General consumer inquiries will be rotated to Associates based on the geographical areas they have communicated to Broker they are willing to personally support.
- 24.2. Inquiries Regarding a Specific Listing. Inquiries regarding a specific listing will first be routed to the Listing Agent, or the Listing Agent's designee, as appropriate. If, however, the Listing Agent or designee is not available, or if the inquirer should request the assistance of another Associate, the inquiry will be handled as a General Consumer Inquiry.
- 24.3. Inquires For a Specific Person. Inquiries for a specific person will be routed to that specific person, or that person's designee, if so provided. If however, the original person or designee is not available, or the inquirer should request the assistance of another Associate, the inquiry will be handled as a General Consumer Inquiry.

25. OFFICE FACILITIES.

Associate agrees to conduct his or her primary business activity from his or her residence. Associate may not allow clients or prospective clients into his or her home without broker-approved business insurance and broker's prior written approval. Instead, Broker recommends that Associate meet prospective and current clients at public places (e.g. hotels and restaurants). Associate agrees to comply with all applicable OSHA requirements. Broker maintains, at Broker's office, all required TREC and fair housing postings.

26. REQUIRED OFFICE HARDWARE, SOFTWARE, AND EQUIPMENT.

- 26.1. Required Hardware and Software: Broker requires Associate to have the following hardware, software and equipment available, and in good working order, at all times, at Associate's expense:
 - 26.1.1. **A telephone with a local telephone number and an automated message taking device and/or service.** Said telephone may be a mobile telephone number.
 - 26.1.2. **A facsimile machine or service with a dedicated local phone number configured to work in an unattended mode.**
 - 26.1.3. **A computer system configured with the ability to:**
 - 26.1.3.1. Send and receive text, HTML-based, and rich-text-based e-mail, with attachments (Microsoft Outlook recommended);
 - 26.1.3.2. Access the Internet through a Microsoft Internet Explorer version 5.0 or above or compatible web browser;
 - 26.1.3.3. View, edit and create Microsoft Word 97/2000 documents (Microsoft Word version 2000 or higher recommended);
 - 26.1.3.4. View Adobe Acrobat version 4.0 and above (.PDF) files through the free Adobe Acrobat Reader.
 - 26.1.4. **A working Supra Keycard.**

26.1.5. A GDAR-compliant lockbox for each listing.

27. BROKER'S RIGHT TO REVIEW AND SUPERVISE ASSOCIATE'S PERFORMANCE.

Broker reserves the right to review and supervise Associate's performance (e.g. contracts, forms, client's satisfaction, etc.) as required.

28. USE OF LICENSED AND NON-LICENSED ASSISTANTS

Associate may use licensed and/or non-licensed assistants provided they fully comply with all laws, rules, and regulations from entities such as the Texas Real Estate Commission, NAR, TAR, GDAR, the federal government and Broker. Prior to the use of said assistant(s), Associate agrees to contact Broker and obtain Broker's prior written approval. Associate agrees to assume 100% of the financial costs and liabilities incurred through the use of said assistant(s), including Errors & Omissions insurance and additional administrative fees.

29. NON-DISCLOSURE

Associate shall not disclose to any third parties any computer User IDs, passwords, policies, advertising materials, marketing strategies or tactics, trade secrets or the like that are intended strictly for authorized Associates. Broker declares all written and non-written works of Broker to be licensed copyrighted materials intended strictly for active Associates in good standing with Broker.

30. DISPUTE RESOLUTION

30.1. Disputes With Other Brokers, Licensees, Clients, Prospective Clients and/or Principals. Associate shall immediately bring to Broker's attention any real or potential disputes with said parties. Associate shall not directly engage in disputes with any of said parties.

30.2. Disputes Between One Or More Associates. It is the Broker's policy that Associates are independent contractors and any agreements between Associates are between independent contractors. As such, Broker's policy is that all agreements between Associates should be in writing and signed by all parties to the agreement.

30.3. Disputes Between Broker and Associate. Disputes between Associate and Broker are to be handled in accordance with Broker's Independent Contractor Agreement.

ASSOCIATE'S STATEMENT OF UNDERSTANDING AND ACCEPTANCE

I, _____ (Name) do hereby acknowledge receipt of the Office Policies and Procedures Manual dated ____/____/_____. I fully understand and agree to abide by the policies and procedures set forth therein. I further agree to abide by the Broker's Independent Contractor Agreement governing disputes between Broker and myself.

ACKNOWLEDGED AND ACCEPTED BY ME ON THIS _____ DAY OF _____, 20 _____

"ASSOCIATE"

(Print Name)