

kw WESTFIELD KELLERWILLIAMS. REAL ESTATE **Policy & Procedures Manual**

INTRODUCTION

This policy and procedures manual is to establish and enforce written policies, rules, procedures and systems to do the following:

1. Review and manage transactions requiring a sale person's or broker's license and the use of disclosure forms and contracts. For real estate brokers, this includes real estate employment agreements under Administration Rule 162
2. Manage the filing, storing and maintenance of transaction documents, handling trust funds and use of unlicensed assistants by a salesperson or broker.
3. Oversee delegation of authority to others to act on the broker's behalf.
4. Familiarize salespersons and associate brokers with the requirements of federal, state and local laws relating to the practice of real estate.
5. Review and inspect documents that may have a material effect upon the rights or obligations of a party to a transaction and advertising and marketing by the broker and by salespersons, associate brokers and employees of the broker.

A Sales Associate of KW Westfield Keller Williams Real Estate (KWW) shall comply with all applicable federal, state and local laws, ordinances and regulations governing the business of real estate, the Utah Department of Real Estate Commissioner Rules and Substantive Policies, the NAR Code of Ethics and the rules of conduct embodied in the WI4C2TS.

The Broker Policy Manual documents the current policies, procedures and acceptable practice of real estate at KW Westfield Keller Williams Real Estate (the Company). This document forms an integral part of the Independent Contractor Agreement between KW Westfield Keller Williams Real Estate and its Sales Associates and the Broker Policy Manual is incorporated in the Independent Contractor Agreement.

DEFINITIONS

UDRE/DRE Utah Division of Real Estate

Broker KW Westfield Keller Williams Real Estate Designated Broker/Principal Broker

Company KW Westfield Keller Williams Real Estate (KWW)

Sales Associate

A licensed agent/salesperson or associate broker working with the Company as either an employee (staff) or an independent contractor (everyone else)

Agent Leadership Council

Agents selected by the Team Leader based on a combination of leadership and production—who serve as a board of directors establishing Market Center rules and guidance for the Market Center. All new agents are requested to attend the first ALC meeting after his/her hire date.

"ABC" Transactions

In general, an ABC Transaction on a Short Sale is NOT encouraged or acceptable. FULL disclosure will be demanded when KWW agents are involved in representing any part of such a transaction. Simply defined, A is the original home owner and is delinquent on his/her/their mortgage; B is an investor/Buyer who ties up the property and negotiates the short sale (lowest price) in hopes of turning around and flipping/flopping the property; C is a Buyer who may have been a backup to the B Buyer. In general, as listing agents of A, we shall NOT allow A to sell a property to B turning the negotiations of the short sale over to B or a party of B. We must absolutely inform all parties (A, third parties, C, and C's lender) that this is an A, B, C transaction. If B actually takes title to the property, the transaction is much more acceptable; especially if B adds value to the property by making improvements, etc. Discuss with Principal Broker before venturing down this path.

Absence from Market Center

A Sales Associate shall give the Broker the dates he/she plans to be absent, contact number(s) and the name of the Company Sales Associate who will assume responsibility for his/her business if the absence will exceed twenty-four (24) hours and the Associate does not personally plan to cover his/her business while away. This information shall be provided in writing or via email to the MCA, Team Leader, and receptionist(s).

Address Changes

A Sales Associates shall notify the Department and the Company within 10 days of a change of residence/mailling address. The Designated Broker must notify the Department prior to relocating the Business or changing its business/mailling address.

Advertising

All advertising or marketing materials must be reviewed and approved by the Broker prior to being released to the public. Advertising is defined as any informational and/or promotional material meant for the public (including materials sent to a licensee's private database) regardless of the format used. This includes, but is not limited to, yard signs, flyers, open house signs, business cards, promotional items of any kind, billboards, newspaper ads, radio or TV spots, infomercials, internet communications, website displays or any other objects or messages which reach the public. All advertising (including classified) shall clearly identify the Sales Associate and the Company (i.e. KW Westfield Keller Williams Real Estate) taking part in the offer for sale, lease or exchange. Abbreviations of the brokerage (e.g. KWW) are not acceptable. All advertising shall comply with Fair Housing requirements.

A Sales Associate when advertising his/her personal property for sale, lease or exchange shall have a rider on the yard sign, language in the MLS remarks and flyers, and ads disclosing the Associate's property owner status (i.e. a Agent/Owner).

All advertising shall contain accurate claims and representations and fully state factual material only. A Sales Associate shall not misrepresent the facts or create misleading impressions.

Authorized KWW logos and/or the full name of the brokerage must be used on every piece of marketing material.

All advertising shall include the name "KW Westfield Keller Williams Real Estate" in a clear and conspicuous manner.

The term "acre" shall not be used unless referring to an area of land representing 43,560 square feet.

Before placing or erecting a sign giving notice that a specific property is being offered for sale, lease, rent or exchange, a Sales Associate shall secure the written consent of the property owner. The sign shall be promptly removed upon request of the property owner.

The following legend "Each Keller Williams Office is independently Owned and Operated" or "An Independent Member Broker" shall be used on all display signs or advertising.

The term "team" or "group" may be used to advertise and promote real estate services as long as the following are true:

1. The team or group is comprised of real estate salespersons or brokers,
2. The team or group members are all licensed with the Broker of the Company (or their broker of record is specified in the advertising materials,
3. The advertising otherwise complies with statutes and rules.

No open house signs shall be displayed in communities that have CC&R's preventing such practice unless there is a provision regarding number, time and placement of said signs that allows limited display of signage. All open house signs shall be placed in accordance with local or state governmental regulations dictating placement with regard for the safety and privacy of the public.

Generally, signs must be placed only on private property (with permission of the owner) or in public easements, right of ways, etc.

Regulation Z disclosures must be made when down payment or other payment information is cited in the advertising.

Upon hiring or severing with the Company, a Sales Associate shall demonstrate that all advertising or marketing that shows relationship to the current and past brokerage is correct and complete and sign all required (DRE/Board/UAR) documentation confirming same.

Advertising regarding a listed property shall be that of the new Company as of the day of transfer. If current advertising in newspapers, magazines, etc. cannot be changed immediately, notice shall be given to the advertiser to correct said advertising as soon as possible on or before the day of transfer and a copy of such notice given to the Broker.

Agency Disclosure

Agency shall be disclosed in writing upon first meeting with a client/customer, as soon as practicable or, in ALL cases, NO later than prior to (meaning before) the writing of an offer.

A Sales Associate shall provide his/her name, Company affiliation and agency (i.e. represent buyer or seller) upon first contact with a REALTOR® who represents the property about which the Associate is inquiring.

The Company represents the seller/landlord exclusively when we are the listing agent but not the selling agent.

The Company represents the buyer/tenant exclusively when we are the selling/leasing agent and not the listing agent.

The Company represents both the seller/landlord/and buyer/tenant as a limited agent (Consent to Limited Representation) when there are two Sales Associates from the Company.

A Sales Associate shall present the Buyer or Seller the option of electing "showing Buyer properties listed with Broker's firm" or "show Seller's property to Buyers represented by Broker's firm" in addition to the election of being represented as Buyer or Seller.

A Sales Associate shall notify the non-represented party in writing whom is represented by the Company when only one party in the transaction is being represented and both parties are using the services of a Sales Associate from the Company. (Unrepresented Buyer Agency Disclosure Form)

Agency is established with the Broker, not the Sales Associate.

The Company will cooperate and co-broke with a selling/leasing agent from any other licensed brokerage that represents the seller/landlord exclusively or represents the buyer/tenant exclusively.

The Company does NOT allow “Dual Agency” (one agent represents BOTH Buyer and Seller in the Same transaction).

The Company does NOT allow “sub-agency” (a Listing where ONLY the Buyer’s brokerage gets paid a commission).

Agreement to Discontinue Public Notice of Affiliation

A Sales Associate shall complete all required (DRE/Board/JAR) documentation indicating status of listings, sales, advertising, signage, use of brokerage name, etc., when transferring to or from another real estate company at the time of hire or sever.

Listings will not be released until the Seller signs a release of liability holding the brokerage harmless by “following” the licensee to his/her new brokerage.

Annual 1099 Report

IRS 1099 forms will be issued in a timely manner complying with federal regulations. The Sales Associate shall be responsible for any deductions or payments due the IRS.

Anti-Trust Compliance

Sales Associates and employees must take special care to avoid discussion with employees and Sales Associates/Brokers of competing firms regarding the commission structures used at the Company in any manner that could be construed to be agreements or conspiracies to fix, establish prices or otherwise restrain competition in violation of state and federal anti-trust laws.

Assistants

If a person is paid on any basis that relies on the ultimate sale of a property, that individual must be licensed. If, however, the activities of an unlicensed assistant are paid for on an hourly basis, by salary, or even by contracted fee, and the services are paid irrespective of whether a property sells, then an unlicensed person may provide certain services without having a license.

R162-2f-401g. Use of Personal Assistants. (updated 4/28/2016 from DRE Rules)

In order to employ an unlicensed individual to provide assistance in connection with real estate transactions, an individual licensee shall:

- (1) obtain the permission of the licensee's principal broker before employing the individual;
- (2) supervise the assistant to ensure that the duties of an unlicensed assistant are limited to those that do not require a real estate license, including the following:
 - (a) performing clerical duties, including making appointments for prospects to meet with real estate licensees, but only if the contact is initiated by the prospect and not by the unlicensed assistant;
 - (b) at an open house, distributing preprinted literature written by a licensee, where a licensee is present and the unlicensed person provides no additional information concerning the property or financing, and does not become involved in negotiating, offering, selling or completing contracts;
 - (c) acting only as a courier service in delivering documents, picking up keys, or similar services, so long as the courier does not engage in any discussion or completion of forms or documents;
 - (d) placing brokerage signs on listed properties;
 - (e) having keys made for listed properties; and
 - (f) securing public records from a county recorder's office, zoning office, sewer district, water district, or similar entity;
- (3) compensate a personal assistant at a predetermined rate that is not:
 - (a) contingent upon the occurrence of real estate transactions; or
 - (b) determined through commission sharing or fee splitting; and
- (4) prohibit the assistant from engaging in telephone solicitation or other activity calculated to result in securing prospects for real estate transactions, except as provided in this Subsection (2)(a)

Associate Expenses

All expenses or unauthorized expenses incurred by an Associate shall be the responsibility of the Associate. Any unpaid expenses will be paid directly from commissions earned at the discretion of the Broker.

Attorney in Fact (see Power of Attorney)

Not allowed.

Authorized and Unauthorized Real Estate Activities

Authorized

Sale/lease of residential properties and land

Sales/lease of multi-family unit's less than four (4) units

Sales/lease of commercial properties (including multi-family units larger than four units and land with sales price of one million or less or in special instances if more when approved by broker)

Transactions in which Buyer and Seller agree to "wrap" the loan as long as ALL disclosures are acknowledged by both parties and the State-approved Seller Financing documents are used. Any exceptions will be approved BEFORE the transaction is placed under contract.

Un-subdivided land (when proper disclosures are used)

Industrial properties (including land)

Unauthorized

Sale/lease of commercial transactions larger than \$1M (unless approved by broker) or if outside of Associate's area of expertise

Double Escrows

Business Opportunities

Property Management -- Authorized ONLY under the broker in charge of KW Westfield Property Management

Acting as loan officer and REALTOR® for same client

Timeshares

Cemetery Lot Sales

Membership Camping Contracts

Mobile Homes not attached to real property (i.e. personal property)

Acting on buyer's or seller's behalf as "attorney in fact"

Transactions for which the Sales Associate lacks professional expertise to properly represent the client and the Company (e.g. residential agent attempting to sell/lease commercial properties)

Transactions for which the Sales Associate lacks the geographical expertise to properly represent the client and the Company.

Also see ABC Transactions.

Availability of Sales Associate

A Sales Associate shall have the capacity to receive text messaging from the Company and respond no later than four (4) hours from time message was sent if contacted by the Broker's office. A pattern of failure to respond shall be considered cause for termination of Associate's employment with the Company.

Back-Up Offers

All offers shall be presented to a seller until the close of escrow unless directed in writing by the seller not to do so.

Other offers may be accepted in a "back-up" position only and the contingency "subject to the cancellation of an existing offer" shall be included in the acceptance of a "backup" offer. (Use "Back up Offer Addendum")

If a seller desires his/her property to continue to be marketed for the purpose of encouraging "back-up" offers, it is permissible only if the seller delivers such instructions in writing to the listing agent.

Broker Accountability

The Broker is accountable for the actions of a Sales Associate to the extent provided by law and regulation. Should the actions of an Associate create a monetary obligation to the Company. Said costs shall be that of the Associate, not the Broker.

Broker Decisions and Policy

All decisions made by the Broker, both verbal and in writing shall be considered part of this Policy Manual. All material changes to the Policies, as set forth herein, shall be added to this Policy Manual in a timely fashion. It shall be the responsibility of the Sales Associate to review this Policy Manual at least once each year in order to assure compliance. A Broker "memorandum" shall be considered as Policy. Memoranda will be posted on a bulletin board in a public area in the Market Center and on KWW intranet site.

Broker Required Education

A Sales Associate new to the Company shall attend the following classes within Sixty (60) days following his/her hire date unless waived by the Broker:

- 1) Required Paperwork for Listings & Sales
- 2) Other courses as determined by Principal Broker

Business Opportunities

Not allowed.

Buyers Unrepresented (Self Represented)

If agent has a listing and a buyer wants to represent himself/herself/themselves the agent must use the UAR approved form **Unrepresented Buyer Disclosure**. This form can be found in the forms section of the MLS.

Buyer Due Diligence Checklist

A Sales Associate shall deliver and show written receipt of the Property Checklist no later than upon the acceptance of an offer when representing a buyer. An Associate shall explain the importance of investigating aspects a buyer desires to investigate or inspect during the Inspection Period and that failure to do so could result in the Buyer losing any remedy available as well as their earnest money.

Buyer-Broker Agreement – Designated Agency

Rule 6.2.6. Agency Disclosure: In every real estate transaction involving a licensee, as agent or principal, the licensee shall clearly disclose in writing to his respective clients(s) or any unrepresented parties, his agency relationships(s). The disclosure shall be made prior to the parties entering into a binding agreement with each other. The disclosure shall become part of the permanent file.

Campground Membership Contracts

Not allowed.

Cash Offer

A Sales Associate shall retain all pages in the Purchase Contract when writing or has a Seller who accepts a cash offer. At a minimum, a buyer shall be encouraged by an Associate to have an independent appraisal and/or home inspection (including all investigations material to the buyer) when a cash offer is being tendered or has been accepted.

Cancellations of Listings and Sales Contracts

The standard Residential Resale Real Estate Purchase Contract provides the nonbreaching party an opportunity to cancel unilaterally if that party is not themselves in breach of some provision of the Contract. The Sales Associate shall always advise a client/customer to seek legal counsel prior to alleging breach and demanding cancellation as a REALTOR® is not qualified by profession or law to counsel regarding the advisability and implications of cancellation of any contract.

All requests for cancellation must be in writing.

Listings may be cancelled only when Broker approval has been obtained. Change of status in WFRMLS shall be made within twenty-four (24) hours. Completed cancellation paperwork shall be submitted to the Broker within seventy-two (72) hours.

Cancellation paperwork for sales contracts shall include 1) a copy of the signed Buyer's Notice of Cancellation (or written notice from Seller) and 2) a copy of a Release of Earnest Money showing to whom the monies in escrow were distributed (if necessary). All cancellation paperwork shall be submitted to the Broker within seventy-two (72) hours of actual cancellation.

Mutual cancellation of a sales agreement is generally preferred whenever possible to obtain. It is required if the receiving party would NOT have normally received the earnest money deposit under the terms of the REPC (e.g. Contract was cancelled after deadline date(s)). The signature of all parties to the contract and the Broker's is required when a mutual cancellation is agreed upon.

A Sales Associate shall ensure that escrow is cancelled when a contract has been cancelled.

Cemetery Lot Sales

Not allowed.

Checklists

Checklists are regularly updated and the most recent versions can be found at <http://kww.ysguy.com> or on the KWW Intranet.

They are NOT to be interpreted as the only requirements necessary or appropriate for a specific transaction.

Claims (Professional or Legal)

A Sales Associate who becomes aware of a problem that might result in a negative outcome not anticipated by any party involved in a transaction must notify the Broker of the situation immediately: *A Sales Associate shall immediately notify the Broker of any notice, advice or threat, whether written or verbal, that any person or organization intends to hold the Associate, Broker or Company responsible for any alleged breach of duty or other act or omission.*

A Sales Associate who is served with a lawsuit, threat of a lawsuit or a complaint before the Department of Real Estate or Professional Standards Board shall notify the Broker immediately.

CLUE (Comprehensive Liability Underwriting Exchange) Report

It is the responsibility of a Sales Associate to inform both buyers and sellers about current issues in the insurance industry as they may impact the purchase or sale of a property. While not all insurance carriers currently base their underwriting decisions on the personal or property CLUE Report, it is important that both

buyers and sellers understand that the availability and cost of insurance may depend on both the property inquiry or claim history and the individual's personal record when applying for property insurance.

Also, cost of insurance coverage and even denial of insurance can occur up to sixty (60) days after the policy was placed in force (COE).

A Sales Associate shall inform the buyer that the availability and cost of insurance for the property should be investigated promptly during the Inspection Period provided in the Contract. Furthermore, the buyer shall be informed that, even though their insurer may not use the CLUE Report, investigation of the information contained in that report could be material to the buyer's decision regarding the purchase of the property as it may later become significant when their insurance renews or when they decide to sell their property. Lastly, the buyer shall be informed that it is their responsibility to determine if their insurer might adjust their rate or cancel their insurance as allowed by law during the first sixty (60) days after close of escrow (when the policy actually goes into force).

Co-Brokerage

All contractual obligations of this Brokerage to another shall be limited to the authority of the Broker not the Sales Associate.

Commercial Properties and Land (see Authorized and Unauthorized Real Estate Activities)

Allowed in individual cases (consult with Broker & KW Commercial TL) if Sales Associate has proper knowledge, training and/or supervision usually limited to properties no more than \$1,000,000 in sales price.

Commissions

Anniversary Date/Fiscal Year

A Sales Associates "anniversary date" is the first day of the month following the date he/she joins the Company.

Commission Split

The Sales Associate is paid a 70% commission split until the Company's portion of the closed commissions generated by that Associate has reached \$15,000 during the associate's fiscal or anniversary year with KELLER WILLIAMS. The Associate then advances to 100% commission on all transactions closed for the balance of the Associate's fiscal year. There is also a royalty fee as explained below.

Commission AFTER Termination

Should an agent terminate his or her affiliation with KW Westfield Keller Williams Real Estate with a property (or properties) under contract, KWW will close the file in cooperation with the departed agent. The commission split immediately reverts to the standard commission split as outlined above (at 70%/30% for company dollar and 6% for royalty) as if the agent were brand new and not on a team, not capped, etc.

Keller Williams International Royalty (Franchise) Fee

KWRI collects a \$3,000/year franchise fee from each capping agent annually. The fee is collected from each closing at a rate of 6% per transaction.

Commission Rate Schedule

When taking a listing, the amount of commission charged is the decision of the Sales Associate but shall never be less than the amount of the co-broke to be paid (if any).

Commission in Personal Transaction (non-occupied and primary residence)

If an Agent buys or sells property as a principal, that Agent will be charged \$500 + 6% Royalty Fee (\$30) for his or her side of the transaction + \$25 E&O fee, for a total of \$555.

If the Agent has already capped and is being compensated at a 100% rate then no fee (except the E&O fee) will be charged.

The \$500 fee will be counted toward the Agent's cap. In addition if the Agent re-sells that same property within 6 months, no \$500 fee is charged. An uncapped Agent will ALWAYS be charged 6% Royalty Fee on ALL commission received by the brokerage, even on personal transactions. The Market center will only take \$500 on uncapped Agent's commissions. To re-state: If the commission received is more than \$555, the Agent will be charged a Royalty Fee on the entire commission. This is per the KWRI franchise agreement. **[Please consult with the MCA or Broker when you are purchasing or selling your own property(ies) BEFORE settlement!]**

Commission Contribution for Non-Personal Transactions

Reduction, Concession or Contribution of commission may be negotiated by the Sales Associate but requires the approval of the Broker.

If a Sales Associate wishes to contribute a portion of his/her commission to a buyer or seller, the gross commission is considered "earned" and will be subject to the customary Company split unless the Sales Associate has achieved "100% cap status" for their anniversary year. A Sales Associate may contribute only that portion of his/her commission that would have been earned (net) had ordinary "splits" applied. In other words, the "Company dollar" is not negotiable.

Commissions Payment

A Sales Associate must be properly licensed at the time of contract to have earned and be paid a commission. Commissions are paid to the Sales Associate in accordance with the "Commission Split" policy (see above) and any "team splits" agreed to in writing. It is the responsibility of the Sales Associate to provide a correct Greensheet to the MCA or escrow company prior to close of escrow.

If three greensheets or commissions requests are submitted incorrectly, the fourth (and subsequent) incorrect doc/requests will incur a \$50 processing fee each in order to have the checks/ACHs recut.

Sales Associates may not receive checks directly from the escrow company. Without the Title Company having a broker signed Distributions Authority in their file. Commission checks will be distributed either by direct deposit or check by the MCA within one business day from the day they are received (provided that all paperwork is complete for the transaction file and the check has been drafted correctly).

Checks not drafted correctly will either be returned to the escrow company or "recut" one time per week by the MCA. A processing fee will be charged when the business office "recuts" a check.

E&O fees will be deducted from the commission paid on each transaction side.

Shared commissions and referral fees paid outside the Company will be paid by the Company not the Sales Associate.

Commission Concession (see Commission Contribution for Non-Personal Transactions)

All concessions of a Sales Associate's commission require the written approval of the Broker.

Commission Disputes

Commission disputes between Sales Associates of the Company will be mediated by the Broker. If the dispute is not satisfactorily resolved in this manner, the Company's Professional Standards Committee will arbitrate the matter and the Committee's decision will be final. This professional Standards Committee will be made of up neutral Associate Brokers from inside the Company.

A decision to proceed with legal action, mediation or arbitration against a party owing or believed to be owing (i.e. "procuring cause" disputes) a commission to the Company shall be the exclusive right of the Broker.

If a Sales Associate elects to take a separate action outside of this policy, the associate shall be responsible for ANY expenses incurred and this action will generally be considered cause for immediate termination of the Sales Associate.

Commissions Recovery

Costs for attempts to recover a commission are the responsibility of the Sales Associate. The Broker shall not have any monetary obligations to the Sales Associate or any other party as the result of brokerage fees that are uncollected. Any earnest monies collected in satisfaction of commission earned shall be divided with the Company in accordance with the Sales Associates' split at the time of occurrence. However, it is the policy of this Company generally not to pursue any portion of earnest money except in unusual circumstance and then only at the discretion of the Broker.

Communication and Correspondence

The Sales Associate shall maintain a copy of all correspondence and other written communication to the public concerning real estate in the Associate's transaction file. Important correspondence shall be reviewed with the Broker prior to presentation to clients, the public (including vendors or professionals) or other REALTORS® and a copy shall be placed in the permanent office file.

Communication Log

A Sales Associate shall maintain a written communication log on all transactions. An entry is to be made for each contact with a buyer, seller, escrow officer, lenders, vendors, inspectors or any other party involved in the transaction.

Compensation Agreement (see FSBO)

Complaint Procedure (see Legal and Complaint Procedure)

Contingency Language

When writing contingency language, a Sales Associate shall clearly state (1) what is to be performed, (2) who is expected to perform the action, (3) the time frame during which the action must take place, (4) the method by which satisfaction of the contingency will be evaluated, (5) the status of the contract if the contingency is not met within the specified time period (i.e. void or voidable), and (6) what is to happen to the earnest money and/or other deposits if the contingency is not met. Use Standard Contingency Language clauses provided by WFRMLS or Standard Addenda.

Contract

All contracts and documents related to a contract must be in writing. While an oral agreement may not be void, they are generally considered unenforceable (cf. Statute of Frauds). An offer shall be considered accepted and a contract achieved only when all parties have acknowledged acceptance in writing and evidence of such has been delivered to the other party or the other party's representative. It is the responsibility of the Sales Associate to closely monitor all contracts for compliance of each party to the terms, conditions and "time-lines" agreed upon in the contract. Blank lines, boxes or spaces on the contract should be addressed either by drawing a line through them or the placement of "N/A" (not applicable) in or on them. All Listing and Sales contracts shall be submitted immediately to the Broker upon obtaining the signatures of the parties.

Contract Checklist (see Checklists)

Credit Reports or CLUE Reports

A Sales Associate is prohibited from generating, reviewing, faxing or otherwise handling a credit report or a CLUE report for a client or customer or prospective client or customer without the client/customer's specific written instruction and permission.

Customer Care

When representing a buyer, a Sales Associate's (or a licensed designee) shall be present at all showings and document signings (where possible), disclose in writing anything that could be material to buyer, guide buyers in their inspections and/or investigations of anything they may consider important and keep buyers informed at

all times of important events during both new home and resale transactions. It is recommended to have cost sheets presented to and signed by all buyers. When representing a seller, a Sales Associate's shall diligently investigate all matters relevant to the representation of the property listed, be present at all document signings (where possible) and guide sellers in their responsibilities regarding any disclosures that should be made. An Associate shall also verify all financial information including all mortgages, prepayment penalties, liens, judgments, home equity loans, matters that are disclosed in the preliminary title report, etc. prior to submitting to MLS. Net sheets should be presented to and signed by all Sellers.

Disclosures

Lack of disclosure is one of the principle reasons for professional complaints and/or lawsuits. A Sales Associate is advised to take this responsibility very seriously and make sure that all representations are both accurate and verifiable. Disclosures shall be documented in writing and signed by all parties involved in the transaction.

The duty to disclose at a minimum involves the following:

Any information that materially and adversely affects the consideration to be paid by any party to the transaction.

That the seller/lessor is or may be, unable to perform.

That the buyer/lessee is, or may be, unable to perform.

Any material defect existing in the property being transferred.

The possible existence of a lien or encumbrance on the property being transferred.

That the Sales Associate is the principal or has a financial or beneficial interest in the property.

That the Sales Associate is related to one of the principals.

That the Sales Associate has a conflict of interest.

Documentation

A Sales Associate shall maintain a written communication log on all transactions. An entry is to be made for each contact with a buyer, seller, escrow officer, lenders, vendors, inspectors or any other party involved in the transaction.

Door to Door

All "door to door" delivery of advertising or marketing materials or actual "face to face" solicitation shall be done in strict compliance with local statutes and regulations including those of any homeowner's association.

Double Escrow

Not allowed.

Down Payment

The total down payment must be clearly identified in writing on the purchase agreement.

Dress Code

A Sales Associate's dress shall be business-like at all times when in the market center or with clients.

Due Diligence Period (Residential Resale Contract)

The Due Diligence Period in the resale purchase contract allows buyers an opportunity to "investigate" as well as "inspect" anything material (important) to them in making their decision regarding the purchase of the property.

A Sales Associate shall provide a buyer a source for understanding all possible inspections and investigations available as well as help the client find a means to complete any desired inspection or investigation. The Associate shall not make, however, a direct referral to an inspector, answer a question or concern a client/customer is seeking without giving the source obtained and suggesting confirmation by the purchaser or otherwise act in any manner which would suggest that the Associate is an expert or has special knowledge in an area of practice other than real estate.

A Sales Associate shall convey that only one opportunity exists for a buyer to accept without repairs, request repairs or cancel the contract and have their earnest deposit returned. An Associate shall also counsel a buyer that submitting this "one time notice" ends the "Inspection Period" and that, in general, anything that is later discovered has no binding effect on the seller. Cancellation based on additional discoveries after the Inspection Period has ended in all probability will result in the buyer losing his/her earnest deposit.

A Sales Associate shall convey that only one opportunity exists for a seller to respond to the buyer's request for repairs and, if repairs have been requested and seller does not agree to all repairs, the buyer may have opportunity to cancel with full refund of their earnest deposit.

A Sales Associate shall monitor Inspection Period time requirements closely and not allow any extensions except those agreed upon by the parties and signed in writing.

Duties to Clients and Non-Clients

Fiduciary Duties to the Client

The Sales Associates' responsibilities when acting as an agent for a client include the duties of confidentiality, accountability, reasonable skill and care, loyalty, obedience (lawful), accounting and disclosure.

Obligation to the Non-Client

The Sales Associate when interacting with a non-client has the fundamental duty to treat all parties fairly.

See also **Disclosures and Misrepresentation.**

Earnest Money

If the agent uses a title company for the deposit of the earnest money. The agent will be required to sign for the check and to deliver the check to the title company within twenty-four (24) hours of receipt (OR going under contract). The agent will get a receipt from the title company showing delivery of check and that title company has deposited check... The receipt will be a permanent part of the contract as per the REPC.

The amount and type of earnest money deposit shall be clearly identified in the offer to purchase or lease and shall be made payable to KW Westfield Keller Williams Real Estate or to a specific title company. The Sales Associate shall acknowledge receipt of the earnest money by signing the receipt portion of the purchase contract or lease agreement only when monies have in fact been received and take all necessary measures to safeguard the deposit if such receipt is acknowledged.

All earnest monies shall be deposited with KW Westfield Keller Williams Real Estate (or with a specific title company no later than the next business day and a receipt from the escrow company shall be delivered promptly to the Broker within twenty-four (24) hours of deposit.

The earnest money receipt issued by the escrow company shall be submitted to the Broker when Sales Associate represents the buyer.

A Sales Associate shall not hold a check in his/her possession under any circumstances once a contract or lease has been signed.

The Sales Associate shall not give a receipt if funds are not given to him/her.

The Sales Associate may accept personal, cashier's check or money orders as earnest money deposits. The Associate shall not accept cash.

Money wire transfers are to be made directly to KW Westfield Keller Williams Real Estate (or a specific title company) agreed upon in the contract.

Post-dated checks are not acceptable as earnest deposit monies.

The Broker shall have a "paper trail" showing when the earnest money was received, how it was handled and when it was deposited.

All earnest money shall be handled in accordance with the terms of the contract and according to the rules of the UDRE.

Notice that improper handling of earnest money shall be grounds for immediate dismissal of a Sales Associate. Improper handling would include (but is not limited to) failing to deposit earnest money by the specified time or falsely representing that earnest money has been deposited.

In the event a forfeiture of earnest money occurs, it is the policy of the Company that neither the Company nor the Associate will participate in said forfeiture.

Upon cancellation of a sales contract, the Sales Associate shall obtain a receipt from the title company showing how the earnest money (and any other monies held in escrow) was distributed and submit said receipt immediately to the Broker.

Earnest Money Dishonored

In the event a buyer tenders a check that is dishonored for any reason, a Sales Associate shall suggest that it may be prudent for the Seller to seek legal advice prior to electing to cancel the purchase contract under the presumption that Seller is a nonbreaching party to the contract. The Sales Associate will be notified by the MCA department that the check has been dishonored.

E&O

The Company's current Errors and Omissions Insurance Policy (E&O) is limited to \$1,000,000 Each Claim and \$1,000,000 Aggregate.

A Sales Associate's deductible is \$2,500 per claim. Responsibility for any deductible amounts and judgments not paid by the E&O carrier shall be borne by the Sales Associate and the Company in portion to the commission split for that transaction.

A Sales Associate is advised that not all claims are covered by E&O. For further information regarding this or any other matter related to E&O coverage, an Associate is directed to the MCA or Broker who will provide a copy of the entire current policy for the Associate's review.

See also E&O under **Insurance**.

Equal Opportunity Employer

The Company is fully committed to equal employment opportunity. Our employment policies and practices require that we provide equal opportunity to all applicants, independent contractors and employees without regard to race, color, religion, sex or national origin and in full accordance with state and national policies pertaining to age.

Exclusive (Principals Only Listing)

An Exclusive Right to Sell listing taken with the intention of seller being that the listing broker only shall have the right to sell shall contain written documentation that the seller clearly understands that it will be marketed and sold by the listing broker only and not offered in MLS as a co-broke to other REALTORS®.

Listings taken in this fashion shall include documentation in the Sale's Associates file that the implications and limitations of this type of listing have been thoroughly explained to the seller. This type of listing is NOT authorized and may be allowed in specific circumstances. CHECK WITH PRINCIPAL BROKER BEFORE ENTERING INTO SUCH AN AGREEMENT.

Exclusive Agency (Listing)

The Exclusive Agency listing authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on a blanket unilateral basis but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. The Sales Associate shall use this method when listing a property that the seller desires to continue marketing also. This type of listing is NOT authorized and may be allowed in specific circumstances. CHECK WITH PRINCIPAL BROKER BEFORE ENTERING INTO SUCH AN AGREEMENT.

Exclusive Right to Sell (Listing)

The Exclusive Right to Sell listing is the conventional form of listing filed with the MLS that authorizes the listing broker to cooperate and compensate other brokers. The Sales Associate shall use this method when listing a property that will be marketed and sold through the listing broker's efforts exclusively (this includes an offer to co-broke).

Fair Housing

A Sales Associate shall comply with the Attorney General's Fair Housing Rule, R-10-2-114 which reads as follows:

Use of Equal Housing Opportunity logotype, statement, or slogan all advertising of residential real estate for sale, rent, or financing shall contain an equal housing opportunity logotype, statement or slogan as a means of educating the home-seeking public that the property is available to all persons regardless of race, color, religion, sex, handicap, familial status, or national origin.

Fair Housing Laws are designed to provide equal access to the housing market by all. Equal Opportunity Laws establish a doctrine wherein if a person has the ability to buy, sell, rent, lease or exchange property, they shall have the right to do so. Should a Sales Associated ever have a question concerning compliance with the Fair Housing Laws, that question shall be immediately directed to the broker for clarification.

In addition, the Sales Associate shall at all times remain in full compliance with Title VIII of the Civil Rights Act of 1968, 1974 and 1988 together with all other Fair Housing Laws as they may be amended from time to time and treat all persons equally. A Sales Associate shall attend at least one (1) Fair Housing/Equal Opportunity class each renewal period.

Violations of the current Fair Housing Laws shall be construed as being in direct violation of this policy and all fines, judgments and other damages assessed for said violation shall be borne by the associate, exclusive of the Broker/Company. Should the Broker/Company be enjoined as a co-defendant in a claim arising from a Fair Housing/Equal Opportunity claim, the Broker/Company shall have the right to seek restitution from the Sales Associate for all attorney's fees, court costs and awards that result from the independent actions of the associate.

See **Advertising** for additional policy related to Fair Housing.

Final Walk-Through

A final walk-through may be done on resale properties just prior to close of escrow for purposes of satisfying the buyer that any repairs agreed to by the Seller have been completed and that the premises are in substantially the same condition as on the date of acceptance of the contract.

A Sales Associate representing a buyer may choose to have the buyer sign a Final Walk-Through form and submit a copy for placement in the permanent file.

If a buyer elects to not complete a final walk-through (against the advice of Sales Associate), a Waiver of Final Walk-Through may be signed and a copy included in the permanent file.

Financial Verification

The "Preliminary Title Report" (Schedule B) shall be reviewed immediately upon receipt from the title company to insure that no obligations have been discovered that might prevent a successful close of escrow.

First Right to Purchase

It is the policy of this Company to discourage the acceptance of an offer subject to a buyer having to find a buyer for his/her home (commonly known as a "contingent offer"). If such an offer is accepted, and the seller desires to continue to actively market the property under contract, a Sales Associate shall make certain that a clear "Option to Keep House on Market (Time Clause)" contingency is written using the WFRMLS or UAR "Keep House on Market Time Clause Addendum".

A Sales Associate shall set the listing status as "Active T/C" on the Wasatch Front Multiple Listing (WFRMLS) when a "Time Clause" contingency has been written and a Seller desires the property to continue as an Active Listing.

Floor Time Policy

The Company does not offer "floor time" as a means of obtaining leads.

Forms

A Sales Associate shall use standard Utah Association of REALTORS® (UAR) or WFRMLS forms whenever available and applicable. [SALES ASSOCIATES DO NOT WRITE/CREATE LEGAL FORMS/CLAUSES UNLESS SALES ASSOCIATE IS A LICENSED ATTORNEY!]

If an offer is submitted on a form other than a standard UAR form, it shall be immediately presented but not accepted until re-written on a standard UAR contract form unless this requirement is waived in advance by the Broker; or the document is created by a licensed attorney. [This is typically the case for a Builder who uses its own REPC and sales forms.]

FSBO (For Sale By Owner)

When representing a buyer in the purchase of a FSBO property, "For Sale By owner Commission Agreement & Agency Disclosure" a UAR form on line shall be used to establish compensation and disclose agency representation.

When representing a seller in the private sale of a property, a "Single Party" "For Sale By owner Commission Agreement & Agency Disclosure" or Exclusive Agency listing shall be used to establish compensation. Seller agency shall be disclosed to Seller and separately to the buyer on the "Real Estate Agency Disclosure and Election" form.

Hiring

A newly licensed Sales Associate is not effectively hired by the Broker until the UDRE receives a completed and signed form reflecting the hire and the applicable fee. This form may be submitted AFTER the Sales Associate receives his or her physical license from the UDRE.

All Sales Associates who have severed from another brokerage must follow the UDRE Change process via the RELMS (Real Estate License Management System) to join the Company. Past Broker must acknowledge and KWW Principal Broker must accept the Sales Associate electronically through RELMS.

Home Tours

The Company encourages the attendance of home tours (group or individual).

Illegal, Unethical or Unprofessional Activities

Any activity thought to be illegal, unethical or unprofessional shall be reported to the Broker immediately.

Independent Contractor Agreement

A Sales Associate's standing with the Company is that of an independent contractor under special provisions of the Internal Revenue Service (IRS) code concerning the employment of REALTORS®. Request a copy of your current KW Westfield Keller Williams Real Estate Independent Contractor Agreement or KW Westfield Keller Williams Real Estate Buyers Assistance Independent Contractor Agreement from the Team Leader.

All costs incurred by the Associate in conducting their independent business shall be at their sole expense. All fees for membership in trade associations, designation programs, subscriptions, printing, computers, license renewal fees, personal phones, pager and assistants shall be the responsibility of the Associate.

Industrial Properties and Land

Allowed for Commercial Agents and those consulting with Commercial Agents. Contact Broker with questions.

Insurance

Automobile Insurance

A Sales Associate shall provide the Company evidence that he/she has secured (and continues to maintain) an automobile insurance policy in the minimum amount of \$300,000/\$100,000/\$50,000 **naming KW Westfield Keller Williams Real Estate as an additional insured.**

E&O Insurance

An E&O policy is purchased annually by the Company at a cost determined by the Company's claim history and current conditions in the insurance market.

This coverage provides varying degrees of protection against claims for real estate errors and omissions only. The coverage generally does not include protection against claims such as, but not limited to, fair housing violations, commingling of funds, fraud, bodily injury and property damage, liable, slander, mold or other pollutants, punitive damages certain environmental issues, professional and/or administrative complaints as well as any claim not reported in a timely manner.

A per transaction E&O fee shall be charged for each side of a transaction represented by an Associate of the Company. The amount currently charged is \$25. If a Sales Associate's actions leads to a claim being filed against our E&O policy, that Sales Associate's fee per transaction shall be \$50 per side for the period of one year.

The Company's current Errors and Omissions Insurance Policy (E&O) is limited to \$1,000,000 each claim and \$1,000,000 aggregate. Any loss in excess of this amount shall be borne by the Associate entirely.

Responsibility for any deductible amounts and judgments not paid by the E&O carrier shall be borne by the Sales Associate. The fact that a Sales Associate is no longer affiliated with the Company at the time a claim is made does not relieve an Associate of their obligation to pay the deductible owed.

The Sales Associate is advised that the Company maintains no additional legal defense fund.

Liability Insurance

The fact that the Company maintains a general business liability policy should not be construed to mean that an individual Sales Associate need not carry personal, auto, business liability insurance or any other insurance deemed necessary by the Sales Associate or is recommended by an insurance professional.

Intranet (Keller Williams Realty International)

Keller Williams provides information and materials for each Sales Associate including a personal web page at its website (mykw.kw.com). The placement of a personal web page is strongly encouraged. Because this is considered a form of advertising, however, it must be in full compliance with all Federal and State statutes (including Fair Housing Laws) and Commission Rules governing advertising. The name of the Company (KW

Westfield Keller Williams Real Estate) must be conspicuous (“obvious” per the DRE) and easily discernable on the web site home page.

Intranet (KW Westfield Keller Williams Real Estate)

KW Westfield Keller Williams Real Estate provides local information and links to other important sites at its website intranet accessible after logging into the MyKW.kw.com portal. These tools are fluid and more technology tools are being created to communicate with agents.

This is a primary source of connection and communication between the Company and the Sales Associate. News releases, announcements, monthly calendar, events, training events, broker policies and procedures, forms, etc. can be obtained at this site.

Keys (Office)

All Sales Associates may access the office through the security mobile app and have the authority to enter at anytime without restriction. Should an Associate leave the Company, any keys shall be returned immediately upon severance, and the application will be inactivated by the MCA.

Land

A Sales Associate representing a client/customer in a land transaction shall (at a minimum) closely investigate and represent accurately all matters concerning the existence of environmental contaminants, the availability and quality of domestic water wells, the sale of un-subdivided land in an incorporated area, lot lines, road accessibility and maintenance agreements, site/soil evaluations, flood hazards, zoning, etc. and when applicable use proper disclosures (Domestic Water Well/Water Use Addendum, Addendum to Vacant Land Purchase Contract Regarding Subdivided or Un-subdivided Land, etc.) This does NOT mean the Associate becomes THE source for Buyer’s due diligence or Seller’s disclosures. Be resourceful and professional.

Lead Based Paint

The U.S. Department of Housing and Urban Development (HUD) requires that every seller of residential property built prior to 1978 disclose to the potential buyer/tenant the possibility for, or the existence of, lead based paint on the property. Every buyer/tenant shall be given a copy of the pamphlet “Protect Your Family From Lead In Your Home” and the Lead Based Paint Disclosure Addendum. Buyers and Sellers shall initial appropriate elections and sign acknowledging receipt of the Lead Based Paint disclosure when applicable and the listing and selling agents must also initial and sign documenting acknowledgment and receipt as well.

Leases

The Sales Associate must submit the following documents to the Broker when a lease has been agreed upon: A fully executed lease, a copy of the listing, a lease deposit or a copy of the lease deposit check, Agency Disclosure documents, the receipt for the Landlord/Tenant Act and written commission instructions for the Landlord. For residential leases, all policies of our property management division shall be followed.

Lease Purchase

Lease purchase agreements are permitted when using the authorized State Lease Agreement with Option to Purchase document from the MLS. Both buyer and seller should be counseled to seek the advice of an attorney regarding the advisability and implications of entering into said agreement and have signed the Company’s escrow instructions for the option money in the transaction. Discuss with broker before going under contract.

Legal, Appraisal and Tax Advice

A Sales Associate shall not render legal, appraisal or tax advice to any person. An Associate shall not make any suggestions or draw conclusions regarding a client’s rights or obligations under the terms of the contract (i.e. legal advice). Prior to a client/customer making any decision that might result in their being in material breach of contract; the advisability of seeking legal counsel shall always be given to the client and documented in writing.

Legal and Complaint Procedures

A Sales Associate or Staff Member receiving an actual or threatened legal or professional complaint (written or verbal) shall immediately notify the Broker and provide copies of all written notices related to the action being brought against the Sales Associate and/or the Company. Legal and complaint notices would include, but are not limited to, the following: client/customer complaint letters, attorney letters, subpoena to produce records, garnishment of wages, lawsuit subpoena, UDRE or Association of REALTORS® complaints and IRS or Utah Department of Revenue tax levy. All legal and complaint notices must be accepted by, or immediately delivered to, the Broker.

In addition, if any party to a transaction threatens legal action (e.g. I'm getting my attorney), the agent is to terminate communication with the aggrieved party and notify them that all their communications must be through the Principal Broker until the Broker deems it appropriate for the Agent and threatening party (client, co-op agent, or co-op's client) to resume. Agents are NOT authorized to negotiate legal suits or threatened legal action on behalf of the brokerage/Market Center.

Listings

When representing a seller, a Sales Associate shall thoroughly investigate all matters relevant to the representation of the listed property, be present at all document signings and guide sellers in their responsibilities regarding any disclosures that should be made. In addition, an Associate shall verify all financial information including mortgages, prepayment penalties, liens, judgments, home equity loans, matters that are disclosed in the preliminary title report, etc., prior to submitting to MLS. No listing shall be transferred to or from the Company without Seller's signature on the transfer form. A Sales Associate shall complete (at a minimum) and submit to the Broker all forms and documentation listed on the "Listing File Checklist" applicable to the listing taken.

See **Exclusive (Principals Only), Exclusive Agency and Exclusive Right to Sell**

Loan Officer and REALTOR®

Acting as both a REALTOR® and loan officer with the same client/customer is not allowed by the State of Utah.

Loan Verification (see Financial Verification)

Lock Boxes

No lock box shall be placed on a property unless the owner(s) have given written permission. This permission shall be obtained on the standard UAR Exclusive Right to Sell Listing Agreement and Agency Disclosure (Designated Agency Brokerage). A Sales Associate is responsible for the safe keeping of both his/her lock box key and the access code number (if applicable). The sharing of lock box keys is strictly prohibited.

Keys to a "sold property" are not to be issued to the buyer or buyer's agent until the sale is closed as defined by the Real Estate Purchase Contract. If pre-possession occupancy is being given, a Pre-Possession Agreement must be completed prior to releasing the keys and giving permission for occupancy (see **Pre-Possession**).

Mentoring Program

A "mentoring" relationship may be arranged through the Team Leader or Broker on an individual basis at compensation agreed upon between the Sales Associate and Mentor. A "mentoring agreement" must be in writing.

Misrepresentation

Misrepresentation involves a statutory offense of "false pretense" in the procurement of property. Essential elements include intent to defraud by the use of an implied or expressed false representation resulting in the obtaining of title to property based on the representations made. This includes the element of false promise and "puffing the goods." A Sales Associate shall at no time falsely represent a property, a client's position or any other fact involved in an existing or potential sales transaction. This behavior is a leading cause of ethical

and professional complaints resulting in major lawsuits and loss of licensure. Documentation of misrepresentation will give cause for immediate termination by the Broker.

Monitor Period

A newly licensed Sales Associate shall have a “monitor” or Productivity Coach appointed to assist him/her during the first six listing and sale contracts (“monitor period”). IF a monitor is not appointed, the “monitor” shall be the Principal Broker. During this period, the Sales Associate shall confer with his or her monitor regarding all offers written or received prior to presenting them to a Seller.

Multi-Family Units (see Authorized and Unauthorized Real Estate Activities)

Allowed

Multiple Offers (see Offers)

New Home Sales and Contracts

A Sales Associate shall complete (at a minimum) and submit to the Broker all forms and documents listed on the Buyer Under Contract Checklist applicable to a new home sales transaction (cf. Exhibit 3). A Sales Associate shall obtain copies of all documents signed by the Buyer at the time the offer is tendered in the new home builder’s sales office and immediately submit said copies to the Broker for review. Note: Many new home salespersons state that copies will be sent later when signed by the builder or the builder’s representative. This is not an acceptable practice in this Company as the Broker requires copies of all paperwork signed by the buyer at the time the offer is made and the submission to be immediately upon receipt.

Offers

Acceptance of Offers

An offer shall be considered accepted only when all parties have acknowledged their acceptance in writing and evidence of such has been communicated and ultimately delivered to the other party or the other party’s representative.

Dead Offers

A dead offer is an offer written by a buyer's agent which was rejected or which for any reason did NOT ultimately end up in a closing. ALL dead offers are to be turned into the office via the company’s electronic archive system (e.g. DotLoop/DocuSign/Command). Submit the REPC as complete as possible (some offers do not receive a response) and indicate that the offer is dead. Submit the file for review and mark as dead offer. The file should be stored electronically.

Presenting Offers

All offers (verbal or written) shall be presented unless a seller has previously given written instruction for an Associate not to do so (e.g. no offer below a certain sales price).

All offers must be presented in a timely manner (i.e. within one day if possible) and as objectively as possible.

Buyer representatives have the right to be present at the presentation of their buyer’s offer, but not during the discussion concerning the offer that follows between seller(s) and the listing agent.

If a Sales Associate cannot be reached when an offer is to be presented, the Broker will determine who will present the offer and the amount (if any) of compensation that will be paid.

All offers must be presented to a seller until the close of escrow unless directed in writing by the seller not to do so.

Multiple Offers

All decisions concerning how offers will be presented, how offers will be negotiated and ultimately which offer will be accepted, are to be made by the seller(s) not the listing agent.

The various ways in which multiple offers may be dealt with include, but are not limited to, the following: Acceptance of the “highest & best” offer; informing all potential purchasers that others have been submitted and inviting them to make their highest & best offer; countering only one offer while putting the others to the “side;” countering one offer while rejecting the other offer(s); holding an “in office auction” attended by all offerees and/or their representatives; disclosing (with the written permission of the seller) the highest offer received and request a higher offer; etc.

A Sales Associate shall deal with all parties fairly, honestly, promptly and with open communication regarding the process as directed by the seller(s).

A “Multiple Offer Disclosure” shall be used when more than one offer is simultaneously being countered by the seller(s). In addition to disclosing that multiple offers are being countered, the disclosure should also address how the multiple offer process will be conducted including when and how the final decision will be made by the seller(s).

The Sales Associate shall refrain from making disclosures for which the Associate has no written permission from the seller.

Listing agents shall keep and archive ALL offers on each listing taken.

Rejected Offers

All rejected offers shall be initialed and dated and include the notation REJECTED or VOID across the face of the contract. Rejected offers on Company listings shall be turned into the office (via the **current electronic tool**) and retained for “three years +1”. They will show up in an system with a note that it's a rejected offer.

Office Appearance

The office shall be maintained in a neat and orderly fashion. Desks are to be kept clean and confidential information should not be left out for others to see. Food should not be placed on working desks in sight of the public. Decoration of work areas shall be appropriate and non-offensive to others. Any conflicts of what is or is not offensive shall be determined by the MCA or Team Leader.

Office Billing

The office staff has been directed by the ALC to enforce the following procedures in collection of Agent Office Accounts. The office billing will be out by the 20th of each month, due by the end of the month. Finance charges of \$25.00 will be assessed on the 1st of each month for any delinquent balance. If the bill has not been paid by the 20th of the following month, the MCA has been directed to run the payment of the account through the agent’s credit card. The card charges will be passed through to the agent who is delinquent. If an agent wants to have their account automatically paid through their credit card they can do so by signing portion of the billing that states please run through credit card and giving it to the MCA. Card charges will be passed through to the agent requesting payment by the card.

Any agent that has a desk, cubicle or office space that has not paid their rent will be asked to relinquish their space after 90 days of non-payment. Any agent with a 30-day or more balance will have that balance deducted from their next commission check.

Office Communication System

Sales Associates shall have the capacity to receive text messaging from the Company and respond no later than four (4) hours from time message was sent if contacted by the Broker or office staff. Consistent failure to respond shall be considered cause for termination of Associate’s affiliation with the Company.

Office Hours

Office hours are Monday through Friday, 9:00 AM to 5:30 PM. The office will be available for agent use but no staff will be on duty Saturdays or Sundays. The Company will observe the following holidays: New Year’s Day, Easter, Memorial Day, Independence Day, Pioneer Day, Labor Day, Thanksgiving Day (and Friday following)

and Christmas Day. This policy is for informational purposes only and is not intended to obligate an Associate to honor or observe these or any other holidays.

One Hundred (100) Day Review

A Sales Associate shall meet with the Team Leader/Productivity Coach/Broker/Agent Services approximately one hundred (100) days after his/her hire date to review the Associate's accomplishment of educational and training requirements, business progress, goals, satisfactions with the Company and any other matters determined to be important by either the Associate or the Team Leader/Broker/Agent Services.

Open Houses

Open house signage shall be the responsibility of the Sales Associate including the proper placement and number of signs allowed by each municipality and/or other governing association. No open house signs shall be displayed in communities that have CC&R's preventing such practice unless there is a provision regarding number, time and placement of said signs that allows such a practice. All open house signs shall be placed in accordance with local or state governmental regulations dictating placement with regard for the safety and privacy of the public.

Generally, signs must be placed only on private property (with permission of the owner) or in public easements, right of ways, etc. Any Associate of the Company may hold an open house for any Company listing provided that permission has been obtained from the listing agent.

Personal Property

A Sales Associate shall ensure that any personal property to be transferred will be done so by Bill of Sale.

Personal Safety

Associates are encouraged to create an in-office "buddy system" wherein someone in the office is aware of agent's itinerary and means of contacting you in the event of an emergency.

Power of Attorney (POA)

A Sales Associate shall NOT act in the capacity "Power of Attorney" for his/her client. See also **Signing of Behalf of Client**

Pre-Possession and Post-Possession

All pre-possession and post-possession agreements between sellers and buyers must be in writing. A simple statement regarding pre- or post-possession on the contract is not sufficient. Rather, a complete pre- or post-possession agreement must be executed addressing all aspects of the specific occupancy agreement including, but not limited to, who is responsible for repairs, arrangements for insurance, that the agreement establishes a landlord/tenant relationship, terms for eviction, etc.

It is a policy of this Company to discourage pre-possession arrangement except in special circumstances and then only with the knowledge and permission of the Broker. A post-possession agreement shall be executed when buyer and seller have agreed that the seller may reside in the property for more than two (2) days following closing.

The Sales Associate shall document in writing that he/she has advised the client/customer to seek appropriate counsel (including tax, legal, insurance, etc.) concerning the advisability and implications of entering into a pre- or post-possession agreement has been made. A copy of this document signed by the client(s) shall be submitted along with all the transaction documents to the Broker for placement in the permanent transaction file.

Professional Association Affiliations/Membership

A Sales Associate must join the WFRMLS (aka UtahRealEstate.com) and either the Utah Central Association of REALTORS® or the Salt Lake Board of REALTORS®. Sales Associates affiliated with additional MLS' (i.e. Park City, Washington County, etc.) will also have membership in that MLS.

All fees and dues are the responsibility of the Sales Associate. Failure to pay required fees or dues in a timely manner will result in severance from the Company. THIS SECTION OF THE POLICIES AND PROCEDURES MANUAL CONSTITUTES NOTICE TO BROKER BEFORE JOINING AN ADDITIONAL MLS.

Professional Standards and Ethics

A Sales Associate conduct shall comply with the National Association of REALTORS® Code of Ethics and the WI4C2TS. All licensed Sales Associates must take Ethics Code Class every two (2) years. Also, the DRE is requiring an additional Licensee course upon license renewal starting January 2020.

Property Inspections

Buyers shall be informed of the importance of having a property inspected during the Inspection Period. The fact that it may be necessary to have more than one inspection (depending upon the situation and the property involved) should also be discussed. An inspector can be given a copy of the Sellers Property Disclosures and requested to verify those items noted that are within their expertise. Buyer investigations of anything material (important) are in addition to inspections shall also be conducted during the Inspection Period. See also **Due Diligence Period**. The For Your Protection Get a Home Inspection disclosure is required as part of all Buyer transaction (with exceptions for new construction or commercial buildings).

Property Management (see Authorized and Unauthorized Real Estate Activities)

Allowed if associate is approved by the property management broker or principal broker and completes the required training; and uses all broker-approved forms. The associate would become part of the Property Management Division of KW Westfield Keller Williams Real Estate. Associates may NOT solicit landlords or tenants BEFORE being approved join the PM Division.

Property Tax Reports

A Sales Associate is responsible for reviewing the subject property tax report to confirm ownership prior to listing the property or writing an offer on a property. It's recommended to obtain a property profile from title.

Real Estate License

A Sales Associate is responsible for keeping his/her license current and on active status to sell real estate in Utah. The Associate is responsible for all educational and administrative costs to keep his/her license current.

Receipt for Documents

A client/customer shall immediately be given a receipt or copy of all documents delivered or signed by them. The Transaction Documents Receipt ideally is initialed and signed by the client. If the associate signs the form, he or she must state HOW & WHEN the documents were delivered to the client.

Referral Fees

Referral fees will be paid only to a licensed real estate broker. A copy of the referral agreement, the receiving broker's the company tax identification number (W9) must be in the file prior to payment being made. No fees will be paid to unlicensed people or entities (including internet referral sources).

Rejected Offers (see Offers—Rejected Offers)

Repairs to be Made by Seller Process

The preferred and expected process to have the Seller principal cover the expenses or repairs on an under-contract property is twofold: 1) Informally obtain agreement between Buyer and Seller as to what items will be addressed and repaired (e.g. email); 2) Take those specific items to be repaired/addressed by Seller and list them on the Resolution to Due Diligence Addendum to the REPC. Relying on an informal agreement OUTSIDE of the REPC may lead to heartburn if Seller does not perform.

Representation Outside Area of Expertise or Geographic Area

A Sales Associate shall not represent a client/customer if the Associate lacks the professional expertise to properly represent the client and the Company (e.g. residential agent attempting to sell/lease commercial properties).

A Sales Associate shall not represent a client/customer if the Associate lacks the geographical expertise to properly represent the client and the Company.

Residential Properties and Land

The sale and leasing of Residential Properties and Land is allowed.

Retainer Fee

A Sales Associate is not allowed to enter into a retainer fee agreement without a “retainer fee contract” prepared by an attorney at the Associate’s expense.

Risk Management

A Sales Associate shall (at a minimum) do the following when involved in the resale of residential property:

1. Use UAR contracts and standard forms
2. Require use (or a waiver) of the Seller’s Property Disclosure Statement (SPDS)
3. Recommend (or get a waiver of) a Home Inspection
4. Recommend (or get a waiver of) a Home Warranty Plan
5. Recommend (or get a waiver of) a Mold Disclosure Waiver

Sales

When representing a buyer, a Sales Associate shall be present at all showings and document signings, disclose in writing anything that could be material to buyer, guide buyers in their inspections and/or investigations of anything they may consider important and keep buyers informed at all times of important events during both new home and resale transactions.

A Sales Associate shall complete (at a minimum) and submit to the Broker all forms and documentation listed on the “Resale Purchase Contract Checklist” applicable to the sales transaction (in eEdge Documents).

Seller Advisory

Sellers are obligated by law to disclose all known material (important) facts about the property to the buyer. The Utah Association of REALTORS® Seller’s Property Disclosure Statement (“SPDS”) is designed to assist the Seller in making these legally required disclosures and to avoid inadvertent nondisclosures of material facts. If a seller does not make the legally required disclosures, he/she may be subject to civil liability. Under certain circumstances, nondisclosure of a fact is the same as saying that the fact does not exist. Therefore, nondisclosure may be given the same legal effect as fraud.

A Sales Associate shall inform a seller that the accurate completion of the SPDS may be one of the best opportunities available to the seller to avoid future liability.

Seller’s Property Condition Disclosure

The Company requires that all sellers complete a Seller’s Property Condition Disclosure Statement (SPCD) on every listing. The Broker may grant exceptions on estate sales, new construction, or other circumstances. Ask for a waiver of the requirement.

The SPCD should be completed at the time of listing and reviewed carefully by the listing agent to ensure proper representation of the property. Listing Agent shall NOT complete the SPCD on behalf of the Seller! Additional pages may be completed and attached to the SPCD by the seller including explanations of problems encountered with the property, resolutions and receipts showing work done. It is expected that the SPCD will be reviewed by the seller and delivered by the Associate at the time of contract acceptance.

When acting as a Buyer's Agent, it is important to investigate any answers that are not answered or appear to be inaccurate or inconsistent with other information provided. If a seller refuses to complete the SPCD, a listing agent shall refuse to list the property without first receiving permission to do so from the Broker. A Sales Associate shall not rely on a seller's disclosure as to the quality of the water or well or whether the property is connected to a sewer or septic tank. This information shall be independently verified by methods such as inspection, dye test, testing services and/or governmental agencies.

Severance

Either Sales Associate or the Company may terminate the Independent Contractor Contract upon written notice. A Sales Associate shall complete a change through the Utah DRE's RELMS (Real Estate License Management System) online system when transferring to or from the Company.

Listings may transfer with a Sales Associate who is actively licensed with another brokerage if permission from the seller, this Broker and the new company broker has been obtained. KWW Broker will provide a hold harmless letter to the severing agent to secure Seller's signatures to move the listing.

A Sales Associate will be compensated after departing Company as per the Commissions, Commissions After Termination policy.

A Sales Associate shall submit all keys or other Company property and bring his/her office bill current prior to severance.

Severance is not effective under the licensing laws in the State of Utah until the agent; outgoing broker and receiving broker have acknowledged the change in RELMS.

It is the departing agent's responsibility to change their broker affiliation with the DRE, Local Board (UCAR/SLBR), and the MLS.

Shopping Offers

A Sales Associate acting in the capacity of a listing agent is obligated to affect a sale to the best advantage of the seller, i.e. on the best terms and at the best price obtainable. In doing so, an Associate has the duty to exercise reasonable care, skill and judgment. An Associate is not obligated to obtain the highest price possible for a property if other terms are more important to the seller. The obligation to "shop offers" ends if Seller is satisfied with price terms.

At certain times, however, a seller (not the listing agent) may decide that it is in their best interest to let other parties know price and/or terms of existing offers. While most experienced agents disagree with the wisdom of this approach, disclosure may occur if a seller has given specific direction and permission to an Associate in writing.

Signing on Behalf of Client

A Sales Associate may not sign any document pertaining to the agreement between the parties on behalf of the client they represent. A contract executed by an Associate on behalf of a client will be refused by the Broker and become the sole liability of that Associate. Actual signatures of the parties must always be obtained. If an Associate has prepared a document under the direction of his/her client (e.g. Seller's Response to Buyer's Request for Repairs), it shall first be reviewed, approved and signed by the client before being delivered to the other party to the contract.

Signs

No sign may be placed on any property without the owner's written permission. Open house signage is the responsibility of the Sales Associate including the proper placement and number of signs allowed by each municipality and/or other governing association. Yard signs shall be removed the earlier of either occupancy of the premises or close of escrow.

Sexual, Racial, Religious or Ethnic Harassment Policy

Sexual harassment is any verbal or physical conduct of a harassing nature, requests for sexual acts or favors, unwelcome sexual advances or any other conduct with the purpose or effect of which unreasonably interferes with an individual's work performance or creates a hostile, intimidating or offensive work environment. Sexual harassment is illegal!

Racial, religious and ethnic harassment is also illegal. For this reason, a Sales Associate shall not engage in any form of harassment or in any behavior toward a fellow worker that could be viewed as harassment. Because harassment is a serious offense, the Company will deal with these issues in the strictly which may include termination if an Associate is found to have engaged in such conduct.

The Company policy states that the following people may not harass you: co-workers, supervisors, any member of the firm or any guest or visitor to the firm.

If you believe that you have been harassed, please bring the problem to the attention of your supervisor, the MCA, Team Leader or the Broker. You do not have to put your complaint in writing. It is helpful to provide details about dates, times, places and witnesses to the harassment.

All complaints will be investigated promptly. The identity of the employee making the complaint as well as the identity of the individual accused of sexual, ethnic, racial or religious harassment will be kept strictly confidential. Information regarding the charge of sexual harassment and the investigation of that charge will not be made known to anyone who is not directly involved either as a party, a witness or a member of the investigative team. Witnesses interviewed will be provided only such information as is necessary to elicit from them their observations and other relevant information.

No one may retaliate against you if you file a charge of harassment against them. The Company will make every effort to prevent possible retaliation against you under such circumstances.

If your complaint of harassment is found to be totally and completely without basis, appropriate measures may be taken against you. This should not discourage you from making a complaint if you believe you have been a victim of sexual, racial, religious or ethnic harassment.

Smoking, Illegal Drugs and Alcohol

The office shall be kept as a smoke free environment. Illegal drugs and/or alcohol shall not be brought into the office. Alcoholic beverages will not be provided by Company at Company-sponsored events.

Social Media Policy

KW Westfield Keller Williams Real Estate recognizes that many agents use social media outside of the office for personal use. KWW respects the right to do so and at the same time is committed to protecting our clients' identity, integrity and our brokerage reputation as a company. Any violation of state law, the code of ethics, violations of confidentiality, use of obscene language and sexually explicit material is prohibited from social media associated in any way with KW Westfield Keller Williams Real Estate.

Square Footage

It is Broker policy to not use square footage as a "material fact" in representing a property for sale. However, a purchaser may consider square footage material and should be informed of the importance of having measurements taken during the Inspection Period (i.e. do not wait for appraisal which often comes after the Inspection Period has ended).

All references made concerning the square footage of a property should contain a caution that actual footage may vary and that the purchaser should rely strictly on his/her own investigation or confirmation by a licensed appraiser. Use the language from the MLS site on your listings and marketing materials.

Statute of Frauds

All contracts and documents related to a contract must be in writing. While an oral agreement may not be void, they are generally considered difficult if not impossible to enforce.

In addition, an associate may NOT allow their client to Accept an offer or addendum AFTER the acceptance deadline. That contract or addendum will need to be counteroffered extending the acceptance deadline for the other party's acceptance.

Statutory Non-Employee Independent Contractor

The relationship between the Broker and Sales Associate is that of a Statutory Non- Employee Independent Contractor. This relationship is set forth in the Sales Associate's Independent Contractor Agreement with the Company which is incorporated in this Broker Policy Manual. It should be noted that the term "employee" in relation to the Sales Associate's relationship is only used in defining the relationship a broker has to their agents under real estate law and does not imply that a relationship other than a Statutory Non-Employee Independent Contractor relationship exists. Neither party shall have the authority to bind the other to an expense or any other contractual obligation.

Telephone Solicitation (Telemarketing)

Pursuant to 47 U.S.C. 227 (b) (1) (C), it is unlawful for any person "to use any telephone facsimile machine, computer, or other device to send an unsolicited advertisement to a telephone facsimile machine." As a practical matter, licensees are prohibited from engaging in random dialing whatever the form or equipment used. In December 2002, the Federal Trade Commission (FTC) amended the Telemarketing Sales Rule (TSR) to establish a national "do-not-call" registry and further regulate interstate telemarketing.

The Basic Rules:

1. All Agents, when making a solicitation call, must comply with the National Do-Not- Call Rules beginning October 1, 2003.
2. The National Do-Not-Call list itself is available at www.donotcall.gov. All businesses must "scrub" (update their potential client phone numbers) against the national list at least once every three months.
3. Starting October 1, 2003, you must **not** call any telephone number included on the list. This applies to **all** calls, including those within and outside of Utah.
4. You may call anyone not currently on the list, but if they ask to be placed on your "company" do-not-call list, you must honor their request and refrain from calling them in the future.
5. You must allow the phone to ring for 15 seconds or four rings before disconnecting any unanswered call.
6. You must transmit caller ID information, meaning you may not block your caller ID information.
7. If you use "predictive dialers" you should seek legal counsel as there are many other detail rules you must follow.

The Basic Exceptions:

1. You may call someone on the list if you have an "established business relationship" with them. An established business relationship allows you to contact those with whom you are currently conducting business and extends for a period of 18 months from the consummation of your last transaction. It also allows you to contact those who have made an application or inquiry with you for a period of 3 months following their inquiry.
2. You or your affiliated company may call those with whom you have an established business relationship as long as it is a service related to the type of service you originally rendered.
3. You may call anyone who has given you explicit **written** permission, for as long as that permission allows. The written permission must be signed and must include the telephone number to which calls may be placed.
4. You may call individuals with whom **you** have a "personal relationship," which means those "personally known" to you such as family members, friends, and acquaintances. Note: in the case of a referral, it is not sufficient that the individual referred have a relationship with the referring source; the exception only applies to the marketer individually and his or her personal relationships.
5. If you call anyone under one of these exceptions, and they ask to be placed on your company do-not-call list, then you must honor their request and refrain from calling them in the future.

Team Membership

All agreements between a team leader and a team member must be **in writing**. The team leader shall keep a current list of team members with the Broker. All team advertising shall be in compliance with the general advertising policy and team advertising requirements (see Advertising).

Timeshares

Not allowed.

Title

A Sales Associate shall not advise a buyer on how title should be taken. If the buyer is not ready to decide the manner in which he/she prefers to take title at the time of writing the offer, the option "To Be Determined Prior to Close of Escrow" shall be used.

Transaction Fee

The charging of a "transaction fee" is not allowed. Fees for services beyond "standard" agent services (e.g. you're using a transaction coordinator, or you're charging for specific marketing/advertising services and you're passing that cost on) are permitted.

Transaction Files**Listing**

All listings (including "principals only") shall be submitted to the business office immediately upon Seller's signature and reviewed by the Broker within three (3) days). Minimal listing documentation required is shown in the Listing Documents Checklist.

Resale

All resale contracts shall be submitted immediately upon execution to the brokerage and reviewed by the Broker within five (5) days. Minimal resale documentation required is shown in the Buyer U/C Checklist.

New Home

All new home paperwork done at the time of offer shall be submitted immediately to the Brokerage and reviewed by the Broker within three (3) days. When the builder later signs and accepts the offer, a copy of the builder's acceptance must be submitted upon receipt. Minimal new home documentation required is shown in the Buyer U/C Checklist. (For Your Protection, Mold Disclosure, and Seller Property Condition Disclosures are waived (unless Builder provides disclosures).

Completeness of Transaction File

A transaction file shall have all required paperwork complete and the Broker's or Compliance Reviewer's "Final Broker Approval" before an agent will be paid a commission.

Transaction Log (Office)

The Brokerage shall maintain an automated transaction log of all listings, sales and leases. This log shall be retained indefinitely and in no case for a period of any less than five (5) years from the date of entry.

Transaction File Retention

The Company shall retain all transaction files in an organized and easily retrievable manner for a period of no less than five (5) years. The Company shall retain all paperwork for transactions that do not close for a period of no less than three plus one (3+1) years as per State of Utah DRE rules requirements.

The Company shall retain all rejected listings for a period of no less than three plus one (3+1) years as per State of Utah DRE rules requirements. Sales Associates shall maintain their personal transaction files for the equivalent periods of time. The minimal paperwork that is to be submitted and kept in a transaction file shall be that found on the current Company listing or sales checklists. In transactions where a contract results, the Broker shall retain prior rejected offers for at least five (5) years.

Transferring Money Outside of Escrow

No money concerning the settlement of real property shall be transferred "outside of escrow." Conversely, all monies involved in any manner in the transaction must be revealed in the "Final Settlement Statement" (i.e HUD-1). The payment for personal property is excluded from this requirement.

Unlicensed Assistants (see Assistants)

Up-Calls (floor calls)

Any call received at the Company when an agent referral source cannot be determined will be considered an “up-call” and shall be referred directly to the Team Leader office for screening and assignment.

Vendor Referrals and Business Relationships

It is the policy of the Company not to provide referrals for related services. If an Associate elects to provide a referral of a vendor, a minimum of three (3) names shall be given, no endorsement is to be implied and the client’s obligation to independently investigate the provider prior to making their final decision must be stressed. RESPA prohibits the paying or receiving of any fee, kickback, or thing of value for the referral of any business related to settlement or closing of a federally-related mortgage loan, including, but not limited to, any services related to the origination, processing, or funding of a federally-related mortgage loan, and includes such settlement-related business as termite inspections and home warranties. RESPA does not prohibit fees, salaries, compensation or other payments for services actually performed.

If a Sales Associate performs any service for a fee, seller’s and buyer’s consent to the payment of additional compensation for services actually performed must be obtained in writing. Note: The provision of lender services of any type is prohibited with a party who is represented by the same agent of this Company regardless of the fact that the buyer’s and seller’s written consent may have been obtained.

WI4C2TS

The value system and code of conduct required by the Company of each Sales Associate is embodied in the following acronym:

Win-Win (or no deal)

Integrity (do the right thing)

Commitment (in all things)

Communication (seek first to understand)

Creativity (ideas before results)

Customers (always come first)

Teamwork (together everyone achieves more)

Trust (begins with honesty)

Success (results through people)

“Wrap-Around” Financing of a Loan (see Authorized and Unauthorized Real Estate Activities)

Not allowed except in the case of a VA assumption.

NOTE: IF A SALES ASSOCIATE IS EVER UNCERTAIN ABOUT ANY ASPECT OF HIS/HER BUSINESS, THE ASSOCIATE SHALL CONSULT WITH THE BROKER PRIOR TO TAKING ACTION.

KW Westfield Keller Williams Real Estate

Do-Not-Call Compliance Procedures

A. Overview:

In response to the Federal Communications Commission Report and Order Adopted on June 26, 2003 addressing the Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, KW Westfield Keller Williams Real Estate will implement office procedures designed to demonstrate and ensure a good faith effort to comply with the national do-not-call rules.

B. Purpose:

By adoption and utilization of these compliance procedures, as well as all other necessary steps, KW Westfield Keller Williams Real Estate will benefit from the “safe harbor” provisions of the national do-not-call rules, and will therefore not be liable for violations of the rule which are the result of error.

C. Required Procedures:

All individuals, employees, and affiliates telemarketing on behalf of the company or individual listed above shall comply with the national do-not-call rules and additional office procedures listed below:

1. All agents, when making a solicitation call, shall comply with the National do-not-call rules beginning October 1, 2003.
2. The National do-not-call list itself will be available at www.donotcall.gov. Or www.FTC.gov All agents shall maintain a record listing the do-not-call numbers. Furthermore, all agents shall “scrub” (update) that record at least once every three months.
3. Agents shall check the record before making any solicitation call.
4. Agents shall not call any telephone number contained on the record, unless they fit within one of the exceptions listed below. This applies to all calls, including those within and outside of Utah.
5. Agents may call any telephone number not listed on the record, but if the individual called asks to be placed on the “company” do-not-call list, agents shall honor their request, place their number on the record, and refrain from calling them in the future.
6. Agents shall allow the phone to ring for 15 seconds or four rings before disconnecting any unanswered call.
7. Agents shall transmit caller ID information for each call and shall not block the caller ID information.
8. Agents shall obtain express written permission before sending faxed advertisements.
9. Agents may call individuals whose number is recorded on the list if the agent has an “established business relationship” with them. The “established business relationship” exception allows agents to contact any client with whom they are currently conducting business and extends for a period of 18 months from the consummation of their last transaction. It also allows agents to contact those who have made an application or “inquiry” with them for a period of 3 months following their inquiry.
10. The established business relationship exception extends to all affiliated companies, employees or agents of the company if they are offering a service related to the type of service the company originally rendered.

11. Agents may call individuals whose number is recorded on the list if that agent has received explicit **written** permission to do so. The written permission shall be signed and shall include the telephone number to which calls may be placed.
12. Agents may call individuals with whom they have a “personal relationship,” which means those “personally known” to them such as family members, friends, and acquaintances. Note: in the case of a referral, it is not sufficient that the individual referred have a relationship with the referring source; the exception only applies to the marketer individually and his or her personal relationships.
13. If agents call anyone under one of these exceptions, and the recipient of the call asks to be placed on the company do-not-call list, then that agent shall honor their request, place the number on the company do-not-call list, and refrain from calling them in the future.
14. Agents shall read the national do-not-call rules once each year.
15. Agents shall comply with all sections and requirements contained in the national do-not-call rules, including those not listed in these procedures.
16. Agents shall participate in training on these procedures and the national do-not-call rules when offered by the company.
17. Agents shall make a good faith effort to comply with the national do-not-call rules at all times.

ACKNOWLEDGMENT AND RECEIPT

Sales Associate, _____, by signing below, acknowledges that he/she has been notified that the "Policy & Procedures Manual" is available on the brokerage's intranet and agrees that it is the Associate's responsibility to read, understand and comply with all policies as provided herein. It is further acknowledged and agreed that the Sales Associate shall accept the responsibility for staying current with all Broker policies and procedures as they are amended from time-to-time and placed on the KWW intranet website. This document forms an integral part of the Independent Contractor Agreement between KW Westfield Keller Williams Real Estate and its Sales Associates and the Broker Policy Manual is hereby incorporated in the Independent Contractor Agreement.

Sales Associate Signature

Date