



Policy and Procedure Manual

Sections

1. Welcome Statement
2. About These Policies
3. About The Company
4. Policy Manual
5. Licensing
6. Multiple Listing Service
7. Fees & Commissions
8. Fair Housing Policy
9. Harassment Policy
10. Legal Compliance
11. RESPA Compliance
12. Anti-trust
13. Agency
14. Agency-Seller Representation
15. Agency-Buyer Representation
16. Agency-Transaction Licensee
17. Agency-Designated Agency
18. Property Disclosure Obligations
19. Lead Paint Disclosure Form
20. Telephone, Fax and Electronic Mail Solicitation
21. Advertising
22. Social Networking and Blog Postings
23. Identity Theft/Confidentiality
24. Personal Transactions
25. Agent Owned Property
26. Escrow Account Policy
27. Forms
28. Personal Assistants
29. Vacations and Other Absences
30. Direct Deposit
31. Alcohol and Drugs
32. Dress Code

33. Floor Time
34. Safety
35. Litigation & Claims
36. Smoking Policy
37. Safe Driving
38. Franchise Requirements
39. Broker Provided Office Space and Supplies
40. Lock Boxes/Signs/Promotional Materials
41. Insurance
42. Listings
43. Showings
44. Training
45. Use of Firm-Owned Property, including Computers and
Other Communications Equipment
46. Confidentiality Policy
47. Conflicts of Interest
48. Cooperation with Other Agents
49. Conflict Resolution and Reporting Requirements
50. Termination of Affiliation
51. Receipt and Acknowledgment of Office Policies and
Procedures Manual

WELCOME STATEMENT

WELCOME!

On behalf of everyone at NextHome Suburban Realty, I welcome you and wish you every success here! We pride ourselves on being an exciting, empowering, and fun place for you to grow not only your real estate business, but also yourself as an individual. Many great people before us have blazed the trails to success and believed that if you aren't learning then you're not living.

As a new Nexthomie we hope you embrace the full availability of the opportunities that lay before you to help you get the most out of every day and every transaction. I am personally dedicated to each person that chooses to take this amazing journey with us and will do my very best to continue to enrich your knowledge and experiences as you grow with us. Our franchise has developed a new agent task list that is designed to make your transition to NextHome Suburban Realty as seamless as possible. And I am here to help every step of the way.

We hope that your experience here will be challenging, enjoyable and rewarding. If you have any questions or concerns at any point, please do not hesitate to ask. Again, welcome!

Sincerely,

Miles Sampson

Principal Broker/Owner

ABOUT THESE OFFICE POLICIES

The purpose of this manual is to establish a uniform system of daily conduct by and between us when dealing with each other, other members of the company, our clients, and members of the public. **You are responsible to read and review this manual and to comply with its policies and procedures.** If you have any questions, please ask the principal or managing broker.

When you review these office policies, please keep in mind that they should be regarded as guidelines only, which in a business like ours will require changing from time to time. The principal or managing broker retains the right to make decisions involving policy changes as needed in order to conduct its work in a manner that is beneficial to its employees, customers and NextHome Suburban Realty. This office policy manual replaces any and all prior handbooks, policies, procedures and practices of NextHome Suburban Realty. Certain items in this manual apply only to agents and do not apply to Firm employees.

The principal broker has an independent contractor relationship with its agents. You are considered to be an Independent Contractor for tax purposes and will receive a 1099 at the end of each calendar year. The Company will NOT withhold taxes or Social Security from your compensation. Payment of taxes and Social Security contributions are your responsibility. You are also considered an independent contractor for purposes of Unemployment Insurance. You are not subject to the minimum wage laws. Agents are not employees of NextHome Suburban Realty, and are not entitled to any employee benefits. However, agents must abide by the office policies and must strictly adhere to the professional and ethical standards in the most current version of the National Association of REALTORS® Code of Ethics. Failure to comply with Firm policies or procedures or the REALTORS® Code of Ethics may result in the end of the contractual relationship.

Nothing in these office policies is intended to alter or amend the terms and conditions of the Independent Contractor Agreement. In particular, nothing in these office policies is intended to alter the right of either party to terminate the independent contractor agreement, with or without cause, with advance notice to principal or managing broker as set forth in the Independent Contractor Agreement. Neither the policies contained in this manual, nor any other written or verbal communication by the principal or managing broker, are intended to create a contract of employment or a warranty of benefits. The policies contained herein may be added to, deleted or changed by NextHome Suburban Realty in its sole discretion, except that principal or managing broker will not modify the policy regarding the parties' independent contractor relationship in any case. No officer, employee, or other representative of NextHome Suburban Realty is authorized to enter into an agreement – express or implied – with any agent for employment. In the event of a conflict between this policy and procedure manual and your Salesperson/Broker Independent Contractor Agreement, the terms this Policy Manual shall prevail.

ABOUT THE COMPANY

The Company is licensed by the State of Michigan Department Licensing and Regulatory Affairs under the following name: Suburban Group, LLC. and is doing business as NextHome Suburban Realty (the “Company”, “Firm”, “Brokerage”). Additionally, the brokerage is a member of the Greater Metropolitan of Realtors (GMAR), and RealComp.

POLICY MANUAL

The purposes of this policy and procedure manual (the “Policy Manual”) are to establish a uniform system of daily conduct by and between us when dealing with each other, other members of the Company, our clients and members of the public. You are responsible to work in accordance with Company policies and procedures. Your failure to comply with the policies and procedures within this manual may result in your termination from this Company. This manual applies only to salespersons, and does not apply to Company staff employees.

LICENSING

You are required to maintain a valid real estate broker or salesperson license in good standing while associated with this Company. If your license expires, you may not engage in any activities on behalf of the Company for which a real estate license is required. The Broker may designate another Company salesperson to handle your prospects, listings and transactions during any time your license lapses, and allocate such reasonable compensation to that salesperson for work performed. Your Broker is charged by law to review, supervise and manage the activity of all salespersons. The Broker may rely on management and staff support to perform this function. You are expected to cooperate with Broker’s assistants in the handling of files, documents and procedures in accordance with this Policy Manual and law.

MULTIPLE LISTING SERVICE

The Company is a member of the RealComp Multiple Listing Services (“MLS”). You are required to be a member of the MLS at all times. As an MLS member, you are required to be familiar with, and adhere to, the rules and regulations of the MLS. A copy of those rules and regulations are available through the MLS. If you fail to comply with those rules and regulations, or fail to pay your MLS bill when due, you and/or the Company may be fined, suspended or expelled, and your listings may be removed from the MLS. You will be responsible for payment of any and all fines levied against you and/or the Company resulting from your noncompliance. Furthermore, your noncompliance will result in your termination from Company. You are required to maintain a current membership in the National, and Local Associations of REALTORS® at your own expense. Membership is billed Monthly and quarterly through your local association of REALTORS®.

FEES & COMMISSIONS

All fees and commissions must be made payable to the Company. You will be paid out of the fees and commissions earned by you, and for which you are the procuring cause, based on the terms mentioned in your Independent Contractor Agreement. All brokers and agents are responsible for their own National, State, and Local licensee fees and education requirements. All continuing education requirements must be met for license renewal and be submitted to principle broker or manager and will be kept on file for brokerage compliance. It is each individual’s responsibility to make sure their requirements are met with excess time for mistakes to be corrected.

Each individual desiring employment with NextHome Suburban Realty is encouraged to have a private meeting with management to discuss a compensation plan that best fits their needs. It is each individual’s responsibility to completely understand the plan they choose in its entirety and commit to that plan for a term not less than 1 year. The compensation plan discussed with management is in addition to the plan each agrees to with the NextHome franchise. Each individual is responsible for their own expenses concerning their real estate business and NextHome Suburban Realty assumes no liability or responsibility for any individual’s inability to maintain their obligations.

At the end of each calendar year or as soon thereafter as possible, the Company will provide you with an Internal Revenue Service Form 1099 setting forth compensation paid to you. Your

income earned and expenses incurred have significant tax consequences. You are encouraged to get competent independent tax advice and keep accurate records of earnings and expenses.

FAIR HOUSING

This Firm has zero tolerance for violations of the Fair Housing laws and prohibits any client, customer, agent or employee from discriminating in the provision of any of the company's services on the basis of age, sex, race, color, religion, physical or mental disability, familial status, marital status, national origin, genetic information, sexual orientation or any other protected category.

Prohibited practices may include, but are not limited to the following behaviors:

1. Refusing to show, sell or rent based on a person being a member of a protected class.
2. Different treatment/disparate treatment to persons of a protected class.
3. Steering or guiding potential homebuyers to selected areas based on where you think they need to live.
4. Discriminatory advertising that "expresses" a preference for buyers of a particular protected category.
5. Harassment (i.e., coercion, intimidation, threats, or interference with a person's fair housing rights or because a party is abiding by fair housing law).
6. Applying more burdensome criteria to applicants of protected classes.
7. Blockbusting which is defined as any illegal, discriminatory practice whereby an agent induces a property owner to list his or her property by representing that the neighborhood may change as a result of race, color, sex, religion, sexual orientation, marital status, national origin, genetic information, disability or any other protected category.

Any violation of fair housing laws or this policy must be reported to the principal or managing broker immediately. Independent contractors are prohibited from engaging in any conduct in violation of this policy and are subject to removal from their duties or activities with NextHome Suburban Realty for violations of this policy.

HARASSMENT POLICY

Introduction

It is the policy of NextHome Suburban Realty that all employees, customers and clients, independent contractors and their employees, be free of discrimination and harassment on the basis of an individual's race, color, sex, pregnancy, sexual orientation, national origin, genetic information, religion, marital status, veteran status, physical or mental disability, age or any other protected category under federal or state law. NextHome Suburban Realty will not tolerate sexual or other unlawful discrimination or harassment in the workplace or in other settings in which employees, customers and clients may find themselves in connection with their employment or agent-related business. NextHome Suburban Realty also will not tolerate any retaliation against anyone complaining of harassment or anyone who has cooperated in an investigation of harassment in accordance with this policy.

NextHome Suburban Realty takes allegations of violations of this policy seriously, and will respond promptly to complaints of harassment. Where we determine that inappropriate conduct has occurred, NextHome Suburban Realty will act promptly to eliminate the conduct and take any necessary corrective action, including disciplinary action where appropriate.

While this policy sets forth our goals of promoting a workplace that is free of unlawful harassment, the policy is not designed or intended to limit the principal or managing broker's authority to discipline or take other remedial action for any workplace conduct that we deem unacceptable, regardless of whether the conduct satisfies the legal definition of harassment. Agents are prohibited from engaging in any conduct in violation of this policy and are subject to removal from their duties or activities with NextHome Suburban Realty for violations of this policy.

Definition of Sexual Harassment

We believe that all of our employees, customers and clients have the right to a work and business environment free from all forms of unlawful discrimination and harassment. NextHome Suburban Realty will not tolerate the harassment of any employee, customer, client or other covered third party on any legally protected basis, including sex. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal, physical, and nonphysical conduct of a sexual nature when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting that individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's performance at work, or creates an intimidating, hostile, or offensive work environment.

Under this definition, direct or implied requests by someone in a supervisory position for sexual favors in exchange for actual or promised job benefits such as favorable performance reviews, salary increases, promotions, increased benefits, or continued employment constitutes sexual harassment.

The legal definition of sexual harassment is broad and, in addition to the above examples, other unwelcome sexually oriented conduct, whether it is intended or not, that has the effect of creating a workplace that is hostile, offensive, intimidating, or humiliating to male or female employees, customers and clients may also constitute sexual harassment. Sexual harassment also includes non-sexual comments and conduct that are directed at an individual because of his or her gender or otherwise motivated by gender discrimination.

Examples of Prohibited Conduct

NextHome Suburban Realty will not tolerate unlawful harassment of any employee or client or customer by anyone employed or affiliated by NextHome Suburban Realty at any level. NextHome Suburban Realty specifically prohibits harassment for any discriminatory reason. Derogatory racial, ethnic, religious, age, sexual orientation, sexual or other inappropriate remarks, slurs, or jokes will not be tolerated.

Each employee and agent must exercise his or her own good judgment to avoid engaging in conduct that may be perceived by others as harassment. Forms of prohibited harassment include, but are not limited to:

- Verbal: sexual innuendoes, epithets based on legally protected categories, derogatory slurs, off-color jokes, unwelcome sexual advances, threats, suggestive or insulting sounds, sexual jokes, written or oral references to sexual conduct, gossip or discussion about one's sex life, comments about an individual's body, comments about an individual's activity;
- Visual/Non-verbal: derogatory or sexually suggestive posters, cartoons or drawings; suggestive objects or pictures; email messages with sexual references or other references to protected categories; viewing inappropriate internet sites; graphic commentaries; leering; or obscene gestures;
- Physical: unwanted physical contact including touching, brushing up against someone; interference with an individual's normal work movement; assault; and
- Retaliation: making or threatening reprisals as a result of a negative response to harassment.

Scope of Prohibitions

Harassment includes a wide range of behaviors, from the actual coercion of sexual relations to unwelcome offensive comments, jokes, innuendoes and other inappropriate statements and unwelcome emphasizing of an individual's legally protected characteristics. It is not possible to list all of the additional circumstances and behaviors that may constitute harassment. However,

the descriptions provided in this policy serve as some examples of conduct that, if unwelcome, may constitute harassment depending on the circumstances, including the severity of the conduct and its pervasiveness.

This policy prohibits all of the activities discussed above, by all employees and agents of NextHome Suburban Realty, regardless of the position within NextHome Suburban Realty. Harassment by clients, customers or other non-employees, including agents from other firms, who are on company premises or who come in contact with Firm employees is also prohibited.

Consequences for Violating this Policy.

Harassment may be indirect or even unintentional. Violations of this policy, whether intended or not, will not be permitted. If it is determined that one of our employees or agents has engaged in inappropriate conduct, we will take such action as is appropriate under the circumstances. Such action may range from counseling to immediate termination of employment, affiliation or contract, and may include other forms of disciplinary action, as we deem appropriate under the circumstances.

Retaliation is Prohibited

All employees and agents should take special note that, as stated above, retaliation against an individual who has complained about harassment under this policy or participated in an investigation of harassment will not be tolerated, and will be treated as another form of harassment in accordance with this policy. All incidents of retaliation must be immediately reported in accordance with the reporting procedure described below.

Reporting Procedure for Discrimination and Harassment

If you observe unlawful discrimination or harassment, you must follow this reporting procedure to notify us of the problem so that we can promptly and thoroughly investigate this matter and take appropriate action. Do not allow an inappropriate situation to continue by not reporting it, regardless of who is creating the problem.

No employee or agent of NextHome Suburban Realty is exempt from its policies prohibiting harassment or discrimination.

- Any concerns should be immediately reported to the principal or managing broker.
- We will investigate reported incidents promptly and in a fair and discreet manner.
- All complaints will be considered confidential, and disclosure will be limited to those with a need to know in order to investigate the complaint and/or take corrective action.
- The investigation will include a private interview with the person filing the complaint and, where appropriate, the witnesses. We will also conduct a private

interview with the person alleged to have committed harassment. In circumstances where it is appropriate to do so, we will inform the person who filed the complaint and the person alleged to have committed the conduct of the results of the investigation.

If we determine that inappropriate conduct has occurred, we will act promptly to eliminate the offending conduct and, where appropriate, to impose disciplinary action, up to and including immediate termination of employment, affiliation or contract. NextHome Suburban Realty will also take other corrective or remedial actions, when appropriate.

We encourage reporting of complaints so that we may appropriately address and correct any problems. An employee or agent who participates in good faith in any investigation under this policy has NextHome Suburban Realty's assurance that it will not tolerate any retaliation against him or her as a result of bringing the complaint or otherwise participating in the process. All employees and agents are expected to be truthful, forthcoming, and cooperative in connection with a complaint investigation.

LEGAL COMPLIANCE

In addition to any obligations set forth in this Manual, you are required to comply with all federal and Pennsylvania laws, including but not limited to RESPA, all regulations, rules and orders from the Pennsylvania Real Estate Commission and the current REALTOR® Code of Ethics. If you have any questions or concerns, you should promptly consult your principal or managing broker.

Agents are responsible for maintaining strict compliance with license law for all of the states in which they are operating. Examples of compliance include, but are not limited to: meeting ongoing education requirements, maintaining license renewal, and having a working knowledge

of all regulations and staying abreast of changes to the current rules and regulations which can be obtained from the licensing authority of each state through their respective websites. Agents

may be required to participate in special training workshops or meetings to fully understand the specific duties of new regulations or changes in license law.

RESPA COMPLIANCE

As an agent affiliated with this Firm you are required to comply fully with the Real Estate Settlement Procedures Act (“RESPA”) at all times.

Generally speaking, RESPA prohibits kickbacks, referral fees, receiving unearned fees or receiving a “thing of value” for the referral of business related to a real estate transaction. RESPA also prohibits the splitting of any settlement charge except for paying for actual services rendered at fair market value. In addition to being an anti-kickback act, RESPA is a disclosure act as well. This does not mean, however, that a kickback or unearned fee that is disclosed is legal. A RESPA violation can occur whenever there is a thing of value that is to be given in exchange for a settlement service referral. The agreement can be implied from the circumstances or from historical patterns and practices. Thus, an oral agreement to provide a referral fee to a settlement provider is a violation of RESPA just as a written agreement to do so would be. As a member of this Firm you are not permitted to accept any form of an incentive from any person affiliated with any settlement service. This would include the settlement service provider agreeing to pay costs that you normally would incur as part of your brokerage activities. Likewise, you cannot provide any gifts, bonuses or incentives to any settlement service providers as well.

It is particularly important to contact your principal or managing broker if you have, or are considering having, any affiliated business arrangements, as such arrangements raise particular issues with respect to RESPA compliance.

If you ever are in doubt or have a question regarding whether proposed conduct might violate RESPA, you are required to immediately contact your principal or managing broker to discuss this issue.

ANTITRUST

NextHome Suburban Realty will not tolerate any conduct that would expose it to potential antitrust liability. Agents must participate in antitrust education to fully understand the principles of antitrust law. Courses are often available at the local Association of REALTORS®.

This manual is no substitute for proper antitrust education. However, to give you a basic guideline of the key issues normally affecting real estate agents with respect to antitrust law, the following information is provided. The two main areas where real estate brokerage activities may impact antitrust law are in the area of price or commission fixing and boycotts. Antitrust law precludes agents from agreeing to fix their prices which would have the purpose or effect of eliminating or restricting competition. This means that two or more real estate firms may not agree on what commission rate they will charge each other. Such conduct would be a per se violation of the antitrust laws. This rule applies to principal and managing brokers as well as salespeople. In particular, salespeople must avoid any actions which would suggest or imply a desire to fix prices. Similarly, agents may not agree to fix commission splits for the same reason. A firm must unilaterally and independently select what their cooperative compensation policies shall be. Antitrust law also restricts the ability to reach agreement relative to the other terms or conditions of the brokerage agreements with customers. For example, it would be problematic to reach an agreement with other competitors as to a standard length of time for a listing or buyer representation agreement.

The other aspect of antitrust law that impacts real estate brokerage activities is the prohibition on group boycotts. Group boycotting is typically a per se violation of antitrust laws. This concept refers to a concerted refusal to deal with a particular party. An example of such conduct would be an agreement among brokerage firms not to deal with a brokerage firm employing a different business model.

The National Association of REALTORS® provides extensive information and guidance on antitrust law and you are encouraged to use the realtor.org website for additional information to assist you in remaining in compliance with the antitrust laws.

The following are general principles that should be adhered to:

- Commission rates to be based upon the cost of services provided, the value of the services to clients, and competitive market conditions. Commission rates are not determined by agreement with, or recommendation or suggestion from, any person not a party to a listing agreement.
- Salesperson affiliated with NextHome Suburban Realty shall not participate in any discussion concerning the commission rates charged by NextHome Suburban Realty with any person affiliated with, or employed by, any other real estate Firm.
- When soliciting a listing, or negotiating a listing agreement, no salesperson affiliated with NextHome Suburban Realty shall make any reference to a “prevailing” commission in

the community, the “going rate”, or any other words or phrases which may suggest that commission rates are uniform or “standard” in the market area.

- The amount of cooperative compensation, or “commission split”, offered by NextHome Suburban Realty to cooperating brokers to be determined by the level of service you can expect a cooperating office to perform, and the amount of compensation necessary to induce cooperation under prevailing market conditions. Commission splits are established unilaterally by NextHome Suburban Realty, and are not intended, and may not be used, to induce or compel any other real estate Firm in the marketing area to raise or lower the commission they charge to their client.
- When a salesperson is unsure about the proper way to respond to the concerns of an actual or potential client or customer, or whenever a salesperson has been present during an authorized discussion of fees or commission, he(she) should contact the principal broker or sales manager immediately. If necessary, the broker or manager to consult NextHome Suburban Realty’s attorney.

AGENCY

This Firm practices the traditional model of agency. This means that we represent buyers and sellers and will act, when appropriate and properly consented to, as dual agents. You are authorized as a member of this Firm to act as a **buyer's agent, seller's agent, designated agent**. You are not allowed to enter into another relationship with a consumer without the terms of the other relationship being identified and approved by the principal or managing broker.

Dual Agency: While Dual Agency is allowed in this brokerage, it is not encouraged. You must get consent from all parties including your Principal Broker/ managing broker.

You must use GMAR's/ AABOR standard Agency Contract Agreements or forms authorized by NextHome Suburban Realty. You are not authorized to modify any of the terms of the standard forms or Firm forms without the consent in advance of the principal or managing broker.

Remember, as part of your **first business meeting** with the consumer, you must provide the consumer with the Agency Disclosure form.

In order for the consumer to become a client, you must execute the appropriate Seller/ Buyer Representation Agreement to indicate that they have hired you as their agent.

As a Michigan REALTOR®, you are obligated to abide by the REALTOR® Code of Ethics. You also owe NextHome Suburban Realty's clients the duties of: loyalty, obedience, disclosure, confidentiality, reasonable care, diligence, and accounting. Simply put, this means that you should at all times use your best efforts and skills as a trained REALTOR® to achieve the best possible result for your client, given your client's circumstances.

This Firm also authorizes you to act as a dual agent. However, to do so, you must strictly comply with all the requirements of Michigan law. At the outset, this means that the consent to dual agency box needs to be checked on the Listing or Buyer Representation Agreement. Additionally, once it becomes clear that there is a specific situation giving rise to the possibility of a dual agency transaction, you must make sure that both Firm clients are advised of the business relationship on two (2) documented separate occasions. You must have Broker approval prior to working in dual agency. This must be executed as soon as possible and in any event **before** a written offer to purchase the property is submitted.

If, for whatever reason, one or both of the parties to the potential dual agency transaction refuses to agree to the agency representation, then you need to report this fact to your principal or managing broker immediately so a mutually agreement of agency may be obtained. As part of our customer service role, you will help facilitate any ongoing transition so that it is as smooth as possible.

Remember, that once you are in a dual agency situation, you must act with strict neutrality towards both clients. You can perform administrative functions, but you are no longer to advise or counsel your client with respect to specific strategies or tactics because you must not favor one party over the other.

The law does allow a single agent to represent both parties to a transaction at the same time. The same consent procedure as outlined above is applicable and must be followed. However, this is a very difficult position for an agent to be in as a practical matter and creates significant potential liability concerns. Therefore, it is NextHome Suburban Realty's policy that an agent is not allowed to act as a single agent acting in dual agency without the express consent in advance from the principal and managing broker. NextHome Suburban Realty's policy is that even in a brokerage dual agency transaction it is usually better for each party to have a different agent as the contact person.

Regardless of the agency relationship you undertake on behalf of a client, you are obligated by law to preserve the confidential information you receive from a party. You are only authorized to release such information with the consent of the party who provided the information, if the information is made public from a source other than yourself or if disclosure is required to defend yourself against a claim of wrongful conduct. Before releasing any information that could be considered confidential, you are instructed to contact the principal or managing broker to ensure that disclosure is appropriate.

As part of your representation, you need to provide your client with original signed documents. Retained copies of all documents related to the transaction must be maintained in a transaction file at the office. This requirement includes all marketing materials, offers (even if rejected), drafts, addenda, disclosure statements, public records about the property, inspection reports, lead paint disclosure form (if applicable), purchase and sale agreements, all correspondence or notes concerning the transaction, a copy of the HUD-1 and/or Closing Disclosure, and any other account records. You need to ensure that your email communications are saved on NextHome Suburban Realty's server or, if you use a personal account, copies are saved in the appropriate transaction files at the office. Documents kept at home must be in a secure location and easily accessible if requested by any party privy to the agreement. These records must be kept at least 7 years. All documents must be submitted to broker at time of signing.

AGENCY – SELLER REPRESENTATION

As a seller's agent you owe, by law, to your client the duties of loyalty, obedience, disclosure, confidentiality, reasonable care, diligence and accounting. Simply put, this means that you should at all times use your best efforts and skills as a trained REALTOR® to achieve the best possible result for your client given your client's circumstances.

Please remember that as part of your duties, you are required to have your client complete the Agency Disclosure form at the first business meeting. Then you and your client need to complete together the appropriate Listing Agreement, as set forth on the GMAR forms, or forms authorized by this Firm. Do not modify the terms of the GMAR Listing Agreement, or forms authorized by this Firm, without the express consent in advance of the principal or managing broker.

As part of your relationship, you owe the client the duty of confidentiality with respect to information they have provided. You are only authorized to release confidential information if the seller consents to you doing so, the information is released by a source other than yourself, or if you are required to disclose the information to protect yourself against a claim for wrongdoing. If you encounter a circumstance where there is a potential need to disclose what could be considered confidential information, you need to contact your principal or managing broker and obtain their approval before doing so.

As part of your representation, you need to provide your client with original signed documents. Copies of all documents related to the transaction must be maintained in a transaction file at the office. This requirement includes all marketing materials, offers (even if rejected), drafts, addenda, disclosure statements, public records about the property, inspection reports, lead paint disclosure form (if applicable), purchase and sale agreements, all correspondence or notes concerning the transaction, a copy of the HUD-1 and/or Closing Disclosure, and any other account records. You need to ensure that your email communications are saved on NextHome Suburban Realty's server or, if you use a personal account, copies are saved in the appropriate transaction files at the office. Documents kept at home must be in a secure location and easily accessible if requested by any party privy to the agreement. These records must be kept at least 7 years. All documents must be submitted to broker at time of signing.

AGENCY – BUYER REPRESENTATION

As a buyer's agent you owe by law to your client the duties of loyalty, obedience, disclosure, confidentiality, reasonable care, diligence and accounting. Simply put, this means that you should at all times use your best efforts and skills as a trained REALTOR® to achieve the best possible result for your client given your client's circumstances.

Please remember that as part of your duties, you are required to have your client complete the Agency Disclosure form at the first business meeting. Then you and your client need to complete together the appropriate Michigan Association of Realtors Exclusive Buyer Agency Contract (Designated Agency), or forms authorized by this Firm. Do not modify the terms of the Michigan Association of Realtors Exclusive Buyer Agency Contract (Designated Agency), or forms authorized by this Firm, without the express consent in advance of the principal or managing broker.

As part of your relationship you owe your buyer client the duty of confidentiality with respect to information they have provided. You are only authorized to release confidential information if the buyer consents to you doing so, the information is released by a source other than yourself or if you are required to disclose the information to protect yourself against a claim for wrongdoing. If you encounter a circumstance where there is a potential need to disclose what could be considered confidential information, you need to contact your principal or managing broker and obtain their approval before doing so.

As part of your representation, you need to provide your client with original signed documents. copies of all documents related to the transaction must be maintained in a transaction file at the office. This requirement includes all marketing materials, offers (even if rejected), drafts, addenda, disclosure statements, public records about the property, inspection reports, lead paint disclosure form (if applicable), purchase and sale agreements, all correspondence or notes concerning the transaction, a copy of the HUD-1, and escrow account records. You need to ensure that your email communications are saved on NextHome Suburban Realty's server or, if you use a personal account, copies are saved in the appropriate transaction files at the office. Documents kept at home must be in a secure location and easily accessible if requested by any party privy to the agreement. These records must be kept at least 7 years. All documents must be submitted to broker at time of signing.

AGENCY – TRANSACTION LICENSEE

Pursuant to Michigan Real Estate law, a Firm may enter into a transaction agency agreement with a party. As a transaction agency, you do not owe fiduciary duties to either party to the transaction. You are assisting one party but you are not representing either party in the transaction. You still have the same statutory obligations to disclose material conditions affecting the property about which you have actual knowledge.

DESIGNATED AGENCY

NextHome Suburban Realty practices designated agency. This means that we represent buyers and sellers but will do so under a designated agency format and not the traditional model of agency. As a practical matter, this means that, except in two limited situations, by appointing designated agents NextHome Suburban Realty and its agents will not act in a dual agency capacity. In designated agency, the appointing agent, if he or she appoints both agents for a transaction, shall be considered a dual agent and must remain neutral. Additionally, if a single agent is the designated agent for both parties to a transaction, then that single agent will be a dual agent and must comply with all dual agency requirements.

Because of how we operate, you are required to use the specified designated agency listing and buyer representation agreements available from GMAR/ MAR or Firm approved forms. You are not allowed to modify listing agreement or buyer representation agreement forms without the consent in advance of the principal or managing broker

Remember, as well, that as part of your first business meeting with a potential client you must provide the potential client with the Michigan Agency Disclosure form.

The client must execute the appropriate Listing Agreement or Buyer Representation Agreement form as provided by GMAR/ MAR, or forms authorized by this Firm, to confirm that you have been hired as their agent.

This requirement is necessary because, as a firm practicing designated agency, none of the other agents in NextHome Suburban Realty owe a fiduciary duty to or responsibility to that client. The only individuals that do are the specific agents designated on the Representation Agreement, and the principal broker and/or the managing broker who maintains supervisory responsibility.

As an office, when a designated agent is appointed, information known or acquired by the designated agent shall not be imputed to other licensees within the same Firm.

As a designated agent, you have a duty of confidentiality. You must take steps to ensure that any information you obtain or receive from your client is not shared with any other member of

NextHome Suburban Realty except the principal or managing broker. You need to instruct the potential client that they should only relay information directly to you or the other specific designated agent and no one else. Your client should not leave messages in a general mailbox or send faxes to a main number.

The principal or managing broker will maintain restricted transaction specific files segregated by party and will limit access to those files to only those agents who are the designated agents for the particular client. As an agent, you are not permitted to access any client's file unless you are the designated agent for that party. You also need to take steps to avoid obtaining otherwise confidential information.

As designated agents, even if there is another designated agent working with another party in the same transaction, you each owe the full fiduciary duties to your clients of loyalty, obedience, disclosure, confidentiality, reasonable care, diligence and accounting. Simply put, this means you should at all times use your best efforts and skills as a REALTOR® to achieve the best possible result for your specific client, given your client's circumstances, regardless of whether another designated agent in NextHome Suburban Realty is representing the other party.

As part of your relationship you owe your specific client the duty of confidentiality with respect to information they have provided. You are only authorized to release confidential information if the buyer consents to your doing so, the information is released by a source other than yourself, or if you are required to disclose the information to protect yourself against a claim for wrongdoing. If you encounter a circumstance where there is a potential need to disclose what could be considered confidential information, you need to contact your principal or managing broker and obtain their approval before doing so.

You have a duty to provide your client with original signed documents. Copies of all documents related to the transaction must be maintained in a transaction file at the office. These files will be maintained by the principal or managing broker to ensure confidentiality within the office. This requirement includes all marketing materials, offers (even if rejected), drafts, addenda, disclosure statements, public records about the property, inspection reports, lead paint disclosure form (if applicable), purchase and sale agreements, all correspondence or notes concerning the transaction, a copy of the HUD-1, and escrow account records. You need to ensure that your email communications are saved on NextHome Suburban Realty's server or, if you use a personal account, copies are saved in the appropriate transaction files at the office. Documents

kept at home must be in a secure location and easily accessible if requested by any party privy to the agreement. These records must be kept at least 7 years. All documents must be submitted to broker at time of signing.

PROPERTY DISCLOSURE OBLIGATIONS

The Real Estate Seller Disclosure Law requires that before an agreement of sale is signed, the seller in a residential real estate transfer must make certain disclosures regarding the property to potential buyers in a form defined by the law. A residential real estate transfer is defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL DWELLING UNITS** are involved. Disclosures for condominiums and cooperatives are limited to the seller's particular unit(s). Disclosures regarding common areas or facilities are not required, as those elements are already addressed in the laws that govern the resale of condominium and cooperative interests. NextHome Suburban Realty's policy is to disclose the maximum amount of information possible to the respective parties to a potential real estate transaction, consistent with our obligations to fully and diligently represent our clients. Pennsylvania law requires that we disclose all **known** defects concerning the property about which we are actually aware. You may not be willfully blind to a potential problem on the property. If you have a doubt or concern about whether information should be disclosed to the other side, you should speak with your principal or managing broker to obtain guidance on the issue.

NextHome Suburban Realty's policy is that information about the property should be disclosed, by the seller on the Seller Disclosure form. The **seller, not you**, needs to fully complete the Seller Disclosure form. If there are blanks or gaps, counsel the seller to put down all material information about the property or mark the item as "unknown". If a seller does not wish to complete the Seller Disclosure form, immediately inform your principal or managing broker who will then decide whether you will be allowed to continue listing the property. If new information comes to light later during the listing period, purchase negotiations, or while a sale may be pending, it is NextHome Suburban Realty's policy to have the seller update the Seller Disclosure form and create a new amended Seller Disclosure form. Do not make verbal disclosures yourself or suggest that you are the source of information about the property. You must specifically identify the source of the information so that the recipient of the information understands that you are relaying the information only.

If you are aware of conditions surrounding the property but not actually on the property itself that you believe reasonably might influence a buyer's decision to purchase the property, contact your principal or managing broker to discuss whether that information should be disclosed to a prospective purchaser. Again, NextHome Suburban Realty's policy is to err on the side of disclosure as that policy best protects you, this Firm and its clients.

LEAD PAINT DISCLOSURE FORM

If you are involved in a potential sale or lease of a residential property built prior to 1978, it is a requirement that the Disclosure of Information on Lead Based Paint and/or Lead Based Paint Hazards form needs to be fully completed by all parties to the transaction. This form needs to be completed prior to an offer being accepted on the property unless the buyer has the unconditional right to withdraw the offer upon receipt and review of the Lead Paint Disclosure form.

Additionally, you should only use the form if the property was built prior to 1978 or has components in the existing structure that were built and existing in the structure prior to 1978. An example of this would be a building that was substantially rehabilitated but that contained certain components that predated 1978. For homes built after 1978 use the Michigan-Language for Sellers Acknowledgement Lead-Based Paint (built after 1978) (Rev 7/96).

The form needs to be completely filled out by the buyer and seller. Regardless of whether you are on the buyer's side or a seller's side of the transaction, it is your responsibility as real estate agents to ensure full compliance with the completion of the disclosure form. All the boxes need to be checked, including the box where the purchaser indicated it has received copies of all information listed above, even if no actual information has been provided by the seller because the seller does not have any reports or records. The seller, the purchaser and the agents also need to initial, sign and date the form.

This form must be kept in the transaction files and fully completed. If you have any questions or concerns about how to complete the form or whether the form is applicable, please contact your principal or managing broker immediately. Penalties for non-compliance can be severe, so strict compliance with these requirements is mandatory.

Federal law requires contractors that disturb lead-based paint must be certified and follow specific work practices to prevent lead contamination.

TELEPHONE, FAX AND ELECTRONIC MAIL SOLICITATION

The Telephone Consumer Protection Act Do-Not-Call provision became effective May 11, 2003. Subsequent amendments extend its powers to unsolicited faxes, mobile wireless devices and commercial e-mail. The restrictions apply to the marketing activities of real estate agents for both interstate and intrastate solicitations and advertisements.

All agents who are sending unsolicited faxes or emails are responsible for screening their prospects against the Office Do-Not-Call list. Agents who contact an individual who requests not to receive future communications must record the name, telephone number called and date and time of the call. This information must be immediately reported to the principal or managing broker for inclusion in the office specific Do-Not-Call list.

Because of the Federal Do-Not-Call requirements, you are not authorized to contact a prospective client by telephone unless: (1) that prospective client has contacted NextHome Suburban Realty within the last three months and you are returning the call; (2) you or someone else in NextHome Suburban Realty has had a signed representation agreement with that person within the last eighteen (18) months; (3) a FSBO sign includes their telephone number and does not say “no agents”; or (4) you are calling based on information from a referral source and the referral source has obtained permission for you to call. If none of those exceptions apply, you are not to contact a consumer by telephone without the advance consent of the principal or managing broker and without reviewing a current copy of the Do-Not-Call List. The Do-Not-Call List should not be more than fourteen (14) days old. If at any time, a person asks you to end a call with them, please do so politely and immediately. Never call before 8:00 a.m. or after 9:00 p.m. (consider the time zone).

Similarly, with respect to email solicitations, you must comply with the Can Spam requirements set forth by the Federal Trade Commission. The emails must contain your return email address and the postal address of NextHome Suburban Realty. The email must also contain a conspicuous notice that the recipients may opt out or decline to receive any future messages and you must have in place an ability to track and remove recipients from the message group for at least thirty days after you have sent out the mail. Finally, you must have a clear, conspicuous notice that the message is an advertisement or solicitation.

Finally, do not send unsolicited facsimile solicitations.

Because of these rules, you are not allowed to send out any bulk electronic mail or fax solicitations without reviewing the content first with the principal or managing broker.

ADVERTISING

The term “*media*” is interpreted to mean **any** form of promotion, including but not limited to print, electronic, billboard, signs, the internet, social networking, and or any other form of display.

All advertisements and collateral marketing materials must include the name of NextHome Suburban Realty and its logo with correct colors, conspicuously, and either the principal broker or agent’s name. Additionally, if an agent uses a personal number, it must be identified as such, and the number for NextHome Suburban Realty must also be prominently displayed and specifically identified. The Company's name and/or logo must be include in all advertisements and conform to the Company's Branding & Marketing Guidelines for NextHome.

All business cards, signs, and stationery must be ordered through NextHome preferred vendors. To order material, and to view preferred vendors, sign in to your NextHome account. You are responsible for adhering to all requirements and guidelines found in the document Branding & Marketing Guidelines for NextHome. All advertising must be approved by the Company before your placement or use. You are responsible for adhering to all requirements and guidelines found in the Branding & Marketing Guidelines for NextHome. You may only advertise property actually listed for sale by the Company. Anytime you advertise property you must include the term "Broker," "agent," "licensee" or "REALTOR®." All advertising words and content are and shall remain the property of the Company whether created by you and/or the Company.

As an associate and licensee, you have both a legal and ethical obligation to be truthful when advertising property or services. All advertising must comply with all state and federal advertising requirements as well as the NAR Code of Ethics. Any false or misleading advertisement will immediately be withdrawn by the Company. Legally, you may be held liable for fraud, intentional misrepresentation, or negligent misrepresentation if you make material false statements or material omissions in an advertisement. Additionally, you may face disciplinary action from the Real Estate Commission.

The use of the name REALTOR® must be used in compliance with the National Association of REALTORS® guidelines governing the use of that name and mark. Those guidelines are available on-line at: www.realtor.org.

SOCIAL NETWORKING AND BLOG POSTINGS

Postings on social networking sites such as, but not limited to, Twitter, Facebook, LinkedIn and MySpace, as well as on blogs has become increasingly common. NextHome Suburban Realty allows agents to use such social networking sites in the course of their business activities while connected to the office wifi or office equipment. NextHome Suburban Realty prohibits agents from any such postings, viewings, or in any way participating in such sites in a negative, unethical, or unprofessional way while using any of the resources or equipment of the company. NextHome Suburban Realty's internet resources are only to be used in professional, positive, and promoting format and in accordance with the office rules and policies on confidentiality, harassment, use of the internet and use of office equipment.

NextHome Suburban Realty neither encourages nor discourages any of its agents from posting on social networking sites or blogging using their own equipment. However, agents should be aware that these postings are public; even if access to them is restricted they may be forwarded out of the restricted group by those who have rightful access, and live on virtually forever. And, even if a posting is taken down it never truly disappears but rather continues to exist somewhere in cyberspace. As a result, agents need to be mindful that internet postings (whether images or comments), even though done on your own time and using personal equipment, can cause damage to not only your own reputation and interests but also the reputation and interests of NextHome Suburban Realty, employees of NextHome Suburban Realty, the principal broker, clients, and the public we service.

Should you choose to blog or participate in any social networking site on your own time, using your own resources and equipment, you are required to follow these guidelines:

1. You must never disclose any confidential information of NextHome Suburban Realty or any information whatsoever about our employees or clients.
2. Your postings must not violate any laws or policies of NextHome Suburban Realty, including but not limited to harassment, or confidentiality of Firm employees or clients.
3. Your postings must comply with the REALTOR® Code of Ethics and the statutes and regulations governing advertising by real estate licensees. In particular, current license law requires you to comply with all advertising requirements when you post information on such sites. This means that posts must include all the information required to be provided when you produce traditional advertising.
4. Your postings should be respectful to the company, Firm employees, clients, and competitors.
5. For non-real estate transactions, you need to ensure that the views, opinions, ideas or information you express are yours and are not in any way attributable to the company.

Agents should report violations of this policy to the principal broker or managing broker. It is the responsibility of all agents and employees to help NextHome Suburban Realty ensure compliance with the policy. Violation of any aspect of this policy is subject to disciplinary action, up to and including termination of the agency relationship, regardless of whether such conduct occurred away from work or on non-work time.

IDENTITY THEFT/ CONFIDENTIALITY

Identity theft is a growing concern. So, it is essential that you treat with care and confidentiality all files containing names, addresses, phone numbers, social security numbers, credit card information or any other personally identifiable information. You must assure that any files containing such information that remain in your possession be kept in a secure location and disposed of properly.

PERSONAL TRANSACTIONS

You may buy or sell property for your personal account. You must disclose in writing that you are a real estate licensee whenever you buy or sell property in which you have an ownership interest, or where you have a special relationship with a buyer, or where there is a possibility that you could acquire indirectly a financial or legal interest in the property.

AGENT OWNED PROPERTY

Any property in which you have, or will acquire, an ownership, financial or other legal or other interest, is “Agent-Owned Property.” The Company’s E&O Insurance Policy governs coverage of the sale or purchase of any Agent-Owned Property. In any sale or purchase of Agent-Owned Property not covered by the E&O Insurance Policy, you shall be solely responsible for costs of defense, settlement or judgment on any claim, suit or action of any nature arising therefrom.

In the event you are selling or purchasing Agent-Owned Property, you must:

- (a) Notify the Broker in advance;
- (b) Obtain, in advance, your Broker approval of all marketing material and disclosure documents; any purchase contract provisions prior to their execution; and any correspondence or other writings that pertain to the purchase or sale;
- (c) Not representing buyers or prospective buyers in the sale of Agent's Property;
- (d) Notify the Broker immediately in the event that any of the Company's agents writes an offer on your property.

ESCROW ACCOUNT POLICY

Funds held by NextHome Suburban Realty will be released only at the time of closing or as otherwise agreed in writing by the respective parties to the transaction, or by court order.

Funds must be deposited in a Title Escrow Company's non-interest bearing account within 48 hour of accepted contract. NextHome Suburban Realty does not hold Earnest Money Deposits.

When you are representing a buyer you must ensure that earnest money deposits are made payable directly to the company and reported to Broker. IT IS ILLEGAL AND UNPERMISSIBLE TO RECEIVE FUNDS IN YOUR PERSONAL NAME OR ACCEPT CASH PAYMENTS FROM CLIENTS.

All agents are required to promptly deliver to the title company, of clients choice, any funds pertinent to any purchase agreements. At no time should it take more than Forty-Eight hours for the escrow funds to be delivered to the Title Company for depositing into their escrow account. If the check does not clear, the agent must immediately contact NextHome Suburban Realty's client and address the situation appropriately.

If a transaction falls through or a dispute arises over a transaction and one party requests the deposit funds, the agent is not authorized to agree to release the funds absent the express permission of the managing or principal broker. If there is a dispute, NextHome Suburban Realty cannot take sides. Instead, NextHome Suburban Realty will advise the parties to the transaction that they both need to reach an agreement in writing as to how the escrow deposit should be allocated. Failing that, NextHome Suburban Realty will advise the parties involved in the transaction that NextHome Suburban Realty will file an interpleader action with the Court to allow the Court to determine who is entitled to the deposit.

FORMS

Unless NextHome Suburban Realty provides you with specific forms for use in your practice, you are to utilize the forms that exist in the forms library prepared by GMAR. If you have any questions about the appropriate use of a form, you should contact the principal or managing broker for clarification. As an agent, you are authorized to fill in the blanks in the spaces on the GMAR forms where factual information is requested. If you have concerns about what you propose to add to a form, please consult with your managing or principal broker.

Your files are a record of every event relative to your dealings with your client on a listing or sale transaction. You must retain copies of all listings, deposit receipts, cancelled checks, trust records, and other documents executed by you or obtained by you in connection with a real estate transaction, whether the sale is consummated or not. You must maintain a neat and orderly file on every listing and sale on which you work. All files are the property of the Company and are to remain either in your possession or the Company's possession until the file is closed. All closed files will be promptly returned to and remain with the Company for storage. All files will be held in storage a minimum of three (7) years in accordance with real estate law after which time they may be destroyed in accordance with the Company's document storage policy.

You must submit all signed documents to the Broker or his/her designee in 48 hours after receipt by you. The Broker will review the document for completeness and accuracy. Remember, your file must be **full and complete** to receive compensation.

File Requirements. Your file must include all required documents.

Get It In Writing. As a general rule, all agreements must be in writing. In fact, if you don't have a written agreement with the principal, you may not receive your commission. If you discuss anything with any party or another broker/agent, always confirm your discussions and understanding with a written follow-up to that party or broker/agent. Never sign anything on behalf of your client, another agent or anyone else.

Agents may use any electronic signature system they choose. To submit sales docs agents are to use the DocuSign DTR on the NextHome intranet.

PERSONAL ASSISTANTS

NextHome Suburban Realty will allow agents to take on the services of an unlicensed or licensed personal assistant only with written consent by the principal or managing broker, which must include consensus as to cost implications, use of office space and resources. Agents will be responsible for the supervision of their personal assistants with respect to all compliance issues including NextHome Suburban Realty's policies and procedures.

If you choose to employ a personal assistant, you, as an independent contractor, are permitted to do so but you must adhere strictly to the guidance published by the Pennsylvania Real Estate Commission regarding what activities may be undertaken by an unlicensed or licensed personal assistant. The guidance is available on the Commission's website. Unless NextHome Suburban Realty enters into an independent contractor or employment agreement with your personal assistant, NextHome Suburban Realty shall have no obligations to and shall provide no benefits to the personal assistant. In keeping with PA license Law, a licensed personal assistant will be required to hang their license with NextHome Suburban Realty and if the compensation agreement for the licensed personal assistant is based on commissions, they must be paid directly by NextHome Suburban Realty. Additionally, NextHome Suburban Realty requires a licensed personal assistant to maintain membership in good standing with a Board of REALTORS®.

You are required to have a written agreement with your personal assistant that expresses the nature of the relationship and each party's duties and responsibilities. NextHome Suburban Realty shall be given a copy of the agreement for its approval and records prior to its effective date.

To the extent the law requires Workers Compensation insurance for the assistant; it shall be your sole responsibility to provide it. Agents should discuss this situation with a Workers

Compensation insurance representative, and/or check out the Pennsylvania Department of Labor, Worker's Compensation website found at www.labor.state.nh.us.

VACATIONS AND OTHER ABSENCES

As an independent contractor, you are entitled to schedule vacations and other time away from work without prior approval. However, you must advise the principal or managing broker in writing regarding your plans for time away from work and how your pending transactions and other professional obligations will be handled in your absence.

DIRECT DEPOSIT

All pay will be distributed through a direct deposit program. Pay will be initiated on the following Business of when the commission check clears from the title company. Adjustments made for holidays.

ALCOHOL AND DRUGS

Possession, use, sale or being under the influence of alcohol or drugs on Firm premises or while conducting Firm business is prohibited.

DRESS CODE

NextHome Suburban Realty is a professional real estate industry office and therefore expects all brokers and agents to dress as such while doing business as a representative of the brokerage. Brokers and agents are expected to dress conservatively and professionally with character and integrity not only in themselves, but also in the franchise and brokerage they represent. Management has the right at any time request a broker or agent make changes to attire or hygiene that management feels inappropriate. This policy can be adjusted at any time to address specific areas and to impose guidelines if necessary.

FLOOR TIME

There is no required office floor time at NextHome Suburban Realty. Agents are responsible for their own prospecting and recruiting of clients. NHSR will cycle out, on a rotating basis, any leads generated through company promotion to agents that have agreed to receive such leads in accordance with the Compensation Plan.

SAFETY

To assist in providing a safe and healthy working environment for employees, agents, customers and visitors, NextHome Suburban Realty will continually work to provide information to agents about workplace safety and health issues through regular internal communication such as meetings, bulletin board postings, memos or other written communication. Some of the best safety improvement ideas come from individuals in the workplace. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with the

principal or managing broker. Reports and concerns about safety in NextHome Suburban Realty's workplace may be made anonymously. All reports can be made without fear of reprisal.

Each agent is expected to obey safety rules and to exercise caution in all work activities. Agents must immediately report any unsafe condition to the appropriate supervisor. Agents who violate safety standards, who cause hazardous or dangerous situations, or who fail to report, or where appropriate, remedy such situation, may be subject to termination of the contractual relationship.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, agents should immediately notify the principal or managing Broker.

In addition, agents are encouraged to obtain a copy of safety recommendations and guidelines as published by NAR from their local board for prudent practices while showing properties.

LITIGATION & CLAIMS

You are required to:

Promptly notify your Broker of any claim or potential claim made against you and/or the Company, including any demand received by you for money or services alleging a negligent act or omission; any notification of the commencement of a lawsuit, arbitration or mediation process; or any written or verbal notice or threat that anyone intends to hold you and/or the Company responsible for any alleged wrongdoing.

Cooperate with the Company in the defense of a claim.

Promptly pay to the Company any amounts due hereunder upon notice to you from the Company.

When a claim or demand is made, or a lawsuit or other action is filed, against either you or the Company by a third party which alleges any breach of any duty, error or omission, or negligence in the performance of "Professional Services," as that term is defined in the Company's Errors & Omissions Policy of Insurance, for activities covered by the Insurance Policy, then the Company shall defend the claim, and the cost of such defense shall be allocated as set forth herein.

The Company has the right to make all decisions concerning the defense of the claim, including choice of counsel. In the event you object to any decision made by the Company, you may obtain your own attorney at your own expense; however, you shall not be relieved from the obligation to pay your portion of the cost of the claim as set forth herein.

Allocation of Costs of Defense

Except as provided below, the cost of defense of the claim, or to defend or protect against any potential or possible Claim where the Company or you are not involved as a party, including attorney's fees, and the cost of any settlement or a judgment (collectively the "Costs of Defense"), shall be allocated between the Company and you in the same percentages as per your Independent Contractor Agreement or prospective transaction that led to the Claim, whether or not the transaction actually closed.

You shall be responsible for all Costs of a claim if you fail to follow any law, regulation or Company policy as set forth in this Policy Manual, and that failure results in a judgment or other final adjudication based on that failure.

You shall be solely responsible, and shall reimburse the Company, for all of the Company's Costs of Defense if a judgment or other final adjudication on any claim adverse to the Company and/or you:

- (a) establishes that dishonest, fraudulent, criminal, or malicious acts, errors or omissions were committed; or,
- (b) results in a finding of intentional tort, slander, defamation or any conduct which leads to the imposition of punitive, exemplary or multiple damages, or fines or penalties; or,
- (c) establishes discrimination on the basis of race, creed, religion, ethnic background, national origin, age, sex, handicap, familial status, physical disability, sexual preference, or any other unlawful classification; or,
- (d) results in a finding of pollution or any wrongful act in connection with any such pollution, including the discharge release or escape of any hazardous materials as defined in the Insurance Policy; or,
- (e) results in a finding of any liability for claims for damage to property or death or injury to persons arising out use, removal or exposure to goods or products, in any form, composed in whole or in part of lead, asbestos or asbestos related materials.

SMOKING POLICY

Smoking poses a health risk to both smokers and nonsmokers. This policy is designed to foster the health and safety of all employees, agents, clients and others in NextHome Suburban Realty's workplace. The success of this policy will depend upon the thoughtfulness, consideration and cooperation of both smokers and nonsmokers. Each agent is responsible for adhering to this policy.

All Firm employees, agents, customers and visitors are expected to comply with the smoking regulations detailed in this policy to maintain a non-smoking work environment in compliance with state laws.

Smoking is only permitted in the designated outside smoking areas. Smokers are responsible for ensuring that the smoking designated area is left clean and orderly.

Smoking is prohibited inside all company buildings, and client or customer properties. If employees or brokers use personal vehicles to conduct business, no smoking is permitted inside the vehicle while on Firm-related business.

An agent who sees a violation of this policy may advise the smoker of NextHome Suburban Realty's smoking policy. If the smoking continues, the agent should inform the principal or managing broker who will then be responsible for discussing the situation with the violator. Further violations should be referred to principal or managing broker. Violations of this policy may lead to disciplinary action up to and including termination of the agency relationship.

SAFE DRIVING

MI has strict laws regarding “Distracted Driving” which specifically includes but is not limited to; texting, use of cell phones, i-pods and other devices. NextHome Suburban Realty recommends that you use your cell phone only when your car is stopped safely on the side of the road.

You are expected to keep your automobile in a clean, properly maintained, and safe operating condition at all times. Remember: You are responsible for damage or injury caused while driving. NextHome Suburban Realty recommends that in addition to your primary insurance coverage in minimum amounts of \$250,000/\$500,000, that you obtain excess liability coverage to be written over the underlying policy and add NextHome Suburban Realty as additionally insured to the automobile insurance policy. This is for all licensed agents and non-licensed personnel who use their automobiles while conducting duties on behalf of NHPPR. This does not increase the premiums to your policy, and a release of liability be signed prior to any client transportation. Clients are encouraged to meet at the properties or to meet at the office and follow you to the showings.

It is your obligation to drive in a safe, responsible and alert manner. This is especially true if you have clients in your car.

Please consult with your principal or managing broker regarding policy relative to transportation of children or pets.

FRANCHISE REQUIREMENTS

Brokers and Agents are required to uphold all NextHome franchise obligations supplied in additional separate documents by the franchise. If at any time a broker or agent has questions they should reach out to Franchise Home Office and/or management for further clarification and understanding.

BROKER PROVIDED OFFICE SPACE AND SUPPLIES

Although NextHome Suburban Realty is set up on a franchise model that is mobile that gives agents the flexibility between work and home time, there will be a physical location available for agents to conduct the duties of their real estate business based on their needs and a private space to meet with customers and clients. Agents will be supplied with an exterior door key and an office door key so that they may access and use this facility at their desire. Agents are responsible for supplying their own equipment and materials for the success of their business. Some items are available for agent use at the office. These items may be adjusted at any time and include:

- Conference room space
- Kitchenette
- Coffee/Water machines
- Printer/Regular printer paper
- Agent desks
- TV/Internet

Other items may be used with permission of principle broker or manager.

LOCKBOXES/SIGNS/PROMOTIONAL SUPPLIES

Lock Boxes – Lock boxes are provided by the office and can be acquired through office management. Lock boxes will be signed out and is the agent's full responsibility. Lock boxes must be returned to NHPPR in full functioning order. Agent may be charged for replacement or repair of any damaged or missing lock boxes when such damage or loss occurred while issued to them. If stolen, agent must notify management immediately and a police report must be filed.

Signs - Franchise approved signs are direct property of NHPPR and are for issue only to agents. At no time is signage to be stored or kept in possession of any agent or any property outside of a current real estate transaction. NHPPR will supply appropriate listing signage in both colonial and traditional frame styles, dependent on the listing at no cost to agents. Sign installation at listings must comply with NextHome franchise requirements to include proper mobile connect

and description riders, and a Luke yard marker. It is the responsibility of the listing agent to retrieve all listing signage and return it to the office in good repair, with exception of normal transaction wear and tear. Agents are not allowed to authorize any other individual to retrieve brokerage signage without prior approval from management staff.

Agent riders, although not required, for the top of colonial signs must meet Pennsylvania Real Estate Commission guidelines and must be approved by management prior to ordering. Agents failing to get approval prior to ordering will incur their costs for order whether rider is approved or not.

Promotional Materials - NextHome has made available the design center for agents to promotional material. Anything purchased through the NextHome intranet is the sole responsibility of the agents account it was ordered on. It is the agent's responsibility to maintain the guidelines set forth by the Real Estate Commission concerning any promotional materials created. If unsure approval by management is suggested.

Unibind presentation books may be utilized for every listing presentation, every buyer presentation, and every fully engaged property reports. This is one of the main foundations of setting the brokerage apart in top level service to our customers and clients. Agents are charged \$7 per book and are required to have approval by management prior to any printing or assembling. Seek management advice for need for book or use in creation if needed.

INSURANCE

NHSR provides E&O insurance. This is provided by Landy Insurance. A copy of the policy is available upon request.

LISTINGS

Law requires that a compensation agreement be in writing and signed by the party to be charged in order to be enforceable. You must have all owners of a property sign the listing agreement before you begin marketing the property. If someone signs on behalf of another, you must have written evidence of the authority to act, such as a power of attorney or letter of administration. Get all modifications or extensions in writing. All listings are taken in the name of the Company, which reserves the right to reassign the listing upon request of the seller, or if the listing has not been handled properly, or the Company deems it in the best interest of the client to do so.

Agents are responsible for the entering and changing of information of their listings into the REALCOMP MLS system within the required guidelines of the Real Estate Commission and

MLS board rules. In addition, it is the responsibility of agents to verify the listing information was uploaded correctly into the NextHome system for proper display and reporting, within 24 hours of entering into REALCOMP MLS.

The commissions pay by principal is negotiable. All commissions must be payable to the Company. The Company reserves the right to set any fees when it is necessary.

Remember, as a listing agent, you must present all offers to the seller, even if the property is pending, unless the seller has given you written instructions to the contrary. Upon receiving the offer, review it thoroughly for completeness, accuracy and clarity. Pay close attention to time limits set out in the offer, ESPECIALLY the time within which the seller must respond. Present the offer as soon as possible.

Photos must be taken by professional photographers. Those photos must be uploaded into the NextHome system. Matterport 3D tours are required for all listings except for leases or if the seller chooses to not allow 3D tour. Any other exceptions must be approved by broker in charge.

You may use a professional grade camera if you have experience as a photographer. NextHome Suburban Realty sets the bar high for our listings and we take pride in how we market our listings. It is important that our listings have consistency just as NextHome has consistent branding.

Each listing must be accompanied by floor plans. Many professional photographers are now offering this.

SHOWINGS

At NextHome Suburban Realty we expect to raise the bar with character and integrity in all areas of the real estate transaction. We expect to be the forerunners with respect to other's properties whether it be our clients or that of our fellow brokerages. All agents are to be mindful of security and respect on listed properties. It is the showing agent's responsibility to make sure:

- Our buyers are qualified to see the home they are requesting
- Try to schedule showing at least 24 hours in advance
- A Consumer Notice and Buyer Agency Contract is completed prior to scheduling
- Agent arrives at the showing 10 minutes prior to the appointed time to make sure the property is available and ready for the client's arrival
- Advise clients to not discuss any confidential information while touring the home
 - This is due to many homes having security cameras. Advise clients as such.
- All doors- front, back, sliders are re-secured after a showing.
- Leave the property in the same condition as when you entered - if lights are on, leave them on. **If a door is unlocked, leave it unlocked.** Follow any instructions from the listing office.
- If anything seems amiss or you are not sure what to do, call the office or listing agent.

- **Stay with buyers so they don't lock doors they shouldn't or leave a door unlocked.** It is tough to keep buyers in check, but ultimately it is your responsibility to keep the home secure.
- If a Seller requests shoes be removed, then have everyone remove them. If something gets tracked in, clean it up!
- If the basement door is closed (possibly from preventing a cat to go down there), please leave it closed, etc.
- Be mindful of the allotted time for the showing
- If you feel unsafe about a client or showing situation, contact principle broker or manager immediately.

It is the listing agent's responsibility to educate the sellers and have them prepared for any and all showings to be able to present the home to its best. Have sellers vacate the property no less than 15 minutes prior to the showing and arrive back no sooner than 15 minutes prior to the scheduled end time of the showing.

We encourage our agents to meet with clients at a public setting prior to showing homes. You may tell your clients it is a policy of this brokerage to meet in a public space for safety reasons and to discuss the Home buying process.

TRAINING

NextHome Suburban Realty believes that education and training are the number one reason agents either succeed or fail in any aspect of the real estate industry. We pride ourselves on the availability of the training and resources that are available to us. Trainings will be done both on an individual basis and as a group. Attendance will be required at all mandatory trainings set forth by the franchise and brokerage. Additional trainings will also be offered and will be encouraged. At any time if an agent feels they need training in a specific area, management will do its best to present the requested training, if available.

USE OF FIRM-OWNED PROPERTY, INCLUDING COMPUTERS AND OTHER COMMUNICATIONS EQUIPMENT

E-mail, Voicemail, Internet and Computer Network, Software, and Hardware:

Voicemail, Internet, E-mail and all other computer and communications resources (all collectively referred to in this policy as "IT resources") are business tools, provided to you at significant cost to NextHome Suburban Realty. Thus, the expectation is that you will use the IT resources for business-

related purposes and not for personal purposes unless specifically authorized by the broker. Some examples of business related purposes include, but are not limited to: communicating with clients and researching information for the benefit of NextHome Suburban Realty. NextHome Suburban Realty requires that you conduct yourself honestly and appropriately on the Internet and in using other IT resources and respect copyrights, software licensing rules, property rights and privacy of others, just as you would in any other business dealing. To be absolutely clear, all existing Firm office policies and governing laws and regulations apply to your conduct in using all IT resources, especially (but not exclusively) those that deal with intellectual property resources, sexual and other harassment, data security and confidentiality. Also, the systems as provided to you are Firm property.

The messages sent, retrieved, deleted and/or stored via the company systems are at all times the property of NextHome Suburban Realty.

Appropriate Use of IT Equipment:

Inappropriate use of the IT resources is prohibited and subject to termination of the agency relationship. Examples of inappropriate use include, but are not limited to, the following:

- The creation, display, viewing, or sending of any kind of sexually explicit image or document on any Firm system is a violation of our policy on sexual harassment. In addition, sexually explicit material may not be stored, distributed, edited, or recorded using NextHome Suburban Realty's network, voicemail or computing resources.
- The use of Firm e-mail, voicemail, the Internet, or other IT resources for personal gain, political, religious, or charitable campaigning, soliciting for non-Firm outside organizations or commercial ventures, selling Internet or other carrier access time, unless authorized by the principal or managing broker.
- The creation and/or forwarding of any disruptive or potentially offensive messages and/or pictures which may cause offense to any person or group, including those protected by NextHome Suburban Realty's harassment policy.
- Frequenting websites on the Internet unrelated to your agent responsibilities and/or Firm business.
- Having or using network passwords on NextHome Suburban Realty's computer which are not known to NextHome Suburban Realty.

The ultimate responsibility for assuring correct use of NextHome Suburban Realty e-mail and Internet systems and other IT resources belongs with every user.

Unauthorized Access:

Unauthorized access of Firm IT resources is prohibited. Agents are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized Firm representative. Firm computers and information technology is for business use by Firm personnel and authorized agents. Non-employees may not use Firm IT resources without permission from the principal or managing broker.

Use of a Firm employee's or agent's account, user name, or password, or accessing another's files without their consent (by anyone other than authorized representatives of the principal or managing

broker) is strictly prohibited. Obtaining, or trying to obtain, other users' passwords, or using programs that compromise security in any way is prohibited.

Passwords are required for many of the applications of Firm information technology, and users may be required to change passwords periodically for security purposes. All passcodes and passwords are the property of NextHome Suburban Realty. No agent may use a passcode, password, or voice mail access code that has not been issued to that agent by NextHome Suburban Realty or that is unknown to NextHome Suburban Realty. Users of NextHome Suburban Realty's computers, network, and other IT resources must take reasonable precautions to prevent unauthorized access to Firm IT resources. Passwords should not be divulged to unauthorized persons, and should not be written down or sent over the Internet, Intranet, e-mail, dial-up modem, or any other communication line.

Snooping:

Probing or "snooping" into Firm information technology is prohibited. Accessing Firm files or any other files on the network or the system that you did not create is prohibited unless you have prior authorization from your manager or another appropriate management representative. Observations of probing or "snooping" should be reported to the IT Department.

Sabotage:

Destruction, theft, alteration, or any other form of sabotage of Firm information technology and/or IT resources, including, but not limited to, computers, programs, networks, web-sites, files, and data is prohibited and will be investigated and prosecuted to the fullest extent of the law.

Hacking:

Hacking, the breaking into and corrupting of information technology, is prohibited. Hacking into third party computer systems using Firm IT resources is prohibited, and may be reported to the local authorities. Vulnerability in Firm IT resources should be reported to the principal or managing broker.

Viruses:

Use of virus, worm, or Trojan horse programs is prohibited. If a virus, worm or Trojan horse is identified, it should be immediately reported to the principal or managing broker.

Confidential Information:

All Firm data and information (including customer information) is considered confidential unless NextHome Suburban Realty has granted permission for a user to use it. Specific examples of confidential information includes, but is not limited to, personnel and payroll records of present or past employees, information concerning transactions with clients, financial records of the company, records of purchases from vendors and suppliers, and any other information regarding the business affairs or operating practices or procedures of the company. Accessing or attempting to access confidential data is strictly prohibited.

Confidential information should be used only for its intended purpose. Agents' responsibility for confidentiality continues outside of work, therefore agents should use special care when using home computers and other portable devices.

When sending **e-mail messages** concerning confidential and/or proprietary information, agents are expected to exercise significant caution because of the ability of others to "crack" the system. Questions regarding what level of security is needed for particular information should be directed to the principal or managing broker.

Safeguarding The Physical Security Of Communications System:

Reasonable precautions should be taken in regards to the physical security of Firm IT resources. Disks, drives, and other devices containing sensitive information should be contained in a locked drawer, wherever possible. Computers should be turned off when not in use for an extended period or when an agent is out of his/her office.

All software installed on workstations, whether for business or personal use, must be approved by the principal or managing broker. In no way should personal computer hardware (thumb drives, MP3 players, etal) be installed at NextHome Suburban Realty unless authorized by the principal or managing broker.

Agents should not install Firm software on home computers without the prior approval of the principal or managing broker.

Agents are not allowed to introduce to NextHome Suburban Realty network, Internet, computers, or other IT resources media from any external sources, including, but not limited to, CDs, disks, zip drives, personal digital assistants (including, but not limited to, Blackberries and palm pilots), USB portable drives, and other removable drive devices. Agents also may not copy, transmit, or otherwise remove any information from our network, Internet, computers, or other IT resources to CDs, disks, zip drives, personal digital assistants, USB portable drives, or other removable drive devices without prior authorization from the principal or managing broker.

Agents may not download anything from the Internet to NextHome Suburban Realty's computer without prior authorization. This includes, but is not limited to, screensavers, music, e-mail stationary, and other images.

Copyright Infringement/Unauthorized Copying:

NextHome Suburban Realty strictly prohibits the illegal duplication of software. Copyright laws are clear. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization" (Section 106). The only exception is the users' right to make a backup copy for archival purposes (Section 117).

Even the users of unlawful copies suffer from their own illegal actions. They receive no documentation, no customer support and no information about product updates. According to the U.S. Copyright Law, illegal reproduction of software can be subject to civil damages and criminal penalties.

All agents should be aware that NextHome Suburban Realty has the right, but not the obligation, to monitor all agents' use of any Firm resources. For this reason, agents cannot and should not expect privacy in their use of Firm IT resources, and should instead expect that their e-mail messages, voicemail messages, computer and Internet use, and other use of NextHome Suburban Realty's IT resources is not confidential and may be monitored/reviewed.

CONFIDENTIALITY POLICY

All agents are expected to use extreme caution to ensure that Firm confidential information and the confidential information of our clients remains confidential, and does not become available to anyone inside or outside of NextHome Suburban Realty who is not entitled to know it.

Definition of Confidential Information

Due to the nature of our business, agents have access to a broad range of confidential information that must be protected. By way of example and not limitation, confidential information includes:

- Non-public information about our clients, including motivation and all financial information.
- Our marketing plans and strategies;
- Our costs, funding, and the methods we use to determine the price of listings, etc.;
- Our internal initiatives, strategies, processes, and methods; and
- Confidential information which agents may obtain concerning our employees, including personnel files, personnel evaluations, and the like.

General Restrictions

Confidential information may not be used or disclosed by agents unless such use or disclosure is required by their job responsibilities on behalf of NextHome Suburban Realty. Confidential information as described in this policy is the exclusive property of NextHome Suburban Realty with all proprietary rights and under no circumstances whatsoever shall agents have any rights to use, disclose, or publish to others such confidential information during or after their affiliation with NextHome Suburban Realty.

Maintain Confidentiality at All Times and Take Precautions in Public Spaces

To maintain all confidential information in strict confidence, all agents must avoid:

- Discussing confidential information with anyone other than those who have an authorized, legitimate need to know to carry out their job responsibilities;
- Disclosing confidential information to unauthorized Firm personnel.
- Discussing specific transactions, or any other confidential information in a public place where you may be overheard. Be sure to lower your voice or move to a private area when speaking on a cell phone for business and similarly being mindful so that business conversations cannot be overheard in restaurants, etc.
- Talking unnecessarily about confidential information anywhere, including in your own office or home.

Physically Maintain Confidential Information in a Manner Designed to Preserve Confidentiality

Information must be maintained in the office (and elsewhere, if you are permitted to bring work home or to other locations) in a manner to protect confidentiality.

- Desks, credenzas, and other workspaces should be cleared at the end of each day. Anything remaining on the desk that contains confidential information should be in a folder or envelope or otherwise similarly protected from view.
- You may remove from our filing system only the client files currently being worked on at your workspace. All other files should be continually maintained in a secure location.
- Agents may not take transaction files home or otherwise out of the office without specific prior authorization from the principal or managing broker.
- If you are permitted to travel with confidential information, whether bringing the information home or on business travel, be mindful at all times about protecting the information. Do not leave confidential documents face up or otherwise in view in your vehicle. Keep sensitive information in a briefcase, closed folder, or use similar means to protect it. Keep your vehicle locked when you are not in it. Keep your briefcase, folders, personal digital assistants, etc. with you at all times when traveling. Do not leave anything containing confidential information unattended. Be careful to preserve confidentiality if you choose to create or review confidential documents while traveling. It is very easy for other passengers to view your work, so make good decisions about whether you should take documents out on a plane, train, etc., and whether you should work on your laptop in such public settings. Similarly, if working at home, keep any confidential information in your home office or other private setting, and not in view of your family members or visitors to your home.

Confidential Information In Electronic Form Must Also be Protected

Steps must also be taken to maintain confidentiality when sending or receiving information electronically, and when storing information on the computer.

When sending e-mail messages concerning confidential and/or proprietary information, agents must exercise significant caution. Questions regarding what level of security is needed for particular information to be sent or received over email should be directed to the principal or managing broker.

Agents must also exercise caution in saving information while working on their computers. For example, confidential or proprietary information should be stored on our network, which provides safeguards for protecting information, and should not be stored on a local hard drive,

desk top, disk, or portable drive. Highly confidential information may need to be password protected or other measures may need to be taken to safeguard it from unauthorized internal or external access.

Reasonable precautions must also be taken in regards to the physical security of the broker's information technology that may contain confidential information. Disks, drives, and other devices containing sensitive information should be contained in a locked drawer wherever possible. Computers should be turned off when not in use for an extended period of time or when an agent is out of his/her office. Agents are also encouraged to use screen savers so that any sensitive information that is displayed on an agent's screen will be covered if the agent is away from his/her desk. Screen savers provide an additional safeguard and are not intended to replace the expectation that agents minimize or close documents containing sensitive information when they walk away from their computers.

Visitor Access Must Also be Limited to Avoid Providing Access to Confidential Information

To protect confidentiality and avoid access to confidential information that could be viewed or overheard in our offices, visitors, including agent's families and friends, should visit in the reception/lobby areas or in conference rooms and not in individual offices or workspaces. All visitors should enter the offices at the reception/lobby areas and sign in at the reception desk.

Procedures Upon Separation from Agency Relationship to Protect Confidential Information

Upon separation from affiliation with NextHome Suburban Realty, agents must deliver to the Broker any and all confidential information in their possession, including all copies of all available forms. All confidential information must be returned regardless of whether the information was made or compiled by the agent or furnished to the agent during his or her affiliation.

An exit interview process should be implemented to insure compliance with return of confidential information.

CONFLICTS OF INTEREST

If you or a family member have a personal interest in either selling or purchasing a property, you must disclose this interest in writing to all parties involved in the transaction. All parties to the transaction must acknowledge in writing the existence of this interest **prior** to any offer being made.

For any other potential conflict of interest, you are required to bring the issue to the immediate attention of your principal or managing broker.

COOPERATION WITH OTHER AGENTS

Cooperation will be offered to all licensed brokers and their agents. Compensation will be determined by the principal or managing broker and published in the MLS and disclosed to the seller client.

All agents are required to comply with Article 3 of the REALTOR® Code of Ethics and, in particular, the Standards of Practice set forth in Article 3. This means that you should cooperate with other agents unless cooperation is not in the best interest of your client. If the seller client rejects cooperation with, and compensation to, other brokers, their rejection must be in writing.

NextHome Suburban Realty's policy is that no change in compensation or agreement to change cooperative compensation may be negotiated or entered into by an agent without the prior consent of the principal or managing broker.

To the extent you encounter any issues with respect to cooperation between agents, please bring the issue to the immediate attention of the principal or managing broker so that the principal or managing broker can help resolve the situation.

CONFLICT RESOLUTION AND REPORTING REQUIREMENTS

The chief method by which conflicts inside and outside NextHome Suburban Realty will be resolved is through the principal or managing broker. As an agent affiliated with NextHome Suburban Realty, you must promptly report any issue or dispute that may arise. These disputes include, but are not limited to the following:

- Any discrimination or other violations of federal or state fair housing laws that you observe.
- Any verbal or written complaints that you receive from a party to a transaction in which you are involved.
- Receipt of a Subpoena or legal process involving your conduct as a real estate agent.
- Any automobile accidents or other personal injuries that you experience or observe while you are working in your professional capacity.
- Any communications from the Pennsylvania Real Estate Commission concerning your conduct.
- Failure of an escrow check to clear.
- Any disputes between you and other agents regardless of whether those agents work for this Firm or another firm.
- Any harassment that you experience or observe either within the office or outside the office in the course of your professional capacity.
- Any conduct that you perceive creates a hostile, intimidating or offensive work environment.

This is not an exhaustive list and there could be other issues or problems that arise during the course of your affiliation with this Firm. When in doubt, please bring the matter to the immediate attention of the principal broker or managing broker.

TERMINATION OF AFFILIATION

Your association with the Company can be terminated by either party, with or without cause, at any time upon written notice given to the other party. If this Agreement is terminated while you have any listings or pending transactions that require further work normally rendered by you, the Broker will make arrangements with another salesperson or salespersons in the Company to perform the required work. The licensee performing the work shall be reasonably compensated for completing work on those listings or transactions, and such reasonable compensation shall be deducted from your share of the compensation.

Listings are the property of the Company, even upon your termination. Within 24 hours after notice of termination by either party, you must provide your Manager with a list of all active listings taken by you, and all pending transactions in which, if completed, you will be entitled to compensation from the Company in accordance with the terms of your Independent Contractor, or other written, agreement. You specifically agree that you may not contact the sellers of properties where listings were taken by you for the purpose of directly or indirectly soliciting or inducing the client to terminate their listing with the Company.

In the event that you or NextHome Suburban Realty decides to end your association, you will be expected to immediately turn in all Firm property, including signs, office policy manuals, equipment, reference material, office keys, and other proprietary material, transactional files, records and information pertaining to listings, offers, negotiations, purchase and sales agreements or other contracts, as well as any other office files.

Upon termination of affiliation or demand from the broker, you shall also immediately surrender and return all computer or other information systems relating material in your possession or control. You should meet with the principal or managing broker for the final separation process, summary review of open transactions, credits and expenses and reassignment of active clients.

The principal or managing broker's supervisory responsibility shall terminate upon the returning of the agent's license to the real estate commission.

Any listing or buyer representation agreements that were entered into while an agent of NextHome Suburban Realty shall remain the property of NextHome Suburban Realty unless other terms are agreed to in your separation agreement.

**RECEIPT AND ACKNOWLEDGMENT OF OFFICE
POLICIES AND PROCEDURES MANUAL**

This manual is an important document intended to help you become acquainted with NextHome Suburban Realty. This manual will serve as a guide; it is not the final word in all cases. Individual circumstances may call for individual attention.

Please read the following statements and sign below to indicate your receipt and acknowledgment of the Manual.

- I have received a copy and understand that it is my obligation to read the Office Policies and Procedures Manual. I understand that the policies described in the Manual are subject to change at NextHome Suburban Realty's sole discretion at any time. It will be my responsibility to update my personal copy as additions or revisions are provided to me. I understand that this Manual supersedes and replaces all other previous manuals and personnel policies for NextHome Suburban Realty.
- I understand that I am an independent contractor, subject to an express written contract and that I am not an employee of NextHome Suburban Realty. My association with NextHome Suburban Realty may be terminated at any time for any reason not prohibited by law, with written notice by me or the principal or managing broker.
- I am aware that this Manual does not create an express or implied contract for any rights or benefits, and that the Manual is intended as a set of guidelines only. I will consult with the principal or managing broker regarding any questions I may have regarding any of NextHome Suburban Realty's policies.
- I am aware that during the course of my affiliation with NextHome Suburban Realty, confidential information may be made available to me. I understand that this confidential information must not be given out or used outside of NextHome Suburban Realty with non-Firm employees or agents, except as required by law or in accordance with the governing rules of ethics.
- I understand that my signature below indicates that I have read and understand the above statements and have received a copy of the Office Policies and Procedures Manual.

Agent's Name (please print)

Date:

Agent's Signature

Date:

Broker's Name (please print)

Broker's Signature