

# Sponsorship Packet

*The secret of success is to do  
the common things uncommonly well.  
John D. Rockefeller Jr.*

**Frontier** **GMAC**  
Real Estate



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License Granted By \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

## Letter From Senior Management

Dear Student:

Welcome to the most intensive—and effective—Real Estate Licensing program you can ever imagine! This is the first step to your successful career in real estate. After you have successfully completed your licensing training, you will be ready to embark on The Journey To Mastery™ Program--the most extraordinary and revolutionary real-estate training and marketing program available.

We are committed to helping you get your license in the shortest amount of time possible. The Sponsorship Program is designed to assist you in the process of becoming a licensed real estate marketing representative. We will guide you through each of the steps, including instruction and certification for real estate licensing, application and preparation for the State Real Estate Exam, and application for the real estate license itself.

In return we ask that you make a personal commitment to the training program and to the accomplishment of your goal to become a real-estate professional.

We have great expectations.

We expect you to complete the Real Estate Course in three weeks, the minimum possible time. We ask that you study for and then take three practice exams each week, and if you miss one (taking only two tests), then we ask that you make up the third test the following week. We ask that you follow our method of study for the practice exams, and do not deviate from or alter the method even a little bit.

We ask that you let us know if you find yourself falling behind or feel that you are unable to keep up. We ask that you give us permission to contact you if we notice that you are having trouble so that we can encourage you to take the necessary steps to get back on track.

If the results you are producing suggest that you are falling behind in the course, we want you to accept an honest appraisal of your performance. We ask that you be willing to hear the truth about how you are doing, and we expect you to make whatever changes are necessary to get back on track. We want you to make a conscious decision about whether to stay with the program. If you are unwilling to commit yourself to the Program, then we ask that you formally withdraw from the Real Estate Course, terminate



## Letter From Senior Management

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your affiliation with Frontier GMAC Real Estate, and repay your promissory note held by Frontier GMAC Real Estate (subject to the provisions of your Sponsorship Agreement).

Most importantly, we ask that you let us help you if any problems arise. You can count on us to support you in your commitment to staying on track and to be very encouraging, even laudatory, when you are on track and doing well.

After you have successfully completed the Real Estate Course and have received your real estate license, you will be ready to participate in The Journey To Mastery™ Program. Through this program, you will develop the skills and the know how to become a productive member of Frontier GMAC Real Estate marketing team.

We look forward to working with you.

Warmest regards,



Joel A. Moritz  
Executive Manager  
Frontier GMAC Real Estate



Keith Brown  
Executive Manager  
Frontier GMAC Real Estate





# What is Real Estate Really Like?

*Whether you think you can  
or you think you can't, you're right  
Henry Ford*

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# The Plain Facts About a Career in Real Estate

## Real Estate

The phrase conjures up soaring property values, solid investments and a shoe-in for those looking for that independent, big-bucks career.

That, however, is the myth. In fact, about half of the people in possession of a real estate license make under \$10,000 a year. The average income is less than \$8,000 per year. And if that wasn't discouraging enough, 75% of the graduates of the licensing program drop out of real estate their first year in the business. Of the 25% that survive, 75% again flee the field in the second year.

With conventional methods of orientation and training, the new agent is unlikely to earn a commission in six to nine months. Very few individuals can afford to work without regular compensation. Therefore, in most companies, there is a high turnover, and of those agents that remain, most are not full-time professionals.

Morale becomes a problem because there is no positive feedback or reinforcement of the right kinds of activity. New agents become disenchanted with the real-estate marketing profession.

## Avoiding the Pitfalls

Worse yet, some companies are not very protective of their new agents. The new licensees are sometimes exploited by the senior agents. It is not uncommon for the new agents to do all of the "leg work" in exchange for a small wage, but the rewards and profit are reaped exclusively by the seasoned agent. The new agent never develops his or her own leads or clientele. Even assuming that the typical real estate office does not permit the wholesale exploitation of new agents, there is still the difficult learning curve that must be overcome.

One method of dealing with this slow and difficult learning curve is to work at more than one job, making real estate marketing more of a "hobby" than a profession. This is typical for the industry, but there is another way—a better way—to do things.





## The Plain Facts About a Career in Real Estate

Early development is important to your future success. In a 1985 study conducted by Douglas M. Yeaman, looking at key factors for substantial success in the field of real estate marketing, it was determined that the habits developed in the first six months and the ability to produce quickly were more significant than any other single factor.

The study found that agents who did not open a transaction or write an offer until the second half of their first year were substantially disadvantaged. Less than 15% of the agents in this category ever made it past their first year. It takes 60 to 90 days for a transaction to close. This means that if no transactions are opened during the first 90 days, the agent will not receive a pay check for at least six months. This is typical for the industry.

### **Fortunately, Not All Real Estate Companies Are Alike**

Frontier GMAC Real Estate is able to shorten this "learning curve" by enabling Associates to become productive and profitable early on. The program combines intensive sales training and orientation with a unique mentoring program. The program is called The Journey To Mastery™ ("Program") and it has a proven track record for success.

As an Associate with Frontier GMAC Real Estate, you will become integrated with the Frontier GMAC Real Estate Marketing Team. The sales environment will be one of cooperation and mutual support rather than the chaotic, competitive sales environment of the typical real estate office.

However, it takes dedication and commitment. During the most critical period in your career, **you must work three weekends a month** and you will be working between 40 and 48 hours per week. This level of commitment is absolutely necessary for success in the real estate market. Agents need to be prepared and must prepare their spouses and partners for the rigors of the job.

Doug Yeaman, creator of The Journey To Mastery™ Program, in commenting on this states, "I do not make up the rules. I merely describe the reality of the market, and real estate is a weekend game." There is only one formula for success, and it is one part inspiration and nine parts perspiration.



## Choosing The Right Course

Any important decision should be carefully thought out. Starting a new career is probably one of the most important decisions that a person can make. A career, by definition, implies a lifelong commitment. Therefore, a great deal of thought should go into your decision to become part of the Frontier GMAC Real Estate marketing team.

### **Self Evaluation: Is a Career in Real Estate Right For You?**

*Do you work well with people?*

Interpersonal skills are necessary in any career, and this is especially true in the field of marketing. Moreover, as a real estate agent, your ability to relate well with people and to form professional relationships with perspective clients is one of the most important attributes you can possess. Although you will learn various techniques for qualifying buyers and conducting market analyses, you will work harder than you ever imagined. The bottom line is that real estate marketing is about people helping people.

*Are you willing to take charge of your career?*

“Taking charge” means being in control. It is an attitude that generates opportunities for success. However, it requires motivation, determination and self-discipline. You must be willing to take action. In this field, nothing will happen automatically. It requires purposefully directed action—a conscious decision, and then, an affirmative action, to make it work. Sales techniques, knowledge of property law and financing are not enough to ensure success. However, if you have the right attitude and work well with people, then you have the potential for a successful career in real estate starting with the Frontier GMAC Real Estate Journey To Mastery™ Program.

*Are you willing to make a commitment?*

Once you have made the decision, you must do everything in your power to make it happen. You must give yourself every opportunity for success. This requires getting the best training available. Frontier GMAC Real Estate is the right place to start. Here, you will receive the most effective real estate training course available: The Journey To Mastery™ Program.



# Career Commitment

*Find out who and what you are, and then try to be that,  
perfectly.*

*— Douglas M. Yeaman*

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## Career Commitment

### Initial Interviews

Your introduction to the program is usually in a group. We ask that you include your spouse or significant other in the interview process. We tell you about us and you tell us about you. This is the time to ask the questions you or your spouse need answers to in order to confirm your commitment to a career in real estate with Frontier GMAC Real Estate.

Some real estate companies hire only experienced salespeople. Some hire "anybody" and take a "wait-and-see" attitude: those who make it—fine; those who don't—fine. At Frontier GMAC Real Estate, we hire only those who want a full-time career in real estate and are willing to work from the first day of their association with us. Because of the cost of training, we expect you to have real estate marketing as your primary source of income.

As mentioned earlier, it is important to involve your spouse or significant other in the orientation process. You are going to need his or her support to make the transition to Real Estate as your career. It will require a serious commitment of time and effort. We will ask you to establish and affirm your commitment to your career in real estate and to Frontier GMAC Real Estate.

### Career Commitment

You will be glad to know we are committed to supporting and training new salespeople! We will pay for the cost of tuition for your Real Estate Course and exam preparation (can be approximately \$1000 in value), but only if you agree to work with us.



## Career Commitment

We are also committed to sales training and continuing your real estate training after you have received your license. We are willing to invest in your future with Frontier GMAC Real Estate, and therefore, we expect you to work full time with us for one year. We will ask you to sign contracts that say that if you participate in and complete our training but continue in real estate with another firm, then you pay on your promissory note of \$4000 (subject to certain exceptions and conditions as set forth in your Sponsorship Agreement, so **please read it carefully**).

### Course Commitment

In order to obtain your license, the State of Colorado requires you to complete a course in Real Estate. If you took this course in college and it is on your transcripts you don't need to take it again. The course on Real Estate is offered at Frontier Sponsored Schools and takes about three weeks to complete. As soon as you have completed the course, a Certificate of Completion will be issued to you. Enrollment in the course is necessary to apply for a state exam date and a Certificate of Completion will be required before you can be licensed.



## Career Commitment

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### Real Estate

A score of 75% is required to pass. By the time you are ready to take the state exam all of your questions about the exam will have been answered.

### Notification of Results

When you receive the results, and if you find that you did not pass, please do not be discouraged. We will assist you in receiving a new exam date. The State of Colorado will assess an additional fee and it may take some time to arrange. However, this will ensure that you have ample time to prepare.

When you receive notice that you passed, present your paperwork to your office manager. As soon as your application for your license has been completed and submitted to the Colorado Real Estate Commission, you may begin working and training with us. Welcome aboard! You are now ready to embark on a Journey To Mastery™ where you will receive the finest real estate marketing training available.



## Overview of the Licensing Program

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**Step One:** *Meeting with Mentor and JTM™ Manager*

**Step Two:** *Colorado Information and Real Estate Course*

**Step Three:** *Testing*

**Step Four:** *Procedure for License Application*

**Sub Step One:** *Fingerprints*

**Sub Step Two:** *Education*

**Sub Step Three:** *Error and Omissions Insurance*

**Sub Step Four:** *Application Form*

**Sub Step Five:** *Practice Tests*

**Step Five:** *The Results*

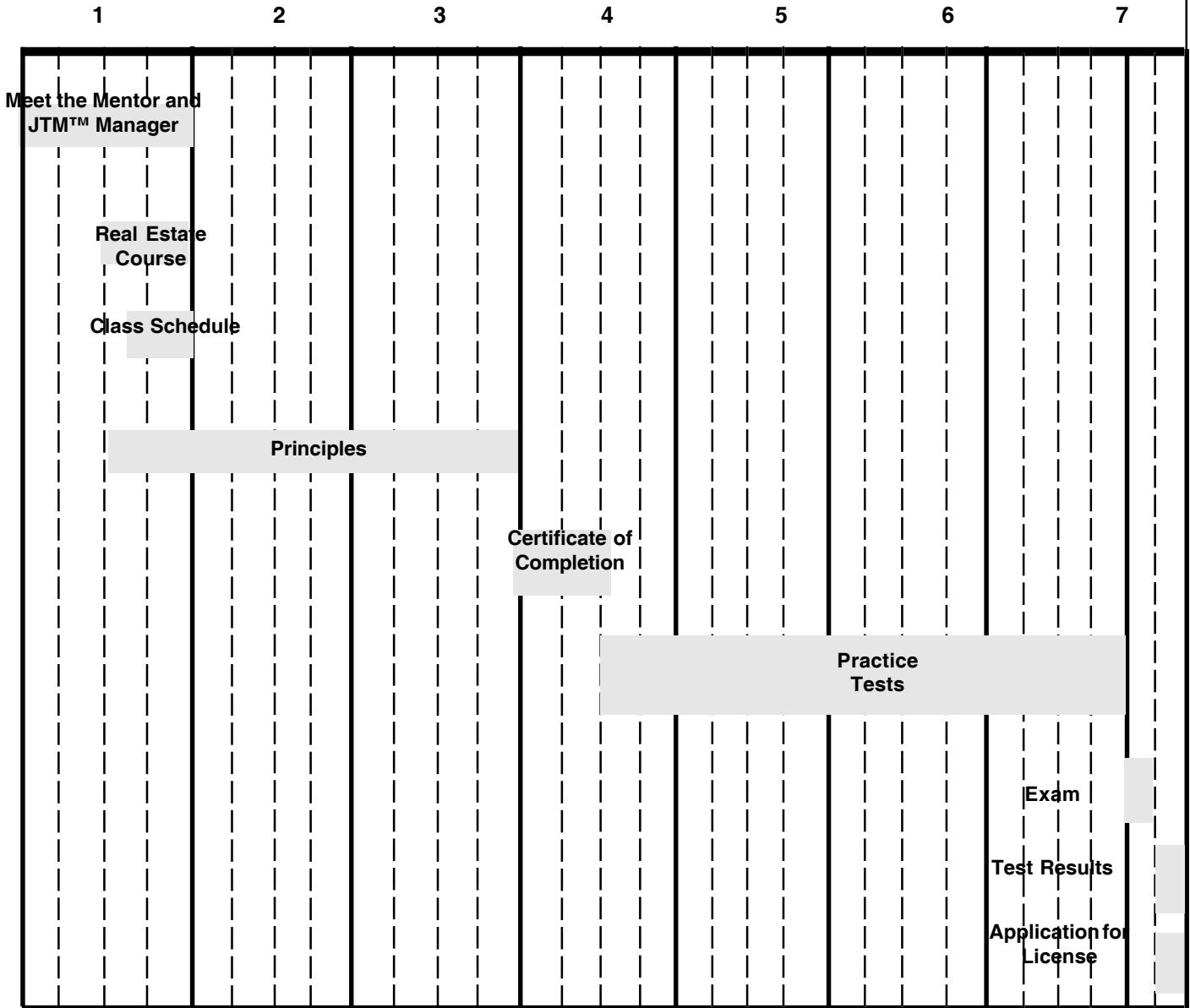
**Step Six:** *Your Real Estate License*

**Step Seven:** *The Journey to Mastery™ Program*



# Pre-License Start-up Timeline

It takes about 7 WEEKS to complete the Licensing Process.





# Steps in the Enrollment and Training Process

## Steps in the Enrollment and Training Process

### Step One: Meeting with the Mentor and JTM™ Manager

You will meet initially with the Director of Career Development and JTM™ Manager. During this meeting, the appropriate applications and forms will be provided and completed to begin the "in-processing" phase of your enrollment in the Real Estate Licensing Program and your affiliation with Frontier GMAC Real Estate. In addition, the Sponsorship Agreement must be read, understood, and executed before the certificate can be validated by the Manager. You will receive your name tag and be "briefed" on Frontier GMAC Real Estate standards and expectations regarding the Prelicense training.

### Step Two: Colorado Information and Real Estate Course Required Introduction

Licensure is the process by which a regulatory agency grants permission to individuals to practice a particular profession, vocation, or occupation and prohibits all others from legally doing so. Licensure protects the general public by insuring a minimum level of competence. The Colorado Real Estate Commission establishes the acceptable level of competent practice and determines whether an individual meets that standard.

Colorado uses examination as one of several methods for determining a candidate's qualification for licensure. The purpose of an examination is to measure a candidate's knowledge of real estate subjects. Colorado has retained the services of a national examination vendor to assist in the development and administration of its real estate examination program. The examination reflects the practice of real estate in Colorado and has been reviewed and approved by Colorado real estate brokers.

An applicant for a broker's license shall be at least eighteen years of age.



# Steps in the Enrollment and Training Process

## Broker Authority

Although there are three levels of real estate licensing under Colorado law, you will be applying as an entry level Associate Broker. No previous licensure or experience is required. After receiving your license, you will be employed by Frontier GMAC Real Estate and its Managing Broker who will be your employing broker under Colorado law.

## Character

In addition to determining competency standards, the Real Estate Commission is authorized by statute to require and procure proof of the truthfulness, honesty and good moral character of any applicant.

Each applicant shall submit a set of fingerprints to the Colorado Bureau of Investigation for the purpose of conducting a state and national criminal history record check. Frontier GMAC Real Estate will assist you in submitting the required fingerprints to begin the state and national fingerprint-based criminal history record check with the Colorado Bureau of Investigation and the Federal Bureau of Investigation.

## Education

To obtain your license you must submit proof of completion of the following course work in the following areas:

- 48 hours in Real Estate Law and Practice
- 48 hours in Colorado Contracts and Regulations
- 8 hours in Trust Accounts and Record Keeping
- 8 hours in Current Legal Issues
- 24 hours in Real Estate Closings
- 32 hours in Practical Applications
- 168 total



## Steps in the Enrollment and Training Process

Frontier GMAC Real Estate has made arrangements with approved real estate schools in the area for completion of your course work. You must dedicate full-time to the course work and complete it within three weeks. This is a rigorous course and schedule, but will be rewarding.

### Step Three: Testing

All applicants not previously licensed must take and pass the entire broker exam. Frontier GMAC Real Estate will assist you in setting the time for your examination. An independent company, Psychological Services Incorporated (PSI), administers the four hour (two-2 hour sections) test administered at a computer testing center in the Denver area. YOU MUST READ AND UNDERSTAND THE ADDITIONAL INFORMATION AND TIPS FOR TEST DAY CONTAINED IN THE "COLORADO REAL ESTATE CANDIDATE HANDBOOK", A COPY OF WHICH IS EITHER ATTACHED HERETO OR MAY BE ACCESSED ON-LINE AT

<http://www.asisvcs.com/publications/pdf/090600.pdf>

### Step Four: Procedure for License Application

It's been a tough road so far, but you did it! Your accomplishments speak for themselves. Now it's time to apply for your Colorado Real Estate License. You have accomplished a lot so far. Congratulations! Frontier GMAC Real Estate requires you begin the process of applying for your license while doing your course work, and will assist you in every step of the process.

**Step 1:** Education, examination and experience requirements must be documented prior to filing the appropriate application for licensure.

**a.** Education certificates are furnished by your real estate school after completion of the school requirements. Official transcripts are required for applicants who qualify based on a degree with a major course of study in real estate from an accredited college or university.



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**b.** An exam score report is furnished immediately upon completing the exam. You must furnish exam score reports with your application showing successful passing of one or both parts (general and/or state). Exam parts may be completed or re-taken on different dates.

**c.** You must obtain a certificate of license history from **each** jurisdiction in which you hold or have held a real estate license. If the other license is current (active or inactive), the certificate must be less than 90 days old when you submit your Colorado application. If the other license is expired, the certificate must be dated after the license expiration date.

(NOTE: Each state/jurisdiction responds to requests for certification of license history with varying degrees of timeliness. Plan ahead for this so as to avoid delay in submitting your Colorado application.

**Step 2:** PRIOR to submitting an application for a license, each applicant shall submit a set of fingerprints to the Colorado Bureau of Investigation for the purpose of conducting a state and national criminal history record check. Attached hereto is a July 8, 2005 Colorado Real Estate Commission Notice concerning fingerprinting. You must submit your fingerprints before Wednesday during the second week of the Real Estate course.

**Step 3:** Errors and Omissions (E&O) Insurance. You must have E&O insurance in place on your license before it will issue on active status. The premium cost will be paid from your advance to our trust account.

**Step 4:** Complete the appropriate application form. Enclose all required documentation and appropriate application fee. Frontier requires you to hand deliver the application to the Colorado Real Estate Commission. Applications cannot currently be completed on line. Processing of your application may take up to six weeks. Your initial license will expire three years after date of issuance. To maintain a license thereafter, you must pay the current renewal fee.



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**Step Five: The Results of your Studies and Testing**

**Step Six: Your Real Estate License**

**Step Seven: The Journey to Mastery™ Program**

Congratulations! You are now ready to embark on a Journey to Mastery™. As you know, your training does not stop here. You will be participating in the most effective real estate training program available. It is called The Journey to Mastery™ Program.

The Journey to Mastery™ Program is a unique training program employed by Frontier GMAC Real Estate. This program will shorten the "learning curve," enabling you to become productive and profitable early on. The method combines intensive sales training and orientation with a unique mentoring program, which has moved hundreds of sales professionals to be among the top producers.



# REQUIRED ITEMS

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**Frontier GMAC Real Estate Name Tag**

**Employment Application**

**Sponsorship Agreement**

**Promisory Note**

**Letter of Application**

**Willingness List**

**Foundation for Participation**

**Application for Exam Date**

**Certificate of Completion**

**Test Schedule**

**Fingerprints**

**Application for License**



# Sponsorship Forms and Agreements

*"One person has enthusiasm for 30 minutes,  
another for 30 days,  
but it is the person who has it for 30 years  
who makes a success of his life."*

*Edward B. Butler*

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## Sponsorship Agreement

I, the undersigned (hereinafter "Licensee"), am applying to Frontier GMAC Real Estate ("Frontier GMAC Real Estate") for acceptance and admission into the Sponsorship Program. The Licensee understands that this program includes sponsorship for the following training courses offered by Frontier Sponsored Schools: Basic Real Estate Course and State Examination Preparation. In addition, the Licensee further understands that obtaining a real estate license is only the first step in the real estate career path as an affiliate of Frontier GMAC Real Estate.

In exchange for acceptance into the Sponsorship Program, the Licensee hereby agrees to the following terms and conditions:

- A. To sign an interest bearing note in the amount of \$500.00 payable to the order of Frontier GMAC Real Estate. The Licensee understands that in the event Licensee voluntarily terminates affiliation with Frontier GMAC Real Estate, subject to the provisions set forth in Parts D and E below, then Frontier GMAC Real Estate may demand immediately payment of the full amount of the note and the entire amount will then become due and owing.
- B. To complete the required course material and to apply for my state test within 3 weeks, and to obtain my real estate license within three (3) months. I understand that my sponsorship is subject to cancellation if I do not complete my first lesson within one (1) week of today's date.
- C. To meet with Frontier GMAC Real Estate each week for the purpose of receiving support and supervision towards licensing and my career in real estate sales.
- D. As a sponsored agent from Frontier GMAC Real Estate, you are unique and have qualified for a very special program. You agree to dress for success while you are attending classes or taking tests or working in or around Frontier GMAC Real Estate Work Environment. This means and is not limited to: **Dressing like a professional, wearing your Frontier GMAC Real Estate Name Badge and making a positive image/company statement.** (We also believe you will feel better, more successful and will have a definite edge over other students you will meet.)



# Sponsorship Agreement

- E. I have paid to Frontier GMAC Real Estate \$490 as my advance for the costs of my state fees which include: test application fees, Colorado Bureau of Investigation and FBI Background Check including live scan fingerprinting fee, Annual Errors and Omissions insurance premium, and licensing fees. I understand this advance is nonrefundable and does not pay for additional fees to join a real estate board after licensing. Upon completion of the real estate course, Frontier GMAC Real Estate will then pay the actual costs to the Colorado Real Estate Commission.
  
- F. The Licensee understands that after affiliation with Frontier GMAC Real Estate as a licensed real estate agent, the note will be forgiven and the obligation will be discharged; Frontier GMAC Real Estate will refrain thereafter from taking any action to enforce the Note, including but not limited to filing a notice of default, instituting suit or claim, or contacting credit reporting agencies. Following discharge of this note, the new note for \$4000.00 becomes effective.

I have read and understand the foregoing agreement.

Date: \_\_\_\_\_

\_\_\_\_\_

(Signature of Licensee)



## Promissory Note

The undersigned maker, for value received, hereby promises to pay to the order of Frontier GMAC Real Estate the sum of Five Hundred Dollars (\$500.00).

Further, the undersigned maker, hereby promises to pay interest as specified below on the unpaid principal at a rate of 8% percent per annum. Interest will accrue at the above-specified rate beginning on \_\_\_\_\_ and continuing until said principal and interest have been fully paid.

In the event maker leaves Frontier GMAC Real Estate earlier than 12 months after completion of the Journey to Mastery™ Program with Frontier GMAC Real Estate then payment in full of the above-specified sum (plus any accrued interest) is due and owing on or before one (1) month from date below. Failure to pay the amount due and owing on that date will constitute a default.

The maker will be liable and consents to renewals, replacements and extensions of time for payment hereof before, at or after maturity, and waives presentment, demand and protest and the right to assert any statute of limitations. A married person who signs this note agrees that recourse may be had against his/her separate property for any obligation contained herein. If any action is instituted on this Note, the undersigned promises to pay attorney's fees in the amount determined by the court.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Maker)



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## Letter of Application

Please accept my application into the Licensing Sponsorship Program and for my affiliation with Frontier GMAC Real Estate. I understand you are concerned about my meeting certain requirements and my responses are as follows:

1. **How do you plan to transition out of your current profession and into your new profession full time, keeping in mind that real estate is a career and requires a full-time commitment?**

**RESPONSE:**

2. **Because real estate is primarily a weekend business, it requires changes in your personal habits, family routines, and leisure time, how will you accommodate these changes?**

**RESPONSE:**



## Letter of Application

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3. Because of the expected changes and the impact on family, friends and social life, it is critical that you have the support of your family and significant others. Have you discussed these issues with them? What were their reactions?

**RESPONSE:**

4. Understanding all of these implications, do they support you in this decision? How do they plan to accommodate your schedule?

**RESPONSE:**

\_\_\_\_\_  
(Signature of Applicant)



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# The Journey To Mastery™ Program

*Today's preparation determines tomorrow's achievement.*

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## The Journey To Mastery™

### The Road to Results

We help you build client relationships for results. Our new agents consistently outsell other new agents, and where it usually takes new agents six to nine months to begin producing, some of our agents begin opening transactions their first month or two on the job! Frontier GMAC Real Estate has enjoyed unparalleled success with the training of new agents in The Journey To Mastery™ Program.

*"In less than 30 days I had real clients that turned into real buyers." - Mary Fran McMahon, New Agent October 1999.*

### Getting on Track with The Journey To Mastery™

The Journey To Mastery™ Program has helped hundreds of sales professionals to become top producers. One of the first things you will discover is that real estate marketing is not just about making sales, it is about developing relationships.

As the statistics of the real estate industry demonstrate, the top producers make most of the money, while 80% of all sales professionals in the industry make less than \$35,000 per year. If you're in the underpaid majority, we believe there are better ways to spend your time, and in one year we can prove it to you. Success may be closer than you think. Why not spend a year mastering your career?

### What is Quantum?

Quantum Management Systems is a full-service management consulting firm. We have a proven track record in boosting executive effectiveness, employee performance and corporate profits. Through The Journey To Mastery™ Program, Quantum trains sales associates and professionals to manage time effectively, generate new clients and make the money they want within the targeted time period.

Douglas M. Yeaman, President and founder of Quantum Management Systems, is a nationally renowned management consultant and an inspirational leader. Having worked with more than 140,000 professionals, he is known for his remarkable ability to motivate and train people within an organization, enabling them to achieve peak performance.



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## The Journey To Mastery™

### Here's the Secret

In the face of the gloomy statistics surrounding the real estate industry today, a Del Mar based management consulting firm has had a remarkable impact on the success of many real estate organizations. Under its founder and president, Doug Yeaman, Quantum Management Systems offers a unique training program for new agents in real estate. The training is called The Journey To Mastery™ Program. And in a survey of beginning real-estate agents, its graduates outsold other beginning agents four to one.

What is Quantum's secret? A lot of it, according to Yeaman, lies in revealing a little-known truth about the industry. "Most people in real estate think they're selling houses. That's not what they do."

If this sounds unusual, Yeaman explains it in a way that makes sense: "Successful agents are actually engaged in supporting people in making their own decisions around their real estate needs. A successful career in sales is not really about selling. It's about establishing relationships that are mutually beneficial." As Quantum sees it, sales are a by-product of these relationships.

When a person makes a career choice to become an independent real estate agent, a painful fact has to be faced. New business is slow business. Over half of new agents fail within the first two years, and nearly all suffer a long period of no-growth before they start becoming profitable.

Typically brokers expect their new agents to take nine to twelve months to close their first escrow. Shortening the time for a new agent to become productive is one of the ways Journey To Mastery™ helps beginning agents.

Another way is by providing them business consulting services for the entire start-up period of their careers. "Most sales trainings," states Janice Rannick, a trainer with Quantum, "lasts for a week or two and are crammed with facts and techniques. We keep only one fact in mind. That is that the top 20% of sales professionals do 80% of the business. We teach our people everything they need to know to function like the 20% who are making the money."



## The Journey To Mastery™

An established business has a lot of operational support. This includes all its administrative systems, advertising, legal and financial help—as well as an established client base.

### Smooth Selling

The Journey To Mastery™ Program focuses sales professionals in two main areas that maximize professional relationships. These are: setting standards for what is productive, and managing time. In Journey To Mastery™, sales professionals learn exactly what to do to establish a productive client relationship.

Encountering clients from the standpoint of what's productive means letting go of prospective buyers who don't meet the standards. As Yeaman explains, "There are three standards that give agents results: (1) they are getting an agreement to an exclusive agency relationship; (2) assuring that the client is able to buy; and (3) assuring the client is ready to buy. Without these standards, time spent with a client is not income-generating."

Quantum has a similar philosophy in terms of time management. It teaches agents to analyze their work time in terms of what is productive, what is nonproductive, and what is indirectly productive. A specific ratio of time spent in these areas lets agents produce their desired results.

According to Sharon Swanton, "The Journey To Mastery™ Program supplies the resources it takes a successful producer three-to-seven years to acquire on his or her own. And they're available at the most critical part of the business cycle...at the beginning."



# 6 Month Timeline

*Things may come to those who wait, but  
only the things left by those who hustle.  
— Abraham Lincoln*

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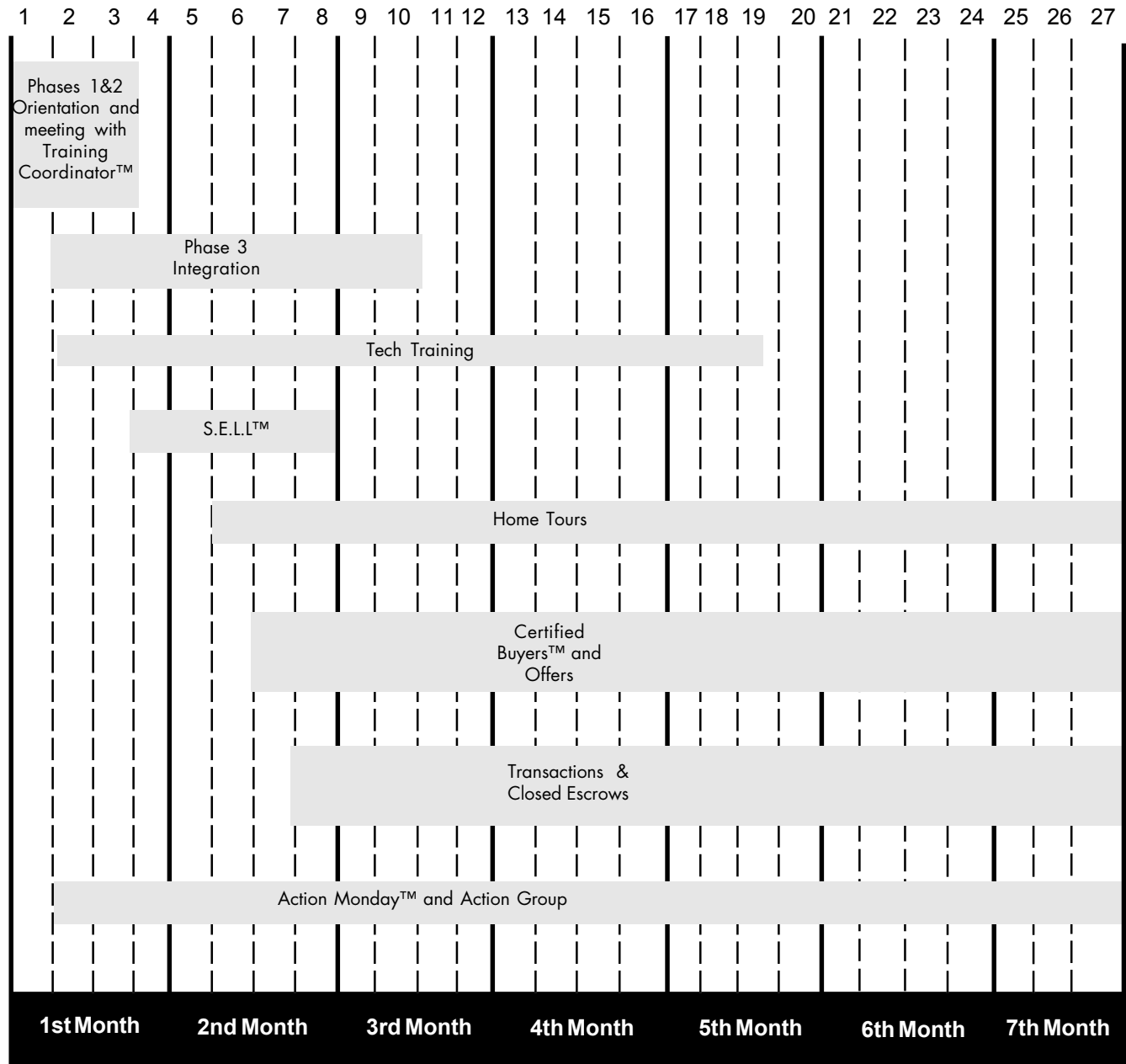
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# New Agent Start-up Timeline

It takes approximately four to nine months of directed activities for a new agent to become a producing member of the Frontier GMAC Real Estate Team.

Weeks:



# Key to Agent Start-up Timeline

Phase One: Initial Orientation and Introduction  
 Phase Two: Meeting between Agent and JTM Manager  
 Phase Three: Integration of Associates with the Journey To Mastery™ Team

S.E.L.L.™ Training: Sales Environment Learning Laboratory (S.E.L.L.™) is an intensive training program that all new Associates are required to attend. It contains three separate segments: Basic S.E.L.L.™ Training, Prestige Home Tour™/Quantum Home Tour™ Certification, and Probing™ Certification.

Begin Prestige/Quantum Home Tour™: The Prestige Home Tour™/Quantum Home Tour™ is the central marketing technique for obtaining buyer and listing leads and establishing clientele.

Associates, in preparing for the Quantum Home Tour™, are required to identify comparative active properties, tour all of the for-sale-by-owner (FSBO) properties and expirations, and prepare a report on the home's location relative to schools, shopping and amenities of the neighborhood.

- Area tour, preview properties and prepare buyer CMA
- Prepare sign maps.
- Obtain permission to place signs.
- Deliver flyers and invitations.
- Phone invitations to any friends, relatives, potential leads or prospects.

Certified Buyers™ and Offers: Working with potential buyers involves what is referred to as Buyer Certification™.

- Client time: Probing™, showing properties, writing offers and negotiating.

Transactions & Closed Escrows: Working with committed "certified" buyers pays off. The Program helps to screen out those not genuinely interested in purchasing a home.

Action Monday™ & Action Groups: Weekly meetings where commitments are made, logistics of home tours are planned, statistics are gathered, and progress is reported.





# Weekly Schedule

*The price of success is hard work, dedication to the job at hand, and the determination that whether we win or lose, we have applied the best of ourselves to the task at hand.*  
—Vince Lombardi

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# Weekly Training Schedule

## Weekly Training Schedule Key

- Phase One: Initial Orientation and Introduction  
 Phase Two: Meeting between Agent and Manager  
 Phase Three: Integration of Associates with Marketing Team
- S-Time: S-Time is that time spent studying the scripts. S-Time takes priority over “A” Time and “B” Time.
- T-Time: T-Time (not to be confused with “tee-time”) is short for Training Time. T-Time includes both formal and informal training (see “Formal Orientation Class” and “Step Three: Integration”).
- B-Time: Preparation for Quantum Home Tours™ is what is referred to as B-Time. The following activities are included in B-Time.
- Agents, in preparing for the Quantum Home Tour™, are to conduct CMAs, to tour all of the for-sale-by-owner (FSBO) properties and all of the expireds, and to prepare a report on the home's location relative to schools, shopping and amenities of the neighborhood.
  - Doing sign mapping.
  - Getting permission to place signs.
  - Sending out flyers and invitations.
  - Phone invitations to any friends relatives or potential leads or prospects.
  - Client time: Probing™, showing properties, writing offers or going on listing presentations with Mentor.
- A-Time: A-Time typically involves participation during the Quantum Home Tours™ as an assistant or “third-person”. The following list of activities are included in the A-Time category and is in the order of priority:
- Host or hostess or guest at someone’s Quantum Home Tours™
  - Training Quantum Home Tours™
  - Full participation on a team
  - When there are three Certified Buyers™, showing property





# Weekly Schedule

Week Begins \_\_\_\_\_

Name \_\_\_\_\_

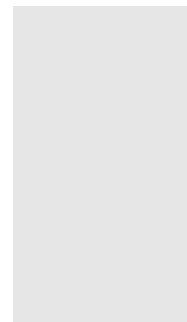
Office \_\_\_\_\_

Date	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	
7:00					Day Off			
8:00		Property Tour						
9:00				Tech Skills & Tools of the Trade				
10:00	Action Monday						Quantum Home Tour or Client Listings	
11:00								
12:00								
1:00								
2:00	Action Monday							
3:00								
4:00								
5:00		Jelly Bean Jar Workshop						
6:00								
7:00								
8:00								
9:00				Step # 3				

**ASSIGNMENTS FOR THE WEEK:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**DETAIL:**



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# New Agents Initial Orientation



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# New Agents Initial Orientation

## “Get Acquainted” Meeting

The Director of Recruiting meets with you initially. Here, the following administrative matters are taken care of:

- A. Review Recruiting Packet
- B. Begin the administrative induction process
  - 1. Provide “vital statistics”
  - 2. Meet Journey To Mastery™ Management Team
- C. Receive a copy of the telephone scripts. Make sure you memorize the entire script. Memorizing the scripts are prerequisite to certification in the areas of training. Anyone can do it. Here is how:

Begin by reading the scripts and carefully preparing “flashcards,” that is, three-by-five cards listing key words in the script. These are used as “cues” to help recall the content of the scripts.

- D. Many of the documents contained in the Frontier GMAC Real Estate Independent Contractor file, including the Association of Realtors paperwork, must be reviewed carefully and then signed. The following list includes many of the documents that must be read and signed as part of your "in processing."
  - 1. Commitment Agreement for Journey To Mastery™ Program
  - 2. Independent Contractor Agreement
  - 3. Commission Agreement and Schedule
  - 4. Fair Housing Act & PPP Fair Housing Policy
  - 5. Antitrust Compliance Policies of Frontier GMAC Real Estate
  - 6. Errors and Omissions Coverage
  - 7. Association of Realtors Application



# New Agents Initial Orientation

## Meet Your JTM Manager

While a participant in the program, you will be working closely and under the direct supervision of the JTM manager.

## Integration

The Planned Integration with The Frontier GMAC Real Estate Team is accomplished by attendance at regularly scheduled meetings and debriefings, including but not limited to the following: Action Mondays™, Action Meetings, Open Houses, Open House Training, and Target Intensive Training. This continues until formal S.E.L.L.™ training program begins.

- A. Planned Visits to a Quantum Home Tour™. You will Assist in putting up signs, passing out flyers, etc. However, primary objective is to observe—you do not share the responsibility for running the Home Tour.
- B. Attendance at special training workshop on Quantum Home Tour™ which will be conducted each month. You will participate and observe.
- C. Schedule yourself to all training programs and create calendar for next 4 months.



# New Agents Initial Orientation

## Training Assignment

A. The procedure for your training assignment is as follows: Your attendance at all meetings and training is required.

1. You will receive a current training schedule.
2. Your name is added to the list of candidates for Quantum training.
3. You must make a commitment to attend all sessions. There is no provision for missing any part of any Sales Environment Learning Laboratory (also known as S.E.L.L.<sup>TM</sup>), Basic, S.E.L.L.<sup>TM</sup> Training, Prestige Home Tour<sup>TM</sup>, Quantum Home Tour<sup>TM</sup>; and, Probing<sup>TM</sup> Certification.

B. Sales Environment Learning Laboratory (S.E.L.L.)<sup>TM</sup>:

Sales Success Training is an intensive training program that all new associates are required to attend. It contains three separate segments: Basic S . E . L . L . <sup>TM</sup> Training; Prestige Home Tour<sup>TM</sup>/Quantum Home Tour<sup>TM</sup>; and, Probing<sup>TM</sup> Certification.

## Memorization of Script

Memorizing the scripts are prerequisite to certification in the areas of training.



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# Sales Environment Learning Laboratory (S.E.L.L.)™

*A positive attitude removes the rust from the mind, lubricates our inward machinery, and enables us to do our work with fewer creaks and groans.*

—Helen Keller

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# Sales Environment Learning Laboratory

## Sales Environment Learning Laboratory (S.E.L.L.)™

Working harder at something that doesn't work, still doesn't work. That is why we emphasize the process through which behavior is modified so the techniques taught in the program will be correctly applied. Merely teaching the theory behind the techniques does not immediately result in productivity gains. However, good techniques, combined with the ability to apply them in the market place, does.

We have identified the key areas that substantially affect an agent's productivity. These include the following: organization and time management; effective telephone and prospecting techniques; and decision shaping in one-on-one situations with clients. The behavior modification process, which is integrated with the learning of techniques, is an essential element.

The training deals specifically with techniques that are critical to success:

- Organization and Time Management (*which give a way of measuring your progress*)
- Effective Prospecting Techniques
- Converting Leads Into Sales
- Probing (*one-on-one sessions with clients*)
- Developing Exclusive Buyer Relationships
- Increasing closing ratios
- Decision Shaping (*structuring problem-free transactions*)



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# Sales Environment Learning Laboratory

The Sales Environment Learning Laboratory (S.E.L.L.)™ has been designed for real estate agents. S.E.L.L.™ training teaches these individuals specific techniques that, if correctly utilized, will have a direct impact on productivity. In addition, S.E.L.L.™ training creates an environment in which the participants utilize these techniques and can modify their behavior so that the benefit of these techniques is fully realized.

## Organization and Time Management:

The participants are introduced to an organization and time management system that is designed to allow salespeople to measure very specifically how they spend their time in relation to productive activities and how they can therefore restructure their activities so as to be more productive. This study in time is conceptual, as in reviewing the difference between productive and indirectly productive time and the laws of work expansion and triviality; and it is also practical, in that a system with forms and procedures for its use is introduced to the participants.

The resulting benefits of an implemented organization and time management system are to increase productivity through a redirection of time spent to include more productive and indirectly productive activities and less with nonproductive activities. Just as important a benefit is the control of time, resulting in more high priority activities and tasks being completed and more confidence because the day's events run smoothly.

## Telephone and Prospecting Techniques:

It is Quantum Management Systems' belief that an organization will benefit substantially through proper use of the telephone by the agents. Productivity is increased because less time is spent procuring appointments. More leads are converted into appointments, and if set up properly on the phone, will yield sales.

We work with the participants in the S.E.L.L.™ Program so that they are fully equipped in prospecting techniques; we also emphasize the continual use of these techniques by modifying their perspective towards this type of activity.

# Sales Environment Learning Laboratory

## Decision Shaping:

Through proper understanding and use of communication structures in a one-on-one situation with a client, agents can increase their closing ratios and also structure the transactions to be more problem-free.

We start in this area with a conceptual look at why people buy things, from a behavioral point of view, and then structure a presentation so that the agent is, above all, helping the client to crystallize his needs.

The sales people are brought to an understanding of what benefits are, and of how to convert features to benefits. The selling process matches benefits to needs, getting agreement on points through the presentation and “shaping” the client’s decision, leading into an effective close.

The sales people become more directional in their approach with a client, having objectives in mind for every face-to-face meeting, and are genuinely helping the client to fill his own needs. This is a counselor approach to selling, which results in greater rapport with the client, more referrals, and a higher closing ratio.

The Program employs role-playing as a learning tool, using audiovisual equipment to facilitate change.

It also results in more solid business, because through these techniques associates are taught to weed out clients who do not represent “workable transactions” and spend extra time, by prospecting, to find clients who do represent good business. Once again, productivity is increased, which is the Quantum Management Systems objective.



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# Sales Environment Learning Laboratory

## The Behavior Process:

Herein lies the process through which behavior is actually changed. In every module, the agents are asked to make a minimum of three commitments, such as using the organization and time management system diligently and in a very specified manner for the duration of the program, and making an ambitious number of phone calls (they set the number, as long as it is ambitious) using the new structure every working day between the beginning and the end of the program, and using the new structure in every face-to-face selling situation, for a few examples. By the fourth or fifth meeting it is evident which sales people keep commitments and to what degree. It is at this point we discuss what the differences are between a sales person who is in a failure pattern and one who is in a success pattern.

Simply put, an agent who keeps commitments is in a success mode and gets what s/he wants (goals), whereas the degree of failure (not reaching goals) is dependent upon the degree to which commitments are broken. The participants have been set up through this process to see themselves in relation to success/failure modes. Very clearly, they cannot avoid realizing what keeps them from reaching their goals, and through discussion, come to an understanding of exactly and specifically what they must do to establish a success mode.

## Logistics:

The Program is structured over a four day period, and meetings are scheduled for eight hours each. This may seem like a rigorous schedule, but it is essential to the program training. From a behavioral point of view, a minimum of twenty-one days is required in order for a change to occur in behavioral and attitudinal patterns. The learn-by-doing methodology provides a vehicle for reinforcement, and therefore techniques must be practiced before moving on to the next phase in the training.



# Sales Environment Learning Laboratory

## Summary:

To tie it all together into a cohesive experience, participants will be asked to interactively demonstrate and describe the techniques they have learned.

Simulations are conducted to achieve a sense of realism. Successful real estate agents, working with Quantum principles, will act as facilitators. By sharing their experiences, participants will get firsthand exposure in how to deal successfully with the varied situations they are likely to come across in their daily quest for more sales and listings.

Using the principle of commitment, we lead the participants to an extensive time-management-system methodology. Its impact is to give the freedom to set and reach goals, measure progress, and allow agents to fully enjoy the work that they do.



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# Standards

*Every job is a self-portrait of the person who did it.*

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# Journey To Mastery™ Standards

By agreeing to participate in the Journey To Mastery™ and its foundation statement, I understand that the following minimum standards of activity must be met during the 90 day period to assure my success and continued affiliation with Frontier GMAC Real Estate :

- Any member who misses more than 4 meetings may no longer participate as a member in The Journey To Mastery™ Program or Frontier GMAC Real Estate .
- Every 2 times that a member is late, it shall count as 1 missed meeting.
- Agents agree to hold Quantum Home Tours™ 3 weekends per month until they have/maintain three Certified Buyers, or have completed The Journey To Mastery™ Program.
- All participants in the program shall use a time management system for each work day including but not limited to the weekly schedule.
- All buyers are to be certified and sign an "Exclusive Right to Represent" agreement.
- Associates agree to the following 90 day bench marks:

**1st 90 days (3 months)**

- 3 Certified Buyers
- 1 Written Offer
- 1 Certified Listing Appointment

**2nd 90 days (6 months)**

- 1 Buyer Transaction
- 2 Written Offers
- Another 2 Listing Appointments
- 1 Listing Taken

**3rd 90 days (9 months)**

- 3 Buyer Transactions in Escrow
- 3 Total Listings Taken



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# Willingness List

As part of my participation with Frontier GMAC Real Estate in The Journey To Mastery™ Training, I agree that I am willing to:

1. Be personally responsible for my promissory note which I understand will be forgiven upon producing three closed buyer sales and three sold listings or in the event I am terminated from the program or the company. Additionally, I understand that I will be evaluated by Quantum Management Systems before I can be accepted in the training. I agree that in the event I leave Frontier GMAC Real Estate prior to completion of Journey To Mastery™ and 12 months continuous affiliation and go to work in any real estate related field my full \$4000.00 note will be immediately due and collectable.
2. Be accountable and receive feedback on my actions.
3. Attend all sessions. This includes:
 

Action Mondays™/Transaction Tuesday	Technical Training
S.E.L.L™ Training	Jelly Bean Jar Workshop
Probing™ Certification	M.L.S. Trainings
Prestige/Quantum Home Tours™	Office Sales Meetings (optional while in JTM)
Target Workshops (as Scheduled)	Broker's Open House
4. Have Real Estate as my primary source of income—FULL TIME—upon being accepted into the Journey to Mastery Program.
5. Participate in prospecting activities that will yield MINIMUM production standards established by Frontier GMAC Real Estate (up to 20 hours of prospecting activities and two home tours per month).
6. Be flexible around schedule, time and location changes due to the needs of the training. I will be given adequate notice and I am willing to manage my schedule accordingly. (S.E.L.L™ and Probing™ Certification Training dates and times will not change, locations may.)
7. Handle issues as they arise within 48 hours and be willing to talk to the person and not about the person at issue. This means issues with my partners I will handle with my partners, issues with my cluster I will handle with my cluster, issues with Quantum Management Systems I will handle with Quantum Management Systems, and issues with my Manager I will handle with my Manager.
8. Meet my office or branch minimum production standards.
9. Work on issues of production and productivity. These include prospecting, organization and time management, committed clients (buyers only), and transaction management.
10. Participate fully at 100% in The Journey To Mastery™ Training knowing that it is NOT Real Estate training.
11. Use a monthly calendar to define my activities and be held accountable to adhere to this schedule.
12. Be present at ALL Journey To Mastery™ training sessions.
13. Understand that there are costs inherent to doing business in the real estate industry and I am responsible for these costs and fees as well as any other real estate related expenses, except as specifically agreed to otherwise, in writing. (e.g. MLS fees, errors and omissions insurance, business cards, listing fees and listing related advertising, etc.).
14. Understand that I am being licensed to conduct Quantum Home Tours™ and that the system and information is proprietary and may be revoked by Quantum for failure to conduct properly or upon leaving Frontier GMAC Real Estate.

Signature \_\_\_\_\_ Date \_\_\_\_\_





## Promissory Note

The undersigned maker, for value received, hereby promises to pay to the order of Frontier GMAC Real Estate the sum of four thousand dollars (\$4000.00).

Further, the undersigned maker, hereby promises to pay interest as specified below on the unpaid principal at a rate of 8% percent per annum. Interest will accrue at the above specified rate beginning on \_\_\_\_\_ (termination date) and continuing until said principal and interest have been fully paid.

Payment in full of the above specified sum (plus any accrued interest) is due and owing on or before one month from date above. Failure to pay the amount due and owing on that date will constitute a default.

The maker will be liable and consents to renewals, replacements and extensions of time for payment hereof before, at or after maturity, and waives presentment, demand and protest and the right to assert any statute of limitations. A married person who signs this note agrees that recourse may be had against his/her separate property for any obligation contained herein. If any action is instituted on this Note, the undersigned promises to pay attorney's fees in the amount determined by court.

The Licensee understands that after graduation from the Journey to Mastery™ Program and continuous affiliation with Frontier GMAC Real Estate as a licensed real estate agent for an additional twelve consecutive months, the note will be forgiven and the obligation will be discharged; Frontier GMAC Real Estate will refrain thereafter from taking any action to enforce the Note, including but not limited to filing a notice of default, instituting suit or claim, or contacting credit reporting agencies.

In addition, this Note shall be forgiven and the obligation shall be discharged under the following circumstances:

1. Upon withdrawal from the real estate field for a period of one year and upon execution of a Covenant Not to Compete for 12 months from date of withdrawal.
2. If maker is terminated by Frontier from the Program for any reason except for maker's failure to attend or meet the obligations of the Program.

I have read and understand the foregoing agreement.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Maker



The Journey To Mastery™ Program is designed to assist me in becoming productive (with 6 closed escrows) quickly. I understand my association with Frontier GMAC Real Estate and my participation in the program requires my commitment to the following:

- 1. Attendance to each and every Action Monday™ and the associated Action Group Meeting.
- 2. Attendance on time for all meetings and appointments.
- 3. I will hold Quantum Home Tours™ 3 weekends per month on both Saturday and Sunday until completion of the Program or until I have three certified buyers.
- 4. I will distribute a minimum of 100 flyers for each upcoming Quantum Home Tour™ unless stipulated in writing by my manager and I will do this in a timely manner, meeting each person I hand out flyers to.
- 5. I will invite 25 people from my personal network to upcoming Quantum Home Tours™.
- 6. I will ask permission of neighbors, in writing, to place home tour directional signs on their property and have them sign the permission form.
- 7. I will preview, prior to a Quantum Home Tour™ the available active listings in the neighborhood.
- 8. I will obtain as many completed surveys as possible from guests at the Quantum Home Tour™.
- 9. I will attend all company meetings.
- 10. I will follow up on all buyer leads I obtain, ask for and get appointments, and get all the buyers I work with certified. I will reserve Tuesday evenings beginning at 5:00 PM to meet with other Associates in the office to complete follow-up calls to guests from the home tour registers and/or my buyers.
- 11. I will obtain all necessary training and be responsible to know how to operate the phone system and computer equipment before using them or taking floor time.
- 12. Until I have closed 3 buyer side transactions and graduate from The Journey To Mastery™ Program, all listing leads I have access to will be referred (turned over to) my Training Coordinator™, and I will receive my agreed to commission on any listing that sells. I am to include my training coordinator™ in all listing client meetings, conferences and discussions, under all circumstances and until my first three (3) listings have closed.
- 13. I will be on time for all Quantum Home Tours™, bring all equipment and materials necessary, cleanup and put away all such equipment after the Quantum Home Tour™. I am personally responsible for the signs in my possession.
- 14. I know I will be working up to 48 hours per week but I agree to take one day off during the week for rest or recreation.

Signature \_\_\_\_\_ Date \_\_\_\_\_

# Journey to Mastery™ Agreement

## Reciprocal Duties

Frontier GMAC Real Estate agrees to provide to you (the Agent) the following training:

S.E.L.L.™ training, which is a technical, results-oriented training program; Action Group™ Meetings; and Action Mondays™.

Probing training focuses on communication skills that help determine the needs of buyers and sellers and creates relationships that are key to business success.

Prestige Home Tour™/Quantum Home Tour™ is a proprietary licensed marketing event. Managed by a team of certified agents, this event creates attendance at the weekend Quantum Home Tour™ that far exceeds a typical open house. This marketing event typically results in the sale of a property within 2-3 weeks of the event, as well as providing additional business for the team members.

The Journey To Mastery™ Program, an innovative and intensive advanced individual training which includes a unique mentoring relationship with experienced, top-producing agents.

In exchange, you (the Agent) agree to the following terms and conditions:

You will remain active in the training until it is successfully completed, and you will commit the time and effort necessary to attend and participate fully in The Journey To Mastery™ Program.

You understand that you will graduate from JTM upon the closing of your 3rd buyer sale and your 3rd seller sale (listing). The commission of these buyer closings will be 45% of the gross commission income on the transaction after deducting a 6% franchise fee.

You understand that you must co-list your 1st 3 listings with a listing mentor designated by the JTM Manager. This can take place during JTM or after graduation. Your commission for these 1st 3 listings will be at 50% of 45% of gross commission income after a deducting a 6% franchise fee. These listings will be under the name of the listing mentor and the split arrangement of the 45% is as follows:

50% to JTM Associate  
50% to Listing Mentor



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MANAGEMENT  
SYSTEMS**

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# Journey to Mastery™ Agreement

It is understood that the company will capitalize any listing costs it incurs, which will be deducted from your commission at close of escrow. The company will bear the cost of advertising and the Mentor will pay for the installation of a sign and will furnish the lock box.

You further understand that in the event that you are unable to complete the training because you voluntarily terminate your affiliation with Frontier GMAC Real Estate, subject to the provisions set forth below, Frontier GMAC Real Estate may immediately demand payment of the full amount of any promissory notes or other expenses incurred by you or on your behalf by Frontier GMAC Real Estate. You do hereby authorize Frontier GMAC Real Estate to withhold from any open escrow any amount owed by you at that time.

The Licensee understands that after graduation from the Journey to Mastery™ Program and continuous affiliation with Frontier GMAC Real Estate as a licensed real estate agent for an additional twelve consecutive months, the promissory note held by Frontier will be forgiven and your obligation to reimburse Frontier GMAC Real Estate for costs of training will be discharged.

**In addition, the obligation shall be discharged under the following circumstances:**

Upon withdrawal from the real estate field for a period of one year and upon execution of a Covenant Not to Compete;

If maker is terminated by Frontier from the Program for any reason except for maker’s failure to attend or meet the obligations of the Program.

I have read and understand the foregoing provisions and I willingly accept the terms of this agreement.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_





**FRONTIER GMAC REAL ESTATE  
JOURNEY TO MASTERY™ AGENT  
INFORMATION CHECKLIST**

**Last Name:** \_\_\_\_\_ **First Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

I agree to affiliate with Frontier GMAC Real Estate in the Journey to Mastery™ Program. I have received, reviewed, agreed upon and executed copies of the following items:

1. FGMAC Independent Contractor Agreement
2. FGMAC Journey to Mastery™ Addendum
3. GMAC Premier Service Certification Addendum
4. FGMAC Pay at the Table Addendum
5. FGMAC *You've Arrived* Document
6. Colorado Real Estate Commission License Application and Transfer Form
7. FGMAC Broker Associate Office Policy Manual
8. FGMAC JTM Program Broker Associate Commission Plan Agreement
9. FGMAC Commission Payment Policy
10. FGMAC Computer and Technology Policies
11. FGMAC Fair Housing Policy
12. National Do Not Call Registry
13. FGMAC Affiliated and Strategic Alliances
14. SMDRA Application Form
15. METROLIST User Account Form
16. FGMAC Agent Web Page Info Form
17. FGMAC Agent Profile Form
18. W-9 IRS Form
19. FGMAC Agent Services Contact List

I have also provided my Managing Broker with the following required items:

1. My real estate license or the executed paperwork to secure such document.
2. For unlicensed individuals, a check to Frontier GMAC Real Estate for \$490 to cover Test Application, CBI/FBI Investigation, Errors and Omissions insurance, licensing fee, and electronic fingerprinting fee.
3. Technology set up fee of \$60 (includes onetime charges for e-mail, web page and directory).
4. "Certificate of Insurance" from my auto insurance agency showing limits of coverage.

My Managing Broker provided me with the following:

1. A copy of items 1 through 19 above (signed and dated where applicable).
2. Information and application forms to join the local Board of Realtors.
3. Office key # \_\_\_\_\_.
4. An explanation of the FGMAC JTM Program Associates Commission Plan to which I have agreed. My start date is \_\_\_\_\_.

Signed, Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Signed, Manager: \_\_\_\_\_ Date: \_\_\_\_\_

***Return all originals to the Office Manager.***

(Rev 4-8-06)

Read and Understood by \_\_\_\_\_  
Pre-License \_\_\_\_\_ Post-License \_\_\_\_\_

# Independent Contractor Agreement

Frontier **GMAC**  
Real Estate



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## Independent Contractor Agreement

This Agreement, made in Colorado by and between Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate, a Colorado limited liability company (herein referred to as “Broker and/or Company”) and \_\_\_\_\_ (herein referred to as “Broker Associate”) effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Whereas, Broker is duly licensed by the State of Colorado as a real estate broker, and Broker Associate is duly licensed by the State of Colorado as a real estate broker associate; and

Whereas, each party deems it to their advantage to contract with the other under the terms and conditions as hereinafter set forth; and

Whereas, the Colorado Real Estate Commission has jurisdiction over the parties hereto and promulgates, periodically, various rules and regulations which are controlling on all licensees. Both parties acknowledge that the Broker is responsible to ensure that those rules and regulations are complied with in this venture.

Now, Therefore, it is agreed as follows:

1. This Agreement does not constitute a hiring by either of the parties. The parties of this Agreement intend that Broker Associate be an independent contractor, and not an employee of Broker, so that Broker Associate retains absolute discretion and judgment in the way in which Broker Associate carries out listing and selling activities, but Broker Associate agrees to carry out those activities in compliance with State law, rules and regulations, and according to Broker’s policies and procedures. Broker has control over Broker Associate only to the extent necessary to comply with Colorado state statutes, Real Estate Commission Rules and Regulations and the provisions of this Agreement. Broker Associate shall not be treated as an employee with respect to services and activities performed pursuant to this Agreement for Federal and State tax purposes. Broker shall not be liable for any obligation incurred by Broker Associate.

2. The Broker and the Broker Associate agree to abide by and comply with all of the applicable laws of the State of Colorado, the Colorado Real Estate Commission’s Rules and Regulations, and the policies of the Broker issued and amended from time to time including, but not limited to, the Company’s Associates Office Policy Manual and Lead Management Policies.

3. Broker shall continue to maintain an office for the conduct of real estate business and may provide Broker Associate, as agreed upon between Broker and Broker Associate, office facilities, time, services and incidental materials.

4. Broker Associate shall engage in the real estate business by selling real estate

listed with Broker or with other brokers and soliciting and procuring additional listings and customers/clients for Broker to the end that each of the parties may derive the greatest possible benefit from this independent contractor relationship.

5. Broker and Broker Associate shall use their best efforts to maintain and increase the public good will for Broker's reputation for fair dealing with the public. Each party will comply with all canons, codes and standards of practice made applicable to the real estate brokerage profession by the National Association of Realtors, Colorado Association of Realtors and local Realtor associations. The Broker Associate is required to join a local Realtor Association and is solely responsible for payment of the annual charges for membership.

6. For the mutual benefit of the parties, Broker shall provide and make available its experience, guidance and advice in matters concerning the real estate business by means of conferences, meetings, discussions and the providing of literature and periodicals. The Colorado Real Estate Commission requires the Broker to supervise the Broker Associate. Both parties agree to abide by the Commission's and the Company's prevailing requirements or policies as to meeting the Commission's criteria for supervision.

7. The sole compensation payable to Broker Associate shall be from commissions earned. As used in this Agreement, the term "commission" shall include all charges and payments of every nature made or received by the Broker for any service performed by Broker Associate in connection with a real estate transaction. Broker shall have the sole authority to accept or reject any listing or buyer contract and to set the amount of commission to be charged the seller or buyer. On any real estate transaction upon which Broker Associate is working, if Broker agrees to charge a different commission rate than is usually charged by Broker, that charge shall be expeditiously disclosed to Broker Associate. Remuneration to which Broker Associate is entitled by virtue of his or her work on any real estate transaction will be paid to Broker Associate promptly, but only after the commission has been paid to and received by Broker, all required paperwork has been submitted to Broker, and the Broker Associate Company office bills are paid in full. If the commission is reduced to the form of a promissory note, then the Broker Associate will participate as to the proceeds of the note as they are paid in accordance with the Broker Associate's commission schedule. Commissions for any listing contract for property owned in whole or in part, or to be purchased or leased, by Broker Associate, or by an entity in which Broker Associate has any ownership interest, will be set by Broker in accordance with the Company Policy Manual.

8. In the event a party has failed to pay a real estate commission, Broker shall make a final determination as to whether or not to pursue the collection of the commission. If the Broker Associate does not desire to proceed with such collection efforts, Broker Associate shall indicate so in writing and he or she shall then, by such indication, waive his or her share of any commission thereafter collected. If Broker Associate desires to proceed with collection efforts, then all litigation expenses, including, but not limited to attorney fees, court costs, deposition expenses and witness fees, shall be borne by the Broker Associate in the same proportion Broker Associate's share of the commission bears to the total commission sought in the collection efforts.

9. Commissions received by Broker on Broker Associate's transactions shall be divided in accordance with the specific Plan elected and agreed to in writing between Broker Associate and Broker from the Company Commission Plans currently in effect, subject to paragraph 18 of this Agreement. The Broker Associate may make any arrangement with other Broker Associates associated with the Broker concerning division of commission so long as the Broker Associate's total commission is based on the Broker Associate's schedule as established between Broker and Broker Associate. In no event shall the Broker Associate's schedule as established exceed the amount paid if only one Broker Associate was involved.

10. Every Broker Associate who elects compensation to be paid under any Desk Fee Plan offered by Broker, agrees that the Broker Associate shall be obligated to pay the monthly fee for a full 12 month period from the commencement date of the plan. The Broker Associate will not be allowed to change to any other compensation plan of Broker and the Broker Associate agrees to pay the fee for the full 12-month period even if the Broker Associate leaves the company unless otherwise agreed to in writing by Broker in extraordinary circumstances such as the death, termination, or disability of Broker Associate.

11. Except as set forth in this Agreement, neither party shall be liable to the other party for any expenses of any kind incurred in connection with a real estate transaction. Advertising costs incurred on behalf of the Broker Associate, if any, in excess of agreed allowances, must be reimbursed to Broker. Broker Associate agrees to set up direct billing with local vendors for personal expenses and agrees not to encumber the Broker with bills that may be an expense of the Broker Associate. In the event any expenses, such as, but not limited to, title charges, escrow fees and attorney fees are incurred in a particular transaction and must, for any reason, be paid from the commission, the expense shall be borne by the parties in the same proportion as commissions are shared on the transaction. Any funds advanced by Broker to Broker Associate over and above the share of commissions shall be deemed as a loan to Broker Associate and shall be debited to Broker Associate's personal account and repaid first from the share of commissions earned by the Broker Associate on that particular transaction and on subsequent transactions or charged to the Broker Associate's credit card at the discretion of the Broker. If, at the time of termination of this Agreement, Broker Associate's share of commissions earned is not sufficient to repay funds advanced, it is agreed that the deficit shall be considered a personal debt of the Broker Associate and may be charged to a credit card or sent to a collection company for repayment.

12. In the event of a dispute arising between two or more Broker Associates within the Company which cannot be mutually resolved, the Broker Associate agrees to submit such dispute to the Broker and abide by the written decision of the Broker, which decision shall be presented to all concerned parties and shall be binding upon them. In the event a dispute arises between Broker Associate and Broker under this Agreement, the parties agree to submit such dispute to the Advisory Committee, as further described in the Policy Manual of the Company. The Advisory Committee's written decision shall be presented to all concerned parties and shall be binding upon them.

13. In the event that an attorney is retained by Broker to defend any claim, civil action, criminal action, or arbitration brought against Broker (whether Broker Associate is a



named party or not), pertaining to any particular transaction involving Broker Associate, whether consummated or not, all expenses, including but not limited to, attorney fees, court costs, deposition expenses and witness fees, shall be borne by the parties to this Agreement in the same proportion as a commission from the particular real estate transaction involved in the dispute was or would have been divided with Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate. This provision is intended to survive the termination of this Agreement, and thus, Broker Associate agrees to share such expenses even if the claim or proceeding is instituted or pursued at a time when Broker Associate is no longer associated with Broker.

14. Broker Associate shall indemnify and hold Broker harmless from any and all claims, demands, monies, expenses, costs, attorney fees and judgments which may be made against or incurred by Broker as a result of: (a) actions taken or work performed by Broker Associate on his or her own account where Broker did not or would not share in commissions which might be generated from that action or work; or (b) actions taken or work performed for Broker Associates or at Broker Associate's direction which are not authorized within the scope of this Agreement; (c) any act which violates the provisions of the Company's errors and omissions insurance policy as determined by its insurance carrier; or (d) any act or omission to act not disclosed to Broker Associate's Broker or Managing Broker which results in an adverse claim against the Company.

15. Broker Associate shall deliver within 24 hours after acceptance of contract to Broker all cash, checks, notes, money orders or other evidence of earnest monies which Broker Associate may receive in connection with any real estate transaction in which Broker is involved.

16. Broker Associate and/or his or her personal assistant(s) agree to procure and maintain an automobile liability policy naming Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate as the co-insured with a minimum liability coverage of \$100,000 per person and \$300,000 per occurrence. Said coverage to be provided for automobiles and/or aircraft, as applicable. Broker Associate agrees to furnish to Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate the written evidence of such coverage effective as of the date of this Agreement, and on each anniversary date of the policy. In addition, Broker Associate agrees to procure and maintain errors and omissions insurance coverage as required by Broker.

17. All listings or rights to listings obtained by Broker Associate during the period of this Agreement and all prospects referred to Broker Associate during the period shall be the property of the Broker and shall remain the property of the Broker in the event this Agreement is terminated.

18. This Agreement and the relationship created thereby may be terminated with or without cause, by either party at any time upon notice to the other party. However, in the case of termination by the Broker Associate, the Broker Associate shall only be entitled to receive commissions on particular transactions that are at the time of the notice under contract. In that event, a commission on a 50/50 basis shall be paid to Broker Associate when closed and the Broker has received the commissions. In the case of termination of this Agreement by Broker, Broker Associate shall be entitled to commissions at the current rate Broker Associate has attained at the time of notice. In the event of termination of this Agreement, Broker Associate

shall not be entitled to receive commissions that have been paid to Broker until Broker Associate has fully complied with the provisions contained in this Agreement. In the event this Agreement is terminated, Broker Associate shall not use, to his or her advantage, or the advantage of any other person, firm or corporation, any information gained for or from the files or business of the Broker. In the event a dispute arises under this paragraph, it shall be resolved in accordance with Paragraph 12.

19. All costs and expenses incurred by the Broker Associate which are reimbursable to Broker shall be paid once a month via one of the following methods: (a) paid out of the Broker Associate's commission check, or (b) paid by Broker Associate's personal check, or (c) paid by Broker Associate's credit card charge.

I agree that if I opt to pay these costs and expenses by credit card, I will furnish the Office Manager with the type of credit card, the card number and expiration date, and the authorization to process those charges on a monthly basis. Prior to the end of the billing period, it will be the responsibility of the Office Manager to notify the Broker of the method of reimbursement. In the event items (a) or (b) are not fulfilled at the end of the payment cycle, I hereby authorize Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate to charge my costs and expenses to my credit card indicated below:

<hr/>	
Credit Card Number	Expiration Date
Visa    MasterCard    (circle one)	

<hr/>	<hr/>
Signature	Date

I acknowledge that I will follow the Company policy outlining payment for Broker Associate reimbursable costs that are not collected per Company policy. I could be subject to a 4% per month late fee charge and/or termination by the Company of my services.

20. In the event Broker Associate is unable or unwilling to complete a sales transaction, Broker has the right to reassign that transaction to another Broker Associate and set the commission with the other Broker Associate, and if need be, readjust the commission split with that Broker Associate. In no event shall the Broker Associate's total share of the commission exceed the amount paid if only one Broker Associate was involved. In the event a dispute arises under this paragraph, it shall be resolved in accordance with Paragraph 12.

21. Certain respective duties, rights, obligations and/or liabilities shall survive termination of the independent contractor relationship and are intended to do so including, but not limited to, those set forth in paragraphs 10, 11, 12, 13, 14, 17, 18, 19, 24, 25, 26 and other

financial or indemnity obligations of the Parties.

22. This Agreement along with the documents referenced herein and any attached Addendums noted at the end as being included in this Agreement represent the entire Agreement between the parties and each party specifically represents that there are no other contracts, agreements or understandings, whether oral or written, existing between them except as contained in this Agreement or as may be added by written and signed Amendments evidencing the mutual consent of these parties. Any previous contract or agreement for employment or independent contract engagement between these parties, whether written or oral, is hereby suspended, revoked and rendered null and void.

23. Legal Status and Responsibilities. It is understood as follows: a) The Broker has the right to control the result of the work and not the means or methods for accomplishing the result; b) The Broker Associate shall pay any amounts due as a result of the Federal Insurance Contributions Act (FICA), The Federal Unemployment Act (FUTA), and federal and state income tax in regard to the Broker Associate's earnings and to furnish proof of said payment in a form reasonably requested by Broker; c) The Broker Associate shall be entitled to engage in any other kind of work, besides real estate or leasing, for any other person; d) The Broker Associate may hire other people to assist with clerical and accounting work, as needed; e) The Broker shall not make personal appointments for Broker Associates or determine whether appointments are kept; f) no draw or other form of minimum income shall be provided by Broker to Broker Associate; g) Broker Associate shall not be treated as an employee with respect to the services performed by such Broker Associate as a real estate agent for all Colorado tax purposes, including but not limited to, income tax, unemployment insurance tax and Workman's Compensation; h) All of the Broker Associate's remuneration (whether or not paid in cash) for the services performed as a real estate agent will be directly related to sales and other output, rather than to the number of hours worked.

24. Broker Associate releases Broker from any and all claims Broker Associate may have or ever have for work-related injuries and acknowledges that because of his or her Independent Contractor status, Broker Associate is not entitled to be compensated under Colorado State Workman's Compensation laws and expressly waives any right thereto.

25. Broker Associate is not entitled to Workers' Compensation Benefits.

26. Broker Associate is obligated to pay federal and state income tax on any monies earned pursuant to the contract relationship.

27. The Addendums indicated by the initials of both Broker and Broker Associate below are attached to and made a part of this Agreement:

<u>Broker</u>	<u>Broker</u>
(initials)	<u>Associate</u>
_____	(initials)
_____	_____

Premier Service Certification Requirement Addendum

_____	_____	Business Plan Requirement Addendum
_____	_____	Journey to Mastery™ Program Requirement Addendum
_____	_____	GM Auto Show in Motion participation Requirement Addendum
_____	_____	Pay at the Table Addendum
_____	_____	Other Addendums attached (describe here): _____

In Witness Whereof, the parties hereto have set their hands and seals on the date and year first above written. By my signature below, I acknowledge that I have read, understand and agree to abide by the policies of Frontier Real Estate DTC, LLC dba Frontier GMAC Real Estate, this Independent Contractor Agreement, and any applicable Addendums.

Frontier Real Estate DTC, LLC  
dba Frontier GMAC Real Estate

By: \_\_\_\_\_  
Managing Broker

\_\_\_\_\_  
Broker Associate

(Form Revised 12-7-05)



**ADDENDUM**

**To Independent Contractor Agreement by and between Frontier GMAC Real Estate and Broker Associate**

**Journey to Mastery™ Program**

Broker Associate agrees to enter into and comply with all requirements of the Journey to Mastery™ Program in accordance with the attached Program documents.

Dated: \_\_\_\_\_, 20 \_\_\_\_.

Frontier Real Estate DTC, LLC  
dba Frontier GMAC Real Estate

By: \_\_\_\_\_  
Managing Broker

\_\_\_\_\_  
Broker Associate

(Form Revised 7-25-05)



**ADDENDUM**

**To Independent Contractor Agreement by and between Frontier GMAC Real Estate and Broker Associate**

**Premier Service Certification Requirement**  
**Journey to Mastery™ Program Agent**

Broker Associate agrees to complete the GMAC Premier Service training and obtain certification within 45 days of graduation from the Journey to Mastery™ Program.

Dated: \_\_\_\_\_, 20\_\_\_\_.

Frontier Real Estate DTC, LLC  
dba Frontier GMAC Real Estate

By: \_\_\_\_\_  
Managing Broker

\_\_\_\_\_  
Broker Associate

(Form Revised 7-25-05)



**ADDENDUM**

**To Independent Contractor Agreement by and between Frontier GMAC Real Estate and Broker Associate**

**Pay At The Table Closing**

Frontier GMAC Real Estate (Frontier) agrees to authorize any commission checks due to be paid directly to the Broker Associate (Agent) at the time of closing.

The Agent agrees that this is a privilege and agrees to abide by the terms set forth in this agreement in order to maintain being paid at the table. (Time of closing)

- Agent must have a full and complete transaction file before the closing.
- Agent agrees to provide a copy of Agent's commission check to Frontier within 48 hours after closing.
- Agent must complete and sign Frontier's Commission Disbursement Authorization form prior to closing.
- Agent agrees not to alter the disbursement in any way.
- Agent agrees to deduct any document preparation fees charged by the title company from Agent's portion of any due commission.
- Agent agrees to submit all closing documents and checks to Frontier's Systems coordinators office no later than 48 hours after closing.
- Agent agrees to obtain any missing documents requested by the systems coordinator within 48 hours of being requested.

Should the Agent not return the closing documents in a timely and orderly manner, the privilege of being paid at closing shall be removed, and the disbursement of any and all-due commissions shall be as follows:

Any Agent not being paid at the table shall be paid commissions on the 15<sup>th</sup> and the 30<sup>th</sup> of each month, whichever date falls directly after the date in which the complete file is submitted to the office systems coordinator so long as the file is received at least two business days before the commission payment date.

Dated: \_\_\_\_\_, 20\_\_\_\_.

Frontier GMAC Real Estate

By: \_\_\_\_\_  
Managing Broker  
(Form Revised 12-7-05)

\_\_\_\_\_  
Broker Associate



## **AFFILATED AND STRATEGIC ALLIANCES**

Frontier GMAC Real Estate has affiliated and strategic alliances with major suppliers of services to the real estate transaction. The objective of the group is to collectively pool resources to generate business for each of the members.

The suppliers are selected because they are owned by Frontier GMAC Real Estate or its owners, or because of their ability to provide necessary and valuable services. There are neither illegal financial arrangements nor referral fees between the companies. There is a commitment to provide excellent service to Frontier GMAC Real Estate, its agents and their customers and to seek business opportunities for the good of the whole.

Frontier GMAC Real Estate has developed programs that will bring business to the company and subsequently to the agents of the company. Working together, sharing clients, creating new opportunities and capturing a greater share of the business are our goals.

Agents are deluged with sales representatives from many competitors, yet none offer the opportunities to which the members of our alliance have committed. Each agent with Frontier GMAC Real Estate should understand the opportunities that exist. The more agents who support the members of the group, the more it will benefit the agents and the company. The company will be able to provide even more services and benefits to agents if the companies are more profitable due to agent support.

### **Affiliated and Strategic Alliances of Frontier GMAC Real Estate include:**

- **Lending Frontier Company, LLC (financing and mortgages)**
- **Frontier Title Company DTC, LLC (title insurance and closing services);**
- **HomeSource Financial Services, LLC (financing and mortgages in Colorado Springs);**
- **GMAC Real Estate Home Protection Plan (Home Warranty Plan);**
- **State Insurance Services (Home Owner's Insurance).**

Read and Understood by

\_\_\_\_\_  
Pre-License

\_\_\_\_\_  
Post-License



# Frontier GMAC Real Estate New Agent Packet



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**You've Arrived!**

**FGMAC Services and Support**

**“Service you deserve. People you trust.”<sup>SM</sup>**

(JTM Agents Rev. 4-8-06)

# Start-up Materials & Services

\*Not Applicable to JTM Agents

Business Cards	500 cards with or without photo	Complete the business card order form, return to Office Manager. Agent will order and pay for all future business cards. For 1000 with photo       \$75.00 For 1000 without photo   \$65.00
Photo/Headshot	We require professional agent photos for the website, business cards, announcement cards, postcards, and all other marketing materials.	High resolution, not less than 300 dpi. We can take a digital photo if you wish.
Bio/Profile	Bio and photo will be posted on the fgmac.com website and can be used for your first monthly postcard mailing.	For assistance in writing your bio, see the following Bio outline.
Sphere Database Organization	Organize in computer program for postcards and e-newsletter.	Assistance in organizing.
*Experienced Agent Announcement Cards	200 cards w/agent photo and contact information to send to your sphere.	Provide Keith with your digital photo for card layout and printing. Provide the receptionist with your stamped, sealed and labeled envelopes for mailing.
New Agent Announcement Cards	100 Pre-printed cards.	Provide the receptionist with our stamped, sealed and labeled envelopes for mailing.
E-mail Setup	You will be assigned an fgmac.com email address.	Keith will create your email address and include you on the company directory. If you would like your email to forward to another address, please let Keith know.
Computer Setup	Your personal computer/laptop connected to the fgmac network	Contact Keith or Jenifer to schedule a time for your computer setup.
Outlook and Webmail	We suggest that you use MS Outlook as your email software.	Keith or Jenifer will setup your email to be accessed through Outlook. To access your email remotely/online, go to <a href="http://mail.fgmac.com">http://mail.fgmac.com</a> , username: [full email address], password: [password]
*Voicemail setup	You will be assigned an extension and given instructions on how to record your outgoing message. Not available for mobile agents	See Office Manager for details and assistance.

For Sale Signs	Frontier will provide you with a for sale sign for each listing.	Check out sign from the Office Manager
Other Signs	Name riders, open house signs, etc. will be paid for by Agent.	Must use approved logo's, etc. for all signs.
MLS Classes	Metrolist, Inc. offers free MLS classes to users	Call 303-850-9576, hit option 5, or ask receptionist to set training appointment
Realtor® Membership	FGMAC belongs to the South Metro Denver, North Metro Denver and Denver Board of Realtors®	Contact Managing Broker for details
Floor Time	Floor time is voluntary and scheduled	
Electronic Listing and Buyer Presentations	Provided by GMAC Home Services at no cost.	For download from gmacmembers.com
MLS Access	You must belong to a board of Realtors, have an active license and complete the application with Metrolist for Direct Billing.	All of your MLS bills will be paid by you directly. We require 100% participation in Direct Billing by all our associates. Please notify Office Manager with forms completed and she will process the application with Metrolist.
Long Distance Telephone and Fax	You will be issued a code for long distance calls. No charge to you for business calls or faxes. All other calls, please complete a long distance call form	Office Manager will order your long distance code and provide forms for personal long distance calls. You must pay for any personal long distance calls. Associates shall pay for their own cell phones, pagers, etc.
Advertising	FGMAC is still developing its advertising program. We'll be advertising in local papers once as new listing and then again for price change.	You may utilize our preferred advertising rate for any ads you place apart from FGMAC paid ads. Contact Keith for details.
E-Newsletter	Provided by GMAC Home Services	Cost varies depending on quantity.
Brochures	We provide 25 color brochures for each new listing at no cost to the agent.	Additional color brochures available at \$1.00 each.
401k, health insurance and other benefits	Only available to GMAC agents	Visit the GMAC intranet site, gmacmembers.com, for all the details.
High End Promotion for High End Properties	GMAC branded the term, "Elegant Homes"	For \$470.00, you get an ads in the Wall Street Journal (western), the duPont Registry, the New York Times, and the GMAC Elegant Homes magazine. Reruns in Wall St. Journal at \$250 per.

Copies	No charge for business use of b&w copier	Color copies will be billed at \$0.38 per page.
Lockboxes	Agent cost [approx. \$30 each]	Purchase at Realtor board or building supply store (Home Depot/Lowes)
Home Warranty Services Affiliation	Through GMAC Home Services	Contact Joel Moritz
*Career Coaching	Personal business planning and coaching from experienced management staff (ongoing)	Our Managing Broker and others will provide personal coaching at no cost to you
Full Service Title Affiliation	Frontier Title Company DTC, LLC provides the best service in the Metro area to GMAC associates	Frontier Title is an affiliated business of Frontier GMAC Real Estate
Lender Affiliation	Lending Frontier Company, LLC provides excellent full service mortgage products in-house	Lending Frontier is an affiliated business of Frontier GMAC Real Estate
Real Estate Contract Software	FGMAC will provide every associate with a licensed copy of RealFa\$t Contract Software	Top rated software, with attorney-approved clauses
*Voice Mail	Private Voice Mail for all Associates except Mobile agents	No cost, easy to use system from Lucent
*Private Number	Private phone line for direct dial to you except Mobile agents	Use on your riders and ads. We want YOU to get the calls on your listings.
Postage	Associates are responsible for providing their own postage in most circumstances	
Prospecting and Marketing	FGMAC will make a limited amount of prospecting and marketing documents available to all associates	GMAC has a vast amount of very high quality material available for purchase
National Advertising	GMAC Home Services advertises nationally on cable and broadcast t.v., radio and print advertisements	GREAT EXPOSURE AND BRANDING FOR YOU!!!
Errors and Omissions Insurance	Each associate must maintain their own insurance	Must be obtained prior to licensing, we recommend Williams Underwriting Group at <a href="http://www.wugieo.com/">http://www.wugieo.com/</a> We recommend the higher limits.
High Technology Pride	FGMAC is high tech and high touch. We will be on the cutting edge of technology without losing touch with our clients.	We want to provide you with the tools that will make you successful.

Qualified Managing Broker	Our Managing Brokers are highly qualified	Extensive experience in the Denver area as managing brokers.
Unbelievable Support from the GMAC Family	*Family First Referrals	Touches 17 million people a month
REO (Real Estate Owned by Banks)	We have developed relationships through GMAC Mortgage to make this a major segment of our overall plan to over-achieve in the Denver marketplace.	We think we can be big in this arena.
*Broker to Broker Referrals	This can be huge!	Our owners are committed to creating the best possible environment for incoming and outgoing referrals for the 22,000 GMAC agents in 1,300 offices across the U.S.
Competent Owners	Joel Moritz, Esq., practices law in Denver as he has for 26 years and is excited to help develop and promote the Premier real estate home services company in Denver and Colorado.	Keith Brown brings a wealth of knowledge and more than 20 years of executive management experience in the mortgage and other related businesses. Joel and Keith co-own a title company and are committed to being the best possible owners.
GMAC Home Rewards	After closing, discounts and other offers at various home furnishing and nationally known merchandise stores from around the region.	FGMAC is on-line with this program
GMAC Global Relocation	*Incoming and outgoing referrals from around the world	AWESOME!
Education and Training	Awesome instruction and courses that are pertinent to you and market conditions	Helping you develop the skills and knowledge that will make you a better broker associate.
GMAC and Frontier GMAC Consumer Websites	High quality web presence	<a href="http://www.gmacrealestate.com">www.gmacrealestate.com</a> <a href="http://www.frontiergmacrealestate.com">www.frontiergmacrealestate.com</a> <a href="http://www.eleganthomes.com">www.eleganthomes.com</a> <a href="http://www.gm.com">www.gm.com</a>
Staffing	Professionally trained staff	We have the best Office Manager and support staff including a weekend receptionist
*FGMAC Private Website for Associates	You'll have your own Premier web presence to start.	Currently, that is approx. \$50.00 per month

Administrative Services	No cost to associate	Office Manager will: MLS input Status changes Contracts Administration
Co-op Agent Thank You Letter	After closing, a Thank You letter will be sent to the cooperating agent	Happens automatically. If for some reason you want the letter omitted, please contact the Office Manager when the file is turned in.
Automobile Purchase Discounts	Discounts will vary from make and model on all GM vehicles	WOW!
Transaction Support Coordinator	FGMAC provides limited Transaction Management for every contract for our Associates	No cost to you. Others charge as much as \$200.00 for each contract.

While we have made every attempt to use the most recent pricing for specific items, prices change from time to time, so the prices herein are representative of the prices as of July 1, 2005, but are not guaranteed and may change. Frontier GMAC Real Estate will make every effort to honor the price or service herein, but may not be able to do so in each case.

I have read and received a copy of this document on \_\_\_\_\_, 200\_\_

\_\_\_\_\_  
FGMAC Associate Broker

4\_8\_06 You've Arrived! FGMAC Services & Support







# COLORADO REAL ESTATE BROKER LICENSE APPLICATION

**RETURN TO:** Division of Real Estate, 1900 Grant Street, Suite 600, Denver, CO 80203.

**MAKE CHECK PAYABLE TO:** C.R.E.C. or Colorado Real Estate Commission  
(APPLICATION FEES ARE NOT REFUNDABLE)

The status of your application will be available by accessing the Division of Real Estate (DRE) Internet homepage at: [www.dora.state.co.us/real-estate](http://www.dora.state.co.us/real-estate), or; by calling the Automated License Information System at (303) 894-7432 or (303) 894-7433.

- Please do not call the DRE office for the status of your application until after you have accessed one of these two sources.
- All forms and applications are available on the DRE Internet homepage.
- Your license will be mailed to the employing broker or to you if you are an independent broker.

This application must be accompanied by:




- a. Proof of Error and Omission Insurance must be in place at the time of application in order to be issued an active license. Applications received without E & O in place at the time of application will be issued on an inactive status.
- b. Application fee. Fees are printed on exam score reports and posted on the DRE homepage. Fees are subject to change July 1<sup>st</sup> every year. **Application fees are not refundable.**
- c. Applicants, who apply for a license **prior to August 9, 2005**, must submit a completed fingerprint card (#FD-258) with this application. The fingerprint card is available at the exam sites and the Division of Real Estate office. Access the Division of Real Estate (DRE) Internet homepage at: (<http://www.dora.state.co.us/real-estate/license/licinfo.htm>) for information on the procedure and process.  
**Effective August 9, 2005:** **BEFORE** submitting an application for a real estate broker license, each applicant shall submit a set of fingerprints to the Colorado Bureau of Investigation for the purpose of conducting a state and national fingerprint-based criminal history record. The applicant shall pay the fee established by the Colorado Bureau of Investigation. Upon completion of the criminal history record check, the bureau shall forward the results to the Real Estate Commission. Access the Division of Real Estate (DRE) Internet homepage at: (<http://www.dora.state.co.us/real-estate/license/licinfo.htm>) for information on the procedure and process.
- d. Proof of education. A certificate of completion (form #REC-33) or other form and method acceptable to the commission. (See page 2 for education requirements). Legible photocopies are acceptable.
- e. Broker exam score report(s) (if an exam is required). Applications must be complete and received by DRE within one year of the date the exam is passed or all rights to a passing score will be terminated and your application will be canceled. If the general and Colorado portions were passed on different dates, this one-year period starts on the date the second part is passed, and you must submit BOTH score reports. (See page 2 for examination requirements). Legible photocopies are acceptable.
- f. Certificate of license history from each jurisdiction (except Colorado) where you were previously or are currently licensed. The certificate(s) must be dated not more than 90 days prior to applying and must show dates of active licensure. Do not have certificates sent to DRE independently of your complete application. Legible photocopies are acceptable.

In compliance with Title 12, Article 61, Part 1, C.R.S., I hereby apply for a real estate broker license:

1. Name: \_\_\_\_\_  
(Last) (First) (Middle) (Former \ Maiden)
2. Date of birth: \_\_\_\_\_ Place of birth: \_\_\_\_\_  
(Month/Day/Year) (City) (State)
3. Social Security number: \_\_\_\_\_  
(Required by 24-34-107 C.R.S.)
4. Residence address: \_\_\_\_\_  
(Number and Street) (City) (State) (Zip Code)
5. P.O. Box for mailing purposes: \_\_\_\_\_  
(No.) (City) (State) (Zip Code)  
Note: P.O. Box number is not acceptable in place of a physical address.
6. Residence phone number: (\_\_\_\_) \_\_\_\_\_ Business phone number: (\_\_\_\_) \_\_\_\_\_  
Cellular phone number (\_\_\_\_) \_\_\_\_\_
7. Fax number: (\_\_\_\_) \_\_\_\_\_ E-mail address: \_\_\_\_\_

E & O _____ Applicant e-mailed _____ Entity number: _____	<b>For Commission Use Only</b> _____ Employing Broker Processor _____	_____ Business Entity Highest qualified prefix _____
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**8. Colorado license law acknowledges three levels of responsibility and authority for real estate brokers. The requirements for a real estate broker license are listed in the chart below: **Choose one and submit proofs of meeting the requirements you qualify for.****

-  **ASSOCIATE BROKER** - An associate broker may be employed and supervised by an employing broker or on inactive status.
-  **INDEPENDENT BROKER** - This level of authority allows you to be (1) independent (self employed without employed licensees), (2) in the employ of another broker or (3) inactive.
-  **EMPLOYING BROKER** - This level of authority allows you to (1) employ and supervise other licensees, (2) be independent (self employed with employed licensees), (3) in the employ of another broker, or (4) inactive.

**note \*\*** Jurisdictions with full recognition cooperative agreements with Colorado or limited recognition licensure policies are listed on the Division of Real Estate's homepage at [www.dora.state.co.us/real-estate](http://www.dora.state.co.us/real-estate).

Your Current Status	Associate Broker	Independent Broker	Employing Broker
New Colorado broker applicant. No past or present real estate licensure in any jurisdiction.	48 Hours in Real Estate Law and Practice 48 Hours in Colorado Contracts and Regulations 8 Hours in Trust Accounts and Record Keeping 8 Hours in Current Legal Issues 24 Hours in Real Estate Closings 32 Hours in Practical Applications • Pass entire broker exam	Not available	Not available
Licensed as a broker in another jurisdiction on or prior to 12-31-96. or Previous Colorado broker who was issued a license prior to January 1, 1997 and whose license expired more than three years ago.	Apply at employing broker level of authority.	Apply at employing broker level of authority.	48 Hours in Colorado Contracts and Regulations 24 Hours in Real Estate Closings • Pass entire exam if previous license expired more than two years ago. or • Pass only the state portion of the exam if licensed as a broker in the past two years
Colorado Broker, Licensed in CO. after January 1, 1997 and whose license has expired more than 3 years ago.	Pass the entire license exam.	Pass the entire license exam. 2 years active licensure	Pass the entire license exam. 2 years active licensure 24 Hours in Brokerage Administration
Current broker, license issued after 12-31-96 in another jurisdiction.	48 Hours in Colorado Contracts and Regulations 24 Hours in Real Estate Closings • Pass the state portion of the broker's exam	48 Hours in Colorado Contracts and Regulations 24 Hours in Real Estate Closings • Pass the state portion of the broker's exam • 2 years active licensure	48 Hours in Colorado Contracts and Regulations 24 Hours in Real Estate Closings 24 Hours in Brokerage Administration • Pass the state portion of the broker's exam • 2 years active licensure
Past or current salesperson license in another jurisdiction. or Previous Colorado salesperson whose license expired more than three years ago.	48 Hours in Colorado Contracts and Regulations 8 Hours in Trust Accounts and Record Keeping 8 Hours in Current Legal Issues 24 Hours in Real Estate Closings 32 Hours in Practical Applications • Pass entire broker exam	48 Hours in Colorado Contracts and Regulations 8 Hours in Trust Accounts and Record Keeping 8 Hours in Current Legal Issues 24 Hours in Real Estate Closings 32 Hours in Practical Applications • Pass entire broker exam • 2 years active licensure	48 Hours in Colorado Contracts and Regulations 8 Hours in Trust Accounts and Record Keeping 8 Hours in Current Legal Issues 24 Hours in Real Estate Closings 32 Hours in Practical Applications 24 Hours in Brokerage Administration • Pass entire broker exam • 2 years active licensure
College graduate with a major course of study in Real Estate	Transcript indicating a major course of study in real estate • Pass entire broker exam	Transcript indicating a major course of study in real estate • Pass entire broker exam • Two years of active real estate licensure.	Transcript indicating a major course of study in real estate. 24 Hours in Brokerage Administration • Pass entire broker exam • Two years of active real estate licensure
Licensed Attorney	12 Hours of Trust Accounts, Closings and Record Keeping • Pass entire broker exam • Show proof of active law license	12 Hours of Trust Accounts, Closings and Record Keeping • Pass entire broker exam • Show proof of active law license • Two years of active real estate licensure	12 Hours of Trust Accounts, Closings and Record Keeping 24 Hours in Brokerage Administration • Pass entire broker exam • Show proof of active law license • Two years of active real estate licensure
**Current salesperson licensee in another jurisdiction with a current <b>full license recognition</b> agreement with Colorado.	Current good standing as a real estate salesperson	Current good standing as a real estate salesperson • 2 years of active licensure. • Pass the state portion of the Colorado broker exam	Current good standing as a real estate salesperson 24 Hours in Brokerage Administration • 2 years of active licensure • Pass the state portion of the broker exam
**Current broker licensee in another jurisdiction that qualifies for <b>full license recognition</b> agreement with Colorado.	Current good standing as a real estate broker with equivalent level of authority in cooperating jurisdiction	Current good standing as a real estate broker with equivalent level of authority in cooperating jurisdiction • 2 years of previous licensure	Current good standing as a real estate broker with equivalent level of authority in cooperating jurisdiction • 2 years of previous licensure
**Current sales or broker licensee in another jurisdiction that qualifies for <b>limited license recognition</b> . (See homepage list of jurisdictions)	Current good standing as a real estate broker or salesperson with equivalent level of authority in cooperation jurisdiction • Call the Licensing section for requirements	Current good standing as a real estate broker or salesperson with equivalent level of authority in cooperation jurisdiction • Call the Licensing section for requirements	Current good standing as a real estate broker or salesperson with equivalent level of authority in cooperation jurisdiction • Call the Licensing section for requirements

9. **(Initial one)** Yes \_\_\_\_\_ No \_\_\_\_\_ Are you now, or have you within the last 10 years ever held a real estate license in **Colorado** or any other jurisdiction? **If yes, list below:**

License Type \_\_\_\_\_ State \_\_\_\_\_ Dates: from \_\_\_\_\_ to \_\_\_\_\_

License Type \_\_\_\_\_ State \_\_\_\_\_ Dates: from \_\_\_\_\_ to \_\_\_\_\_

If yes, you must include with this application a certificate of license history issued by each jurisdiction (except Colorado).

10. List all other current or previous (held within the last 10 years) occupational or professional registrations, licenses or certificates (i.e., attorney, appraiser, securities, insurance, etc.):

None \_\_\_\_\_

**or**

License Type \_\_\_\_\_ State \_\_\_\_\_ Dates: from \_\_\_\_\_ to \_\_\_\_\_

License Type \_\_\_\_\_ State \_\_\_\_\_ Dates: from \_\_\_\_\_ to \_\_\_\_\_

License Type \_\_\_\_\_ State \_\_\_\_\_ Dates: from \_\_\_\_\_ to \_\_\_\_\_

11. **(Initial one)** Yes \_\_\_\_\_ No \_\_\_\_\_ Within the last 10 years, have any of the registrations, licenses or certifications listed in questions 9 and/or 10 been: denied, disciplined, denied renewal, revoked, suspended, censured, **or** is the license the subject of a consent agreement or the subject of a current investigation?

**If yes, submit the following:**

a. A signed, written statement including name of agency, dates, nature of alleged infraction and disposition.

b. Supporting documents including:

1. A copy of the original charges or complaint against you.

2. A copy of any agency order or other notification of the action taken.

3. A confirmation of the current status of the license, certification or registration.

12. Answer all of the following (Do not include misdemeanor traffic violations, municipal code violations or petty offenses.)

Within the last ten (10) years have you:

a. **(Initial)** Yes\* \_\_\_\_\_ No \_\_\_\_\_ been convicted or pleaded Nolo Contendere to any felony or misdemeanor?

b. **(Initial)** Yes\* \_\_\_\_\_ No \_\_\_\_\_ been incarcerated or in custody, or placed on parole, probation or any other type of court ordered supervision in a criminal case?

c. **(Initial)** Yes\* \_\_\_\_\_ No \_\_\_\_\_ agreed to a deferred sentence or a deferred judgment with respect to any felony or misdemeanor or are currently subject to the terms of a deferred prosecution?

d. **(Initial)** Yes\* \_\_\_\_\_ No \_\_\_\_\_ been charged with any felony or misdemeanor or are such charges pending or under investigation?

\*If you answer yes to either a, b, c, or d above, you must list below the nature of each charge, conviction or other circumstances. **You must also obtain and submit** the "ADDENDUM TO THE APPLICATION FOR A REAL ESTATE BROKER'S LICENSE", (Commission form REC-BAA). Failure to submit the supplemental information required by form REC-BAA will suspend processing of your application.

**Nature of Charge or Conviction**

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

**IMPORTANT:** Failure to disclose any required information (other than Misdemeanor Traffic, Municipal Code Violations or Petty Offenses) is grounds for denial or revocation of a license. Use additional sheets if necessary.

13. In which specialty will you concentrate your business efforts?

Residential Sales  Residential Management  Commercial Sales and/or Management

Subdivisions and/or Timeshares  Homeowner Associations  Vacation Management

14. Please indicate  the manner in which you are insured for errors and omissions. **Failure to have errors and omissions insurance in place at the time of application will either delay the issuance of your license or result in your license being issued on inactive status.**

I am insured with Rice Insurance Services Company, LLC, the Commission's group carrier, who will provide electronic verification of errors & omissions insurance coverage directly to the Division of Real Estate.

Enrollment forms for the Real Estate Commission's group coverage are available from the exam center, the Division of Real Estate office or homepage and Rice Insurance Services Company, L.L.C. Phone: 1-800-637-7319 or [www.risceo.com](http://www.risceo.com)

I am insured with, \_\_\_\_\_ an independent insurance carrier who is providing errors & omissions insurance coverage.

(If independently insured, you must include the ERRORS AND OMISSION INSURANCE CERTIFICATION OF CONFORMING COVERAGE Commission form (REC-1-98-E&O) with this application unless such certification has been previously submitted to the Division and is still in effect).

Certification forms for independent coverage (other than the Commission's group policy) are available at the Division of Real Estate office or homepage.

My license is to be inactive at this time. Coverage is not required until activated.

15. Please indicate  the manner in which you want to be licensed.

I request an **inactive license** at this time and understand that an additional transfer fee and form will be due upon activation.

As an **Individual Proprietorship**. If you use a trade name, you must also submit a copy of the Trade Name Affidavit filed and stamped "received" by the Department of Revenue.

Note: Individual Proprietors are not subject to additional company insurance coverage for Errors and Omissions. An individual proprietor is a person who engages in business as an individual natural person with or without a trade name and is not doing business as a corporation, partnership or limited liability company.

Trade Name \_\_\_\_\_

Business Address \_\_\_\_\_

Post Office Box \_\_\_\_\_ Business Phone (\_\_\_\_) \_\_\_\_\_

Note: P.O. Box number is not acceptable in place of a physical address.

Business Fax (\_\_\_\_) \_\_\_\_\_

Business E-Mail \_\_\_\_\_

As the **Broker for a Corporation, Partnership, or a Limited Liability Co.** For a company not currently licensed you must qualify at the independent broker or employing broker level of authority. You must also submit an "APPLICATION FOR A NEW CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY REAL ESTATE LICENSE" form (REC-CPA); or, for a company currently licensed, you must also submit an "APPLICATION FOR CHANGE OF CORPORATION, PARTNERSHIP, LLC REAL ESTATE LICENSE" (form REC-NC/C).

(Name of Company) \_\_\_\_\_

As a **Broker** licensed under the supervision of the Employing Broker shown below:

**NOTE: The employing broker must complete this section prior to filing this form.**

I am currently an active licensed Employing Real Estate Broker by whom the above applicant is to be employed. I certify that, pursuant to Rules E-29, E-30, E-31 and E-32, I have informed this applicant of the written office policy and I will properly supervise this employee during the period of time of employment with me. **I have verified that the applicant has a current E & O Insurance policy in place at this time.**

Print employing broker name \_\_\_\_\_

Social Security # \_\_\_\_\_ License # \_\_\_\_\_  
(required by 24-34-107 C.R.S. unless previously submitted)

Business name \_\_\_\_\_

Business address \_\_\_\_\_  
(City) (State) (Zip)

Business phone number (\_\_\_\_) \_\_\_\_\_ Business Fax number (\_\_\_\_) \_\_\_\_\_

Business E-Mail Address \_\_\_\_\_

Area of Specialty \_\_\_\_\_

Employing broker's signature \_\_\_\_\_ Date \_\_\_\_\_

16. I, being of lawful age, state that I am the individual above named in this application and that I do hereby consent that suits and actions may be commenced against me in the proper courts of any county in the state of Colorado in which a cause of action may arise and the plaintiffs in said action may reside, by the service of any process or pleading, authorized by the laws of said state of Colorado, on the Secretary of State. It is hereby stipulated and agreed that such service of process or pleading shall be taken and held in all courts to be as valid and binding as if due service had been made upon me in the state of Colorado. The consent hereby given is irrevocable. I understand that procuring, or attempting to procure, a real estate broker's license by fraud, misrepresentation, or deceit or by making a material misstatement of fact in an application for such license, is a violation of the license law; and that remedies include revocation of the license. 12-61-113 (1) (p) C.R.S.

APPLICANT'S SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_



APPLICATION FOR REAL ESTATE LICENSE TRANSFER OR CHANGE IN PERSONAL NAME

Fee \$5.00 Fees are non-refundable

NOTE: Subject to verification of compliance with errors and omissions insurance requirements, this application will become effective on the date the properly completed form and fee are received by the Colorado Division of Real Estate. Fees are subject to change every July 1st.

- All forms and applications are available on the Division of Real Estate's internet homepage: www.dora.state.co.us/real-estate
Automated information regarding any licensee's status is available by calling: (303) 894-7432, (303) 894-7433 or (303) 894-2166 option 4, and is also available on the Division of Real Estate's internet homepage: www.dora.state.co.us/real-estate

RETURN TO: Division of Real Estate, 1900 Grant Street, Suite 600, Denver CO 80203, Phone # (303) 894-2166, Fax #(303) 894-2683
MAKE CHECKS PAYABLE TO: C.R.E.C. or Colorado Real Estate Commission

- 1. Name of Applicant: (Last) (First) (Middle) (Former \ Maiden)
2. Real Estate License Number : Year of Expiration
3. Date of birth: (Month) (Day) (Year) Place of birth: (City) (State)
4. Social Security No.: (Required by 24-34-107 C.R.S. if not previously submitted)
5. Residence Address: (Number and Street) (City) (State) (Zip Code)
6. P.O. Box for mailing purposes: (No.) (City) (State) (Zip Code)
Note: P.O. Box number is not acceptable in place of a physical address.
7. Residence Phone Number: ( ) Business Phone Number: ( )
Cellular Phone ( ) E-Mail Address
8. Every active licensee must maintain errors and omissions insurance pursuant to 12-61-103.6 C.R.S. and Commission Rule D-14. You may meet this requirement by enrolling with the Real Estate Commission's group coverage plan or by obtaining independent coverage. Commission must be able to verify E & O coverage within five days of this application or application will be cancelled.
Please indicate [X] the manner in which you meet the Commission's requirement for errors and omissions insurance.
[ ] I am insured with Rice Insurance Services Company L.L.C., the Commission's group carrier, who will provide electronic verification of errors & omissions insurance coverage directly to the Commission.
• Enrollment forms for the Real Estate Commission's group coverage are available from the exam center, the Division of Real Estate office, the Division of Real Estate's homepage and Rice Insurance Services Company L.L.C. For information on the Real Estate Commission's group errors & omissions coverage contact: Rice Insurance Services Company L.L.C. Phone: 1-800-637-7319.
[ ] I am insured with \_\_\_\_\_, an independent insurance carrier who is providing errors & omissions insurance coverage. You must include the ERRORS AND OMISSION INSURANCE CERTIFICATION OF CONFORMING COVERAGE Commission form (REC-1-98-E&O) with this application unless such certification has been previously submitted to the Division and is still in effect.
• Certification forms for independent coverage (coverage other than the Commission's group policy) are available at the Division of Real Estate office and on the Division of Real Estate's homepage.
9. Please issue my license as indicated on the reverse side. I declare under penalty of perjury that, unless exempt, pursuant to 12-61-110.5 (4) C.R.S., I have complied with the continuing education requirements of 12-61-103.5 or 12-61-110.5(1)(a)(b), or (c), and have complied with the errors and omissions insurance requirements of 12-61-103.6 C.R.S. and Rule D-14.

Applicant's signature: \_\_\_\_\_ Date \_\_\_\_\_

COMPLETE OTHER SIDE

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**SECTION 1**

<b>CHANGE OF EMPLOYMENT</b>
-----------------------------

Name of Applicant: \_\_\_\_\_

**THIS SECTION TO BE COMPLETED BY EMPLOYING BROKER**

**NOTE:** A policy of errors and omission insurance coverage is required for the employing broker and a separate policy for the company, if the company is a Corporation, Partnership or Limited Liability Company.

I am currently an active licensed Employing Real Estate Broker by whom the above applicant is to be employed. **I have verified with the commission office and certify that the above named licensee has current E & O insurance.**

I certify that, pursuant to Rules E-29, E-30, E-31 and E-32, I have informed this applicant of the written office policy and I will properly supervise this employee during the period of time of employment with me.

Print employing broker name \_\_\_\_\_

Social Security # \_\_\_\_\_ License # \_\_\_\_\_  
(Required by 24-34-107 C.R.S. if not previously submitted)

Business name \_\_\_\_\_

Business address \_\_\_\_\_

Business phone number (\_\_\_\_\_) \_\_\_\_\_

Employing broker's signature \_\_\_\_\_ Date \_\_\_\_\_

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**SECTION 2**

<b>PERSONAL NAME CHANGE</b>
-----------------------------

Print new personal name: \_\_\_\_\_  
(Last) (First) (Middle)

- Please send copy of document authorizing change of name (marriage license or court documentation).
- **No fee is required if your license is inactive.**



**NOTICE  
CONCERNING REQUIREMENTS  
FOR REAL ESTATE BROKER LICENSE APPLICANTS  
EFFECTIVE AUGUST 9, 2005**

Date: July 8, 2005  
To: Real Estate Education Providers and Interested Parties  
From: The Colorado Real Estate Commission

The following is important information regarding changes to the requirements for a real estate broker license:

- Who:** All applicants who apply for a broker license **on and after August 9, 2005**.
- What:** **Effective August 9, 2005**, prior to submitting an application for a license each applicant shall submit a set of fingerprints to the Colorado bureau of investigation. for the purpose of conducting a state and national fingerprint-based criminal history record check utilizing records of the Colorado bureau of investigation and the federal bureau of investigation. The applicant shall pay the fee established by the Colorado bureau of investigation for conducting the fingerprint-based criminal history record check to the bureau. Upon completion of the criminal history record check, the bureau shall forward the results to the real estate commission. (House Bill 05-1040 amending 12-61-103 (1) (b) (I) C.R.S..
- When:** Beginning August 9, 2005 and within sufficient processing time prior to applying for a license.
- Cost:** At the time of this notice, the Colorado Bureau of Investigation (CBI) charges \$39.50 to conduct the criminal history check. The cost is subject to change. Contact the CBI to verify cost. The CBI phone number is 303-239-4208. **The CBI does not accept personal checks.** Payment can be made (payable to CBI) by Money Order, Cash, Visa, MasterCard, and Cashier Check. Company checks are also accepted.  
The providers of the fingerprinting process will charge a fee (in addition to the fee payable to CBI) that will vary depending on the method used.
- How:** Fingerprints and identification information is submitted to the Colorado Bureau of Investigation for the purpose of conducting a state and national criminal history record check. **The CBI only conducts the records search; they do not perform the fingerprinting process.** You must utilize one of the following methods for the fingerprinting process and communication of information to the CBI:

**Method 1:** Utilize an **electronic** transfer of fingerprint and identification information sent directly to the Colorado Bureau of Investigation (CBI). The CBI will then communicate the results to the Colorado Real Estate Commission. The providers listed below will collect the CBI fee and transmit the fingerprint data and identification information electronically. This process does not utilize a paper fingerprint card, however when you are asked by the person administrating the process, you will need to know the identification information described below in Item b. of the *Additional Information* section.

- Arapahoe Community College, 5900 South Santa Fe Drive, 2<sup>nd</sup> Floor, Room M-2600, Littleton, Colo. Phone: 303-797-5800. Hours: Monday – Thursday 7:00am – 7:00 pm and Friday 8:00am – 5:00pm. All forms of payment are accepted.
- PSI (Psychological Services Incorporated)  
**Effective September 2005**, the following PSI facilities will offer electronic transfers of fingerprint and identification information directly to the Colorado Bureau of Investigation.

DENVER AREA The Triad Building 5660 Greenwood Plaza Boulevard, Suite 225 Englewood, CO 80111	DENVER AREA Clear Creek Office Park 4251 Kipling St. Ste. 415 Wheat Ridge, CO 80033	PUEBLO 803 West 4th Street, #803S Pueblo, CO 81003	GRAND JUNCTION 743 Horizon Court, #342 Grand Junction, CO 81506
DURANGO 799 East 3rd Street Durango, CO 81301	FORT COLLINS Please visit <a href="http://www.psiexams.com">www.psiexams.com</a> for location	COLORADO SPRINGS 5050 Edison Avenue, #121 Colorado Springs, CO 80907	

For hours of operation and any other information, please visit PSI's website at [www.psiexams.com](http://www.psiexams.com) or call 1 800 733-9267 between the hours of 6:00 AM and 6:00 PM.

**Method 2:** Use the fingerprint card # FD-258 and utilize an **electronic transfer of fingerprints onto the card**. See Additional Information below for availability of card #FD-258. Leave the identification information area of the fingerprint card blank until you are asked by the person administrating the process to furnish the information. Afterward, you will need to either mail or deliver the completed card to the CBI along with the fee. The CBI will then communicate the results to the Colorado Real Estate Commission.

If you mail the card and fee, the address is: Colorado Bureau of Investigation, 690 Kipling Street, Suite 3000, Denver, CO 80215.

If you deliver the card and fee to the CBI, go to 690 Kipling Street. Hours of operation: 8:00am to 4:30pm, Monday through Friday. The CBI phone number is 303-239-4208. **The CBI does not accept personal checks.** Payment can be made (payable to CBI) by Money Order, Cash, Visa, MasterCard, and Cashier Check. Company checks are also accepted.

The following County Sheriff departments will electronically transfer fingerprints onto the card. You will need to contact them for hours of operation and payment information:

Douglas County	Boulder County	Eagle County
Elbert County	Grand County	Gunnison County
Hinsdale County	Larimer County	Logan County
Moffat County	Ouray County	Pueblo County
Rio Grande County	Saguache County	Summit County
Weld County		

**Method 3:** Most police departments will utilize the **rolled ink** transfer of fingerprints onto card #FD-258. Call for hours of operations and cost. See Additional Information below for availability of card #FD-258. Leave the identification information area of the fingerprint card blank until you are asked by the person administrating the process to furnish the information. Afterward, you will need to either mail or deliver the completed card to CBI along with the fee. See Method 2 above for information on the location and hours of operation of the CBI. The CBI will then communicate the results to the Colorado Real Estate Commission. **This ink method can have the highest rate of failure due to lower quality of print characteristics.** If you choose this method it is recommended that it be performed by a law enforcement agency trained in the process.

**Additional Information:**

- a. The above methods produce varying degrees of quality of print characteristics and length of time involved in the records search. Information available at the time of this notice indicates that the electronic method of printing and transmittal has the highest degree of quality of print characteristics and transmittal.

**Applicants, whose fingerprints are not readable, due to low quality of print characteristics, will be required to resubmit (for an additional fee), fingerprints that are readable. Applications submitted to the Commission for which the results of a criminal history record check have not been received by the Commission will automatically be voided as incomplete, and the application fee paid will be non-refundable.**

- b. If you utilize Method 2 and 3 above, you must use Card Number FD-258 (REV. 5-11-99). Leave the identification information area of the fingerprint card blank until you are asked by the person administrating the process to furnish the information. Be sure you know all the information asked for in the spaces on the top portion of the fingerprint card, or the card will be rejected. (i.e. last name, first name, middle name, aliases, residence address, sex, race, height, weight, eye color, hair color, place of birth, date of birth, citizenship, social security number, armed forces number only if applicable, any miscellaneous identification number only if applicable, FBI number only if applicable). You will need to also fill in the following spaces on the card with the information as follows:

EMPLOYER AND ADDRESS	REASON FINGERPRINTED	YOUR NO. OCA	ORI
Colorado Real Estate Commission 1900 Grant St. Ste.600 Denver, CO 80203	Real Estate Broker 12-61-103 C.R.S.	CONCJ0800	COCBI0000 COLO B OF I Denver, CO

- c. Be sure to sign the card, and have the person performing the printing process sign the card in the space titled: SIGNATURE OF OFFICIAL TAKING FINGERPRINTS.
- d. Blank Card Number FD-258 (REV. 5-11-99) is available at some real estate schools and at State Forms Center, 4200 Garfield Street, Denver CO 80216. Phone 303-370-2165. Hours of operation: Monday – Friday, 8:00 am – 4:00 pm. Cost: \$.25 cents.





# **Broker Associates Office Policy Manual**

Revised 1-13-06



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## **Introduction**

The Office policies and procedures are provided in this manual for the standard operating procedures of Frontier GMAC Real Estate (firm). This Broker Associates Office Policy Manual is to be used as a guide in your day to day operations as a member of this firm. It will help promote cooperation among Associates and between Associates and Management. The manual provides clear understanding of standard practices and procedures to help avoid disputes and also to help settle disputes. And lastly, the manual will help you by guiding you in your activities and hopefully enhance your productivity.

The right to amend and change content of this Broker Associates Office Policy Manual is reserved for the Broker on an as needed basis. The amendments and changes shall be reviewed during meetings directly following any change to the policy. It is the responsibility of each Associate to keep abreast of all policy changes and to understand the policy set forth. Absence from any meeting discussing changes to policy does not provide an exemption to any Associate from these responsibilities.

## ***Chapter 1 - Affiliation: Broker and Associate***

### **Mutual Benefit**

For the working relationship of the Broker and Associate, the following policies will be used to establish mutual benefit to both parties:

#### **Broker and Associate Agreement of Mutual Benefit**

- The Associate and Broker each agree to engage in business that promotes the utmost manner of professionalism by promoting positive relations, enhancing the business' reputation and its profits, and increasing community goodwill.
- The Associate agrees to put forth the best effort in selling and exchanging all real estate listed with the Broker and to include the solicitation of new clients and customers for future business. Furthermore, the Associate agrees to act in lawful and ethical manners promoting the professionalism of the Associate as well as the firm to the greatest mutual benefit of both parties.
- The Associate, acting as a limited agent of the Broker, agrees to act on the behalf of the Broker. If a conflict of interest occurs, the Associate will promptly notify the Broker in writing so that the Broker can take appropriate steps in rectifying the conflict for the mutual protection of both parties involved in the transaction.

#### **Adhere to the Code of Ethics and Bylaws of Local Board and MLS**

- The parties agree to conform to and abide by all laws, rules and regulations, and codes of ethics that are binding on, or applicable to, Colorado real estate brokers and affiliate brokers.
- Strict adherence to the governing rules and regulations of the Colorado Real Estate Commission, the Real Estate Broker License Act, The Code of Ethics of the National Association of Realtors<sup>®</sup>, Metrolist Rules and Regulations, IRES Rules and Regulations and all Local Board/Association governing documents (Bylaws, MLS Rules and Regulations, Information Exchange Rules and Regulations, etc.) will be followed by the Broker and Sales Associates.
- Each party acknowledges receipt of a copy of the Code of Ethics, the local Board/Association Constitution and/or Bylaws, and the Rules and Regulations of the Multiple Listing Service.

## **Associate Affiliation Requirements\***

The following provisions will be complied with at the Associate's personal cost:

### **Real Estate License, Mandatory Continuing Education, Mandatory Errors & Insurance Coverage, Automobile Insurance Coverage**

- The Associate shall maintain his or her own current real estate license
- The Associate shall meet all Continuing Education (CE) requirements as established by the Colorado Real Estate Commission (TREC)
- Proof of CE compliance and license renewal shall be provided to Broker no later than fifteen (15) days prior to the applicable renewal date
- The Associate shall maintain the mandatory coverage of errors and omissions insurance set forth by the Colorado Real Estate Commission
- The Associate is responsible for all CE, licensing and license renewal fees, mandatory errors and omission premiums, or fees relating to name changes.

### **Membership in the Board of REALTORS®**

- The Associate agrees to become a member of one of the seven Denver area local Board/Associations, Colorado Association of REALTORS®, National Association of REALTORS® and to be responsible for all applicable dues and fees.
- The Associate expressly understands that they may choose to join any Board/Association in which the Broker holds membership. The associate can also join other Boards/Associations as a secondary membership if the broker holds no membership in the particular Board/Association.
- The Associate also understands the Broker is a member of the Colorado Association of REALTORS®, the National Association of REALTORS® and may belong to any of the Institutes and Societies of the National Association of REALTORS®.
- The Associate agrees to abide by the rules and regulations of these organizations to which Broker must adhere as a member thereof.

### **Miscellaneous Associate Expenses**

- Any expenses relating to customer/client entertainment and associate's personal promotion will be paid for by the associate. The Associate shall order business cards through the office secretary through the vendor designated by Broker. Each business card will display the name and logo of the Broker. The first 500 cards will be paid by Frontier. If not ordered through Frontier GMAC, then the Associate must follow Frontier GMAC guidelines for cards. The Associate agrees to use the company approved logos and identification materials that provide uniformity in such materials as determined by the Employing Broker.
- All education required to maintain licensing and improve brokerage skills, Realtor® designation courses, unless otherwise approved in writing in advance by the Broker.
- Personal file supplies.

All Associates shall pay their own MLS fees, without limitation, including any MLS fines or administrative fees. Frontier shall be utilizing "Direct Billing", which shall be mandatory for all Associates.

### **Automobile**

- In the course of real estate transactions, the associate must use his personal automobile. All operating, maintenance, repair and other related automobile expenses will be paid for by the associate.
- The automobile will be in such condition as to promote the professionalism of the agent as well as the firm. It will be maintained in good operating condition and in a cleanly manner.



- Transportation will not be provided by the Broker.

The Associate shall at all time carry liability insurance on the automobile with coverage for personal injury and coverage for property damage with limits of not less than \$100,000/300,000. Changes in coverage will not become effective until fifteen (15) days after the Broker has received and approved the coverage changes. The Broker will be named as an additional insured in the policy. At the signing of this agreement and at the time of each policy renewal or change of carrier, the Associate shall provide evidence to the Broker through the certificate of insurance policy of the carrier. Business pursuit liability coverage shall also be maintained. This may be as part of Associate's personal liability or homeowner's coverage. Please note that Frontier's insurance does not cover any of your personal or business property left on our premises.

In accordance with Colorado law, the Associate must require that all passengers wear a seat belt and any infant under the age of **four years** shall be secured in a restraining seat during transportation. Such a restraining seat is to be provided by the Associate or their client/customer.

### **Professional/Business Expenses\***

The Broker reserve the right to adjust which expenses shall be paid by the firm and which expenses shall be paid by the Associate. The following are business expenses that Frontier agrees to pay at this time:

1. Office, utilities
2. Office supplies, equipment
  - a. Copy paper
  - b. Fax and printer paper
  - c. Firm stationery
  - d. Brochure templates, farming/marketing material templates, etc.
  - e. Newsletter templates
3. Secretarial and clerical assistance for Associate for the purpose of:
  - a. Limited word processing needs through forms and contracts
  - b. Processing earnest money
  - c. File maintenanceThe remainder of the secretary's time is devoted to company business.
4. Membership in the Multiple Listing Service of the firm
5. Office equipment/office machinery  
The following office equipment and supplies are for business use only:
  - a. Typewriter
  - b. Copy machine - The copy machine is to be used for business document duplication only. Personal use of the copy machine requires permission and/or payment for copies.
  - c. Facsimile machine - The facsimile machine is to be used for business related transmittal and receipt of real estate documentation.
  - d. Computers/word processors/contract software

The Associate is responsible for the cost of any and all personal marketing materials, advertising, direct mailings and postage, additional software or hardware needs necessary to access our systems and any other miscellaneous costs necessary for associate to sell real estate.

All machinery and office lights should be turned off at the close of business. Each Associate is responsible for their workspace areas including powering off of unused machinery and the cleanliness of the area.

### **Home Offices**

In the event that the Broker Associate operates any aspect of his or her business from a home office, the Associate agrees to indemnify, save and hold harmless Broker and Frontier from any and all liability associated with the conducts of such business from the home office, including but not being limited to, personal injury and property damage sustained at such home office or in any way related to the business conducted there. Broker Associate acknowledges that the Firm has no control over, and therefore no liability for, any activity conducted or occurring at the home office.

### **Resolution of Disputes**

Misunderstandings about brokerage prospects or sales are to be handled through the following processes to negotiate in an equitable manner these types of situations that may arise.

### **What Constitutes a Dispute?**

Disputes are disagreements between Associates in regards to:

- The equitable right to work with a certain prospect
- The right to a split of commission or fee when more than one Associate knowingly or unknowingly works with the same customer/client
- The percentage split of commission or fee earned when two Associates have worked with the same customer/client

### **Intra-office Disputes Between Associates**

First and foremost, the Associates in conflict must try to come to an agreeable mutual settlement. In the event the Associates cannot meet a satisfactory agreement, the Broker shall hear both sides of the argument in a meeting with the involved parties. If a legitimate dispute exists, the Broker will make a determination of action to follow. In the event the Broker's action is not satisfactory, the Advisory Committee shall act as jury and render a final decision (based on the majority vote of the committee). All intra-office and interoffice disputes must be reported promptly to the Broker. Personal disagreements not involving business related matters are not the responsibility of the Broker. However, in an effort to promote goodwill, the Broker can counsel the aggrieved parties.

### **Disagreement between Broker and Associate**

Disagreements or disputes between Associate and Broker pertaining to:

- A conflict arising out of, or in connection with, their business relationship and dealings
- The company policy
- Transactions or real estate laws
- Any real estate business related practice unresolved between the Associate and Broker will be submitted to arbitration by an agreed upon chosen arbitrator. The arbitrator's decision shall be final and the Broker and Associate must abide by the decision of the arbitrator.

Any real estate related dispute, which is not resolved informally between the Broker Associate and the Employing Broker, will be submitted to the Advisory Committee for arbitration. The Employing Broker may not participate in the Advisory Committee hearing other than as a party to the dispute and shall have no voting rights in that committee. The Advisory Committees decision will be final and binding on the Employing Broker and Broker Associate and both must abide by the decision of this committee. The parties recognize and agree that this agreement to arbitrate is binding in accordance with the provisions of the Uniform Arbitration Act as enacted in the State of Colorado.

**Advisory Committee**

The makeup of the Advisory Committee shall be Joel Moritz, Keith Brown, and Larry Swensons. The makeup may change from time to time.

**Independent Contractor's Agreement**

Upon affiliation with this Broker, the Associate shall enter into a written Independent Contractor's agreement with the Broker setting forth the duties and responsibilities of both parties. This agreement shall include, but shall not be limited to, the following:

- The terms of compensation for work performed during the time of affiliation with the Broker.
- The terms of compensation for work in progress but not completed prior to termination of affiliation with the Broker.
- The disposition after termination of affiliation of all active listings, buyer agency contracts, and pending sales the Associate obtained during affiliation with the Broker.
- A written accounting to the Broker, at the time of termination of affiliation, of the names of all prospective purchasers, sellers, lessees and lessors which the Associate encountered during affiliation with the Broker.
- A provision for the return to the Broker, at the time of termination of affiliation, all property of the Broker in Associate possession or control, including but not limited to: all property files, computerized files, keys, for sale signs, lock boxes and records of any kind used in connection with the listing and sale or leasing of property.

Associate agrees that Associate has received an executed copy of such agreement.

**Tax Filing Requirements**

Each Associate is responsible for maintaining the necessary personal financial records for purposes of reporting income for state and federal tax requirements. The Broker's obligation is limited to providing a form which summarizes any annual income as an Associate. The Associate, not Frontier is liable for deduction of Social Security, or income or unemployment taxes for any Associate income.

**Workers' Compensation Requirement**

According to Colorado state law, as long as the Broker has a valid independent contractor agreement with an Associate, the Broker is not responsible for paying Workers' Compensation Insurance. The Broker/employer must maintain workers' compensation insurance for all workers/staff classified as employees under worker's compensation program guidelines.

**Broker Authorization to Contract**

The Broker Associate has the limited authority to execute Listing Contracts, Buyer/Seller Agency Contracts, Transaction-Broker Contracts and other approved forms on behalf of the Employing Broker, provided that the form used is either a Colorado Real Estate Commission approved form (accompanied by any riders or addenda which are required by company policy), or a form otherwise approved for use by the Broker. Except as to the execution of such approved forms, the Associate shall not be empowered to obligate or bind the Broker, any Managing Broker or the Firm in any manner, unless the Broker Associate has received prior written authorization from the Broker, specifically authorizing the obligation or commitment.

The Associate is not authorized to terminate a listing contract, buyer/seller agency contract, or other agency or Transaction-Broker agreements, or make amendments to any such contract that alter the term and or change the

amount of compensation established in the contract, unless a request is first presented to the Broker or Managing Broker who authorizes the change or termination in writing.

The Associate is not authorized to change the designated broker for any contract, only the Broker or Managing Broker may authorize such change.

## ***Chapter 2 - Office Policies***

### **Discrimination Issues**

#### **Federal Fair Housing Laws**

It is illegal to discriminate against any person because of age, race, creed, color, religion, sex, handicap, familial status or national origin:

- In the sale or rental of housing or residential lots
- In advertising the sale or rental of housing
- In the financing of housing
- In the provision of real estate brokerage services
- In the appraisal of housing
- Blockbusting is also illegal

#### **Colorado Association of REALTORS® Code for Equal Housing Opportunity**

This office subscribes to the Colorado Association of REALTORS® Code for Equal Housing Opportunity in which equal opportunity in the acquisition of housing can best be accomplished through leadership, example, education, and the mutual cooperation of the real estate industry and the public. In the spirit of this endeavor, this firm proclaims the following provisions of its Code for Equal Opportunity to which each member is obligated to adhere:

1. In the sale, purchase, exchange, rental or lease of real property, REALTORS® and/or REALTOR-ASSOCIATE®s have the responsibility to offer equal service to all clients and prospects without regard to race, color, religion, sex, handicap, familial status or national origin. This encompasses:
  - A. Standing ready to enter broker-client relationships or to show property equally to members of all racial, religious, or ethnic groups.
  - B. Receiving all formal written offers and communicating them to the owner.
  - C. Exerting their best efforts to conclude all transactions.
  - D. Maintaining equal opportunity employment practices.
2. Members, individually and collectively, in performing their agency functions have no right or responsibility to volunteer information regarding the racial, religious, or ethnic composition of any neighborhood or any part thereof.
3. Members shall not engage in any activity which has the purpose of inducing panic selling.
4. Members shall not print, display or circulate any statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitations, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin.
5. Members who violate the spirit or any provision of this Code for Equal Opportunity shall be subject to disciplinary action and/or disassociation from the firm.

#### **Discrimination Accusations**

An investigation by the Broker will follow for any accusation of discrimination. If the investigation confirms a violation of discrimination, the Associate's actions will be reported to the CREC for further investigation and necessary disciplinary action. Affiliation with the Broker will be terminated.

## **Fair Employment Practices**

It is the Broker's policy that no person shall be discriminated against in either hiring or firing of personnel. According to T.C.A. § 4-21-401, it is discriminatory practice for an employer to:

1. Fail or refuse to hire or discharge any person or otherwise to discriminate against an individual with respect to compensation, terms, conditions or privileges of employment because of such individual's race, creed, color, religion, sex, age or national origin; or
2. Limit, segregate or classify an employee or applicants for employment in any way which would deprive or tend to deprive an individual of employment opportunities or otherwise adversely affect the status of an employee because of race, creed, color, religion, sex, handicap, familial status, age or national origin.

The Broker shall provide reasonable accommodations to qualified individuals with disabilities, unless such accommodation would impose an undue hardship on business operations. Qualified individuals with disabilities are those who, with or without reasonable accommodation, can perform the essential functions of the job.

## **Harassment**

Professional behavior is a requirement around your fellow associates, brokers, managers, company employees, staff and customers. Harassment, including verbal, physical, visual, religious, and sexual is strictly prohibited in this office. A list of things that can be considered harassment:

- Any racial, ethnic, sexual, religious, jokes / slurs / or insults
- Any physical contact such as unwelcome touching, groping, grabbing, or pinching
- Any visual renderings of sexually suggestive materials or materials negatively reflecting an individual's ethnicity, race, ancestry, or sexual preference
- Any unwelcome sexual advances, physically, verbally, and visually of a sexual nature that has a purpose or effect of work performance interference, intimidation, or hostile/offensive working atmosphere

In the event an employee, Associate, or any other staff person feels that he or she has been harassed, the incident must be reported immediately to the office manager or Broker. The anonymity of the accuser, as well as the accused, shall be held in confidentiality by the manager and/or Broker. An investigation will commence and a written report will be filed. If the allegation involves the manager or Broker as the accused of such action, an outside investigator may be retained. Retaliation against complainants is strictly prohibited. Any employee, Associate or staff found guilty of engaging in harassment may be subject to disciplinary action up to and including reprimand, counseling, suspension, and termination.

**See Fair Housing Policy (separate document).**

## **Office Policies**

### **Office Security**

Anyone issued an office key and pass card is responsible for the safeguarding of this office. In the event that an office key is lost or stolen, you must immediately inform the Broker. There will be a charge for replacement of lost or stolen keys. The Broker is not responsible for any theft or loss of personal items left in the office. The last person leaving the office must make sure that all accesses into the building are firmly secured, all lighting and business equipment and appliances are turned off, and that the security alarm (if any) is activated before leaving the building.

### **Office Appearance**

A cleaning service is contracted to do general cleaning of the building on weekly basis. However, it is your responsibility to keep your work area in a clean, tidy, professional manner. Your office appearance is a reflection on yourself as well as the firm when clients and customers are visiting. Any conference or meeting areas used must be reorganized and cleaned after each usage including turning off lights and appliances. All dishes, etc. shall be placed in the dishwasher and not left for someone else to do.

### **Dress Code**

Professional manner of dress is a requirement when serving the public in real estate transactions and when representing the Broker. Business attire or business casual is considered professionally dressed. The Employing or Managing Broker will designate several casual days throughout the year for both staff and independent contractors. Please be respectful of your other associates and their clients if you are not properly dressed to the same standards.

### **Eating in the Work Area**

Food and meals should be eaten in the designated kitchen area. Eating in your office in plain view of the customer or client is considered unprofessional.

### **Parking**

The closest parking spaces are reserved for customer or clients. Please park in all other available spaces on the Southeast side of the building. Don't use the short-term close in parking as your vehicle will be towed by building management.

### **Changes in Name, Address and Telephone Number**

All changes in name, address, and telephone numbers of any Associate must be reported immediately by the Associate to the Office Manager or secretary who will make a record of the changes. The Associate shall report these changes to the CREC and the local Board/Association of REALTORS® and pay any fees therefore

## **Telephone Use**

### **General**

Telephones are necessary in the day to day operations as a real estate agent. Lines must be kept open at all times for the convenience of customers and clients. Personal use of the phone is limited and shall be held to a minimum. Staff is asked not to make personal calls during working hours. Please restrict your personal calls to breaks, lunch time or after hours. The Broker will provide training on the system at regular times. It is the responsibility of the Broker Associate to become aware of the features being offered and to learn to utilize the tool. Please report all problems directly to the Office Manager. (please see Do-not-call on page 45 for more information)

### **Long Distance**

Long distance service is available for business purposes only, and only if it is imperative to call from the office system rather than using an alternative means of communication. You will be issued a long distance access code from the Office Manager to make long distance calls. Any personal long distance calls are the responsibility of the Broker Associate to pay for.

The Broker will provide a toll free number for long distance areas. That number is 800-792-3830. Again please utilize this number for business purposes only.

### **Internet Access**

Internet access will be available via our network file system. The Broker Associate will be responsible for obtaining clearance via their own carrier, i.e. AOL, ATT etc. Try to utilize the internet before using long distance calling.

### **Messages for Other Associates**

**Incoming telephone calls will be handled by the receptionist or a staff member during office hours of operation. The receptionist will transfer any callers to the associates voice mail box in order for the caller to leave a message. It is the associates responsibility to monitor their voice mail box. Only in the event that the voice mail system is not functioning will a hand written message be taken.**

Accuracy and detail of message taking is important and essential to the business at hand. When taking a message for other Associates, employees, or staff, please include the following:

- The date and time of the call
- The name of the caller
- The telephone number where the caller can be reached
- The message left by the caller
- The name or initials of the person taking the message

### **Computer Use**

#### **Information Systems Policy**

The Information Systems which includes all hardware, software, e-mail, voice mail, Internet access and data entered, transmitted, downloaded, uploaded, imported, exported and used in the daily operations of business are proprietary to the Broker. This includes but not limited to the following:

- All business, products and services of Broker
- All market data, financial data, personnel data and computer programs
- All client, customer, account and supplier lists, files and data
- All files, letters, memoranda, reports, records, data and other written materials that you prepared as an Associate for the Broker or that others prepared in the employment of the Broker

All photographs, drawings or other images and all data or content which is placed into the MLS system or on any brochure or flyer or other writing, including electronic media of any sort and the internet, shall be licensed and/or assigned to the broker for use and if owned by the associate, said ownership shall transfer to broker until the broker releases them in writing to the associate. The associate shall be responsible for obtaining all licenses, assignment or ownership of all images or content that the associate utilizes in marketing, including but not limited to anything uploaded to the MLS system. This would include, but not be limited to photo's supplied by Sellers, architect renderings or drawings, builder plans, etc.

With respect to the Information Systems, these items shall not be removed, destroyed or modified except within the scope of business. Any associate, employee, or staff using any form of the Information Systems is responsible for adhering to the Information Systems policy. Violations of this policy may warrant termination of certain information systems access, disciplinary action, up to and including discharge from employment and possible civil liability.

#### **Proprietary Equipment and Information**

All data, programs and work product related to these activities are the property of the Broker and shall not be stored in the Associate's home without written authorization.



- Any portable computer equipment authorized for use by the Broker places full responsibility for the security and adherence to the Information Systems Policy when in possession of the employee, Associate, or any other staff personnel.
- Upon termination of employment, or demand from Broker, the Associate, employee, or staff shall immediately surrender and return all Information Systems related material in their possession or control.

Routine maintenance and routine operations of information systems regarding security, legal or business requirements through authorized contractors, employees, staff, and Associates will occur. With this in mind, employees, staff and Associate are given fair warning that the Information Systems are subject to inspection. Therefore, it would be prudent that the Information Systems are to be used for business purposes only, as is noted below.

### **Information Systems Usage**

The Information Systems are business assets and are to be used only for business purposes. Keep in mind:

- Personal use of the Information Systems are strictly prohibited if unauthorized
- Personal use of the Information Systems requires written permission from the manager or Broker and each request shall be considered on a case by case basis for limited personal use.

### **Information Systems Conduct**

Use of the information systems requires certain conduct be maintained to enhance professionalism among your working peers, customers, and clients. The following are strictly prohibited:

- Harassment, in any form, will not be tolerated
- Forwarding of messages or information that will disparage individuals or groups based on their gender, race, national origin or other protected characteristic
- Forwarding of messages which might disrupt the work place or damage morale
- Offensive comments, jokes/riddles, cartoons, pornography, profanity and offensive messages or information in any form
- Threatening messages or forms of other threatening communications
- Forgery or attempted forgery of e-mail or voice mail
- Accessing, deleting, copying or modifying of e-mail and/or voice mail. This includes the attempt to do so.

Any Associate who receives threatening, harassing or improper communications shall immediately report the situation to their immediate supervisor, consistent with our prohibition of harassment.

### **Computer Safety and Security Measures**

All employees who utilize the Information Systems must properly maintain all hardware, software and information. Safety and security measures include:

- Backing up of all files and documents on a regular basis to a separate storage unit such as a disk, recordable CD, tape, Zip or Jazz and kept in a secured location from the extremes of fire, sunlight and temperature
- Regular file maintenance of documents and files in an easily accessible organized manner
- Avoiding any unauthorized downloading of software, games, or Internet material that may carry viruses
- Avoid eating and drinking the placement of any hazardous substance around hardware or software
- Activation of screen savers to avoid screen imprinting
- The practice of correctly turning on and off of equipment.

## **Viruses**

Computer viruses are programs intentionally designed to crash, destroy, delete or make inoperable system programs, applications, or data. Copying or importing of unauthorized nonproprietary software can expose the Broker to copyright infringement, computer viruses and system overloads and is strictly prohibited. The effect of such hazards can expose the Broker to costly remedies. The introduction of a computer virus can be obtained by means of and not limited to:

- Importation through the Internet
- Copying software which contains a computer virus of any sort, including software licensed by an individual, shareware, or freeware
- Unauthorized loading of non-proprietary software
- Unauthorized downloading of an attached program through e-mail or FTP (file transfer protocol).

All outside source software, disks, or data input sources must be checked for viruses and pre-approved for downloading, loading, and importation.

## **Copyright Infringement**

Broker licenses the use of computer software from a variety of outside sources. Broker does not own this software or its related documentation, and unless authorized by the software developer, does not have the right to reproduce it. Associates shall use the software only in accordance with the relevant license agreement.

Any duplication of copyrighted software, except for backup purposes, is a violation of the Federal Copyright Law. All software installed in the information systems must be pre-approved by the network administrator and be non-proprietary or properly licensed. Broker will not tolerate any Associate making or importing unauthorized copies of software or data. Likewise, Broker will not tolerate any Associate conveying software or data to an outside third party, including clients, members, customers, or associates in other companies, without proper written authorization.

According to the United States copyright law, illegal reproduction of software can be subject to civil damages of as much as \$100,000 per copyright violated and criminal penalties, including fines and imprisonment. Associates learning of any misuse of software on the information systems or in related documentation shall immediately notify the network administrator.

## **The World Wide Web**

The World Wide Web or Internet can be a very powerful and beneficial tool for our Associates, clients and customers. In addition to MLS-like marketing opportunities, the Internet provides an unlimited resource tool for access to and delivery of information and interpersonal contacts. When properly utilized, it can increase our capabilities and efficiency. However, access to the Internet also carries with it significant risks and potential problems including non-secure transfer of data and non-reliability and accuracy of information found on the Internet. All of the previous provisions of this policy apply to access to and use of the Internet.

Most Internet communications are not secure. The Internet should not be used for communications that require confidentiality or involve financial transactions without both ensuring the security of the communication via an accepted mechanism and receiving written approval from the associate's or the employee's immediate supervisor for such communications.

Use of the Internet also requires conformance to certain etiquette as recognized by other users of the Internet. When using the Internet, Associates are to conduct themselves as "ambassadors" of the Broker and must show consideration and respect to others. Do not swear, use vulgarities or any other inappropriate language in your messages. Transmission or importing of any material or data in violation of any federal or state law or regulation is prohibited, including, but not limited to, copyrighted material, threatening, pornographic, or obscene material, or information constituting trade secrets. It is the responsibility of each Associate to ensure that use of the Internet is done responsibly and economically, and that access to the Internet services does not adversely affect his/her productivity.

### **Summary**

The information systems provided to you as Associates of Broker are powerful business tools, intended to enhance and not detract from your productivity, and to be used solely for business purposes. We live in the "Age of Technology" in which the dynamics of Information Systems will change drastically and quickly. The Information Systems policy is an attempt to identify some major issues that we see today. However, the evolution of this policy will be constant due to technology changes that occur every day. Any suggestions for the enhancement of the information system are gladly received.

### **Maintaining Contact with the Office**

In the course of business, it is necessary for Broker Associates to be away from the office. However, the Broker Associate must provide a means of communication for the receptionist to contact the Broker Associate, or leave specific instructions on Broker Associates voice mail so that clients or customers can locate you. When leaving, please display your DND (Do Not Disturb) light on, which will indicate that you are either out of the office or do not want calls. The receptionist will direct all calls to voice mail when the DND light is on.

On any vacation that a Broker Associate may take, the Broker Associate is responsible for soliciting one or more Broker Associates within Frontier GMAC Real Estate, who will be appointed by the Broker as a designated broker, to handle all business for the vacationing Broker Associate. The Broker Associate needs to contact the receptionist, office manager and Managing Broker regarding the appointment of another Broker Associate to handle their business so the receptionist can properly direct all inquires to the proper person. In addition, the Broker Associate should change their voice mail to reflect all calls be sent to the appointed Broker Associate.

Please also let the receptionist know when you are in or are leaving the office.

### **Drug and Alcohol Use**

#### **Substance Use**

Drug and alcohol use are strictly prohibited while engaged in real estate brokerage transactions and shall not be present or used during work hours unless medically prescribed and under the supervision of the Associate's health care provider. Any situations in which duties cannot be properly performed without the assistance of prescribed medication must be reported to the Broker. Drug and/or alcohol use in the workplace may be grounds for termination.

#### **Client or Customer Substance Use**

An Associate should also discourage the use of drugs or alcohol by any party during a transaction. Upon discovering that a party is under the influence of either drugs or alcohol, the Associate should take appropriate action to terminate that day's activity and suggest that they discuss or complete the transaction another time.

## **Smoking**

Smoking is prohibited within the building and space of Frontier GMAC. Designated smoking areas established by the landlord may be available outside the building.

## **Legal and Tax Advice Prohibited**

### **Legal Advice**

No Associate shall give legal advice to a party, offer opinion, or give advice regarding legal rights or obligations of a party. Parties may be referred to the Default section in the Offer to Purchase form and advised to consult with their own attorneys. The Associate also may explain the preprinted provisions of the standard listing and offer to purchase and any other approved forms the parties may be asked to complete and/or sign. The Broker Associate may explain the preprinted provisions of the standard listing, offer to purchase or any other Colorado Real Estate Commission or Frontier approved forms the parties may be asked to complete and/or sign, but you should not speculate on the meaning of terms or legal obligations of the parties. Many title issues are presumed to be beyond the expertise of the associate and should be referred to the title company or an attorney for explanations. The line between giving legal advice and providing professional guidance is easily blurred. If you are not sure whether the advice sought falls into the area of “giving legal advice,” you should proceed with caution and advise the client or customer to hire legal counsel.

### **Tax Advice**

No Associate shall give tax advice to a party, including advice pertaining to deductions, exemptions, and/or tax liabilities resulting from the purchase or sale of real estate. If a tax question, beyond the scope of real estate practice, and an explanation is asked for, the Associate should suggest that the party consult an attorney, tax accountant or other appropriate expert having expertise in the area addressed by the client's or customer's question.

## **Recommendation of Vendors**

Broker encourages Associates to recommend vendors as part of our philosophy of Premier Service™. Remember that your reputation, and more, is on the line when you recommend somebody. Please remember to recommend more than two vendors for any task.

## **Problem Reporting Procedures**

Immediately report problems to the Broker that pertain to:

- A party having complaints involving real estate transactions
- Automobile accidents occurring while the Associate is participating in real estate brokerage transactions
- Criminal charges against the Associate, with the exception of traffic offenses
- Civil lawsuits or administrative actions involving real estate brokerage transactions
- Colo. Real Estate Commission contacts concerning disciplinary actions or other purposes
- Possible Party default under an accepted contract
- Threatened legal or administrative actions involving the parties and/or a real estate transaction
- Acts of discrimination committed by Associates or parties to transactions
- Unresolved disputes between Associates, within or outside the office
- Physical injuries within the office or while in performance of services or duties in the name of the Broker
- Local Board/Association contacts concerning disciplinary action or other purposes.

### **Policy Regarding “Oral” Offers and Acceptances**

Colorado law provides that all contracts for the sale or purchase of real estate be in writing, in order to be binding. One of the most common causes of liability claims against Brokers/Broker Associates is the communication of an oral “offer” or an oral “acceptance”. Even though Colorado law requires that real estate contracts be embodied in a writing signed by the parties, possible exceptions to that rule can place a Broker/Broker Associate in a precarious situation if he or she does not choose words carefully when communicating with customers and clients.

Broker Associates should avoid using expressions which create the impression that a contract has been reached prior to the actual execution of a contract by both parties. Expressions such as “We have a deal”, “The Seller accepts the offer”, or “The Buyer agrees and will sign the Counteroffer” are examples of improper communication. Broker Associates are required to be accurate and precise in their communications, and should take care to advise the parties to a transaction that even though an oral expression of agreement may have been received, no contract is formed until the documents are actually executed and delivered.

### **Power of Attorney**

Broker Associates are not allowed to serve as attorneys-in-fact under a power of attorney for any person, customer or client in a real estate transaction. In extraordinary circumstances, prior written authorization from the Broker or office manager is required if the Broker Associate wishes to depart from this policy. The best course of action is always to suggest that a relative or close friend serve as the attorney-in-fact, or that overnight courier deliver the documentation required to be signed, or handled by facsimile, if appropriate.

### **12 Month Contract for Desk Fees**

Every Frontier associate who elects to be on any of the Desk Fee compensation plans, constructively agrees that the associate shall be obligated to pay the desk fee for a full 12 month period from the commencement of the plan. The associate will not be allowed to change to any other compensation plan within Frontier and the associate will be expected to pay the desk fee for the full 12-month period, unless they are terminated. Any exception to this policy must be in writing and agreed to by the associate and the broker.

### **Contacting the Broker**

#### **Emergency Contacts**

The Broker generally will be available during work hours to discuss real estate matters. In the case of an emergency, the Broker may be contacted at his home after business hours. If the Broker cannot be reached, the Associate should not act until he or she is able to contact the Broker; however, if the emergency pertains to the wording of a contract, a protective clause to the effect that "this contract is subject to the review and approval of legal counsel within (an agreed upon time frame) acceptance of this offer" should be inserted in the contract.

### **Confidentiality**

All records of this office, as well as conversations between Associates, Broker and Associates, and Associates and parties to the transaction, are considered confidential. No files shall be removed from this office without the permission of the Broker and no other information obtained while working for this company shall be used to the detriment of the Broker.

All Associates shall also be obligated to honor the confidential information of any client or non-client party to any transaction, as required by law or CREC rule or regulation. All documents stating a party's confidential

information shall be kept by the Office Manager in a special locked file to guard against any unauthorized sharing of this information. Access to this information shall be limited to the Associate working with the party.

## **Floor Time**

### **Purpose**

The primary purpose of Office Duty Floor Time is to provide professional assistance in answering questions regarding real estate practices and being available to discuss current listings and to handle real estate related telephone inquiries and walk-ins. It is the policy of the Broker that real estate inquiries from prospective purchasers and sellers be answered by an Associate, whenever possible and the receptionist is NOT allowed to discuss price or details of any company listing

The basis for selection of Associates for Office Duty Floor Time is by a list of volunteers, from which a roster is prepared and published monthly. These Associates perform Office Duty Floor Time according to their turn on the roster. Those who have volunteered and are scheduled are expected to take their turn or provide a replacement.

## **Sales Meetings**

### **Purpose**

Sales meetings are conducted as necessary. Any company policy, company happenings, changes in the market, new financing procedures, law changes, etc. will be discussed during these meetings. The purpose of the sales meetings is to keep the Associates abreast of all facets of real estate happenings. They are training periods, round table for discussion periods, Q&A sessions concerning policies, new listings and requirements for property made by prospective purchaser requests.

## **Attendance Requirements**

Sales meeting attendance is expected of all Associates. Mandatory attendance of sales meetings covering real estate law and license law matters is required unless excused by the Broker. These meetings will be announced in advance to permit Associates to make necessary adjustments in their appointment scheduling.

## **Observance of Safety Practices**

All associates are encouraged to be aware of unsafe situations and prepare themselves to avoid unsafe practices. Some suggestions are:

- Get a prospect's full name, address and telephone number at the first meeting. Ask to see their driver's license and jot down the driver's license number and the date of birth.
- If you are meeting for the first time, or are otherwise concerned about a buyer or seller, ask the Broker, another Associate or a personal assistant to accompany you.
- Always have your buyers and sellers meet you at the real estate office, never at a vacant property, and use your car or take separate cars.
- While showing a property, unlock the door and allow the prospects to enter first and keep them in front of you at all times.
- Don't carry a lot of cash or wear expensive jewelry during showings and open houses
- When leaving the office, always let someone know where you will be and how you can be reached.

- Use caution and judgment. DO NOT put yourself in an unsafe or compromising position.

### **Vacation / Leave Time for Associates**

The Broker does not control Associate's time off except that Associates must make themselves available for mandatory meetings, tours, etc., discussed in previous policy statements. However, if an Associate plans to be absent from the office (i.e., out of town) for any period of time, he or she must inform the Broker. Additionally, another Associate must be scheduled to cover for the Associate during this absence. Failure to arrange coverage by another Associate will require Broker to make necessary assignments and determine the appropriate commission split, if applicable.

### **Sign Policy**

#### **Sign Riders**

The Broker requires that all Associates use uniform name signs or sign riders. Professional appearance and good taste along with common sense should be used when ordering your riders. All signs must comply with the GMAC Home Services standards, which may change from time to time.

#### **Direction Signs**

Directional signs are the responsibility of the Associate. Some cities require each sign to be registered and licensed. Such fees shall be the associate's responsibility.

#### **Sold and Offer Pending Signs**

Only after the contract has closed and after obtaining the permission of the seller, "Sold" signs shall be posted. "Offer pending" or similar signs may be posted, with the seller's permission, after acceptance of an offer but prior to waiver or satisfaction of contingencies. Sold sign rider will be stored by each associate.

#### **Expired Listings**

Without a current listing contract, signs are not to be left on the property. Signs from expired listings must be removed within one day after expiration or closing. Sold signs may remain on a property for up to 7 days after closings provided that the consent of the new owner (buyer) has been obtained.

### **Weapons**

Associates are not allowed to bring weapons (i.e. firearms, etc.) into any Frontier GMAC Real Estate office at any time unless the Associate has obtained written permission from Broker.

### **Staff**

The policies and procedures for staff are provided for in a separate Employee Handbook adopted by the firm and amended from time to time. In general, the philosophy of Frontier GMAC Real Estate is that all Associates and staff provide Premier Service. The Broker cannot stress how important it is for staff personnel to understand this basic position. All staff, all associates and everyone within our organization should aspire to provide the best possible experience for our clients and customers. Each staff member, including the Broker, should try to be as customer friendly as possible at all times. If a situation arises that a staff member cannot handle, the staff member is asked to report it to the office manager and/or broker immediately. No staff member should be asked to do tasks outside of the job description provided, however, we are in the service business to provide the highest level of competent service we can to our Associate, sales people in other firms and the Buyers and Sellers we work with.

## **Office Hours**

### **Office hours are:**

Mondays-Fridays: 8:00am-6:00pm

Saturdays: 8:00am-5:00pm

Sundays: 9:00am-4:00pm

All Associates are provided with office keys and may use the office at their own discretion.

### **The Office is closed on the following holidays:**

New Year's Day

Easter Sunday

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Christmas Day

The office will close at 3:00 p.m. on Christmas Eve and New Years Eve.

## **Legal Assistance for Associates**

### **Legal Counsel Involvement**

If a question arises in which the Associate feels that legal advice must be obtained, the Associate will inform the Broker at which time the Broker shall make the decision as to whether legal consultation is necessary. If legal consultation is required, the Broker will consult with the attorney. Failure to follow these procedures, will exempt the Broker from responsibility of any legal expenses incurred.

### **CAR Legal Hot Line**

The Colorado Association of Realtors® provides a Legal Hot Line to field questions. If you have a legal question, inform your Broker of the question. If he cannot answer the question, he may use the Legal Hot Line provided free by CAR. Realtor® members can access the Legal Hot Line through Designated Brokers only.

### **Lawsuits and Threats of Action**

If the Associate is sued or threatened with a lawsuit or administrative action in conjunction with a real estate transaction, immediate attention of the Broker is required. The Broker will then report the suit to the Errors and Omissions insurance carrier. The responsibility as to payment of legal fees will be determined on a case-by-case basis between the Broker and Associate.

### **Arbitration**

In matters of arbitration, an attorney may be employed at the discretion of the Broker. The responsibility as to payment of fees for said attorney will be determined on a case-by-case basis between Broker and Associate.

### **Code of Ethics & License Law Violations**

In matters of alleged violation of the Code of Ethics and/or License Law, an attorney may be employed at the discretion of the Broker. The responsibility for payment of such attorney fees will be determined on a case-by-case basis between the Broker and Associate.



### **Inspection Services, Surveys, Etc.**

Broker shall not be liable to the Associate for any expense incurred by the Associate unless approved in writing in advance. All inspections and related services, such as well and septic inspections, surveys, etc., are to be ordered in the name of, billed to, and paid by the seller or buyer; billings shall never be made to Broker.

### **Document Control**

#### **Document File**

The following documents must be placed and maintained in the Broker's file as required by the CREC and Frontier GMAC Real Estate

### **Our Listing**

**Lead Base, Obligation of Seller (1978)**

**MLS Input/Print Out** \_\_\_\_\_

**Lead Base Disclosure Buyer/Seller (1978)**

**Earnest Money Check Copy** \_\_\_\_\_

**Listing Contract** \_\_\_\_\_

**Contract to Buy and Sell** \_\_\_\_\_

**Square Foot Disc** \_\_\_\_\_

**Signed Closing Instructions** \_\_\_\_\_

**Signed Property Disclosure** \_\_\_\_\_

**Definitions of Working Relationships**

**Amend and Extend/s** \_\_\_\_\_

**Signed Square Foot Disclosure** \_\_\_\_\_

**Signed Inspection Objection/Resolution**

**Signed Lead Base Paint Disclosure** \_\_\_\_\_

**Closing Instructions** \_\_\_\_\_

**Sellers Prop Disc**

**Counter Proposal**

**360 Virtual Tour Order Form**

### **Closed Transaction**

**Copies of All Commission Checks**

**Buyers Agency (Exclusive Right to Buy)**

**Title Company Disbursement Sheet**

**Definitions of Working Relationships**

**HUD Settlement Sheet**

**For Your Protection Get Inspection (FHA)**

**Sellers Settlement Sheet**

**Mold Disclosure**

**Buyers Settlement Sheet**

**Title Commitment and Endorsements**

**Title Company Closing Instructions**

**Buyer/Seller Final Affidavit**

**Tuth In Lending**

**Deed of Trust**

**Warranty Deed**

**Note**

**Copies of Receipts for Repairs**

**Tax Certificate**

**Power of Attorney (If Applicable)**

**Escrow Agreement (If Applicable)**

**Any / All Legal Documents (If Applicable)**

**Affiliated Business Disclosure**

**Home Protection Accept or Waive**

**Premier Service Guarantee**

The Associate is responsible for placing documents in the Broker's file until the file is closed due to a closing, the expiration of the listing, or the expiration of the agency contract. Closed and expired files are maintained by the office secretary for at a minimum of three years according to CREC regulations.

For the protection of all parties, **all agreements shall be in writing** and shall be in clear and understandable language expressing the specific terms, conditions, obligations, and commitments of the parties. A copy of each agreement shall be furnished to each party upon their signing or initialing.

## ***Chapter 3 - Frontier GMAC Real Estate Brokerage Relationship Policy***

### **Introduction to Colorado's Brokerage Relationships Law**

The Colorado Real Estate Brokerage Relationships Act, effective January 1, 1994, created a new statutory presumption that all brokers are transaction brokers unless a written agency agreement is executed with a buyer or seller. The law, which is found in section 12-61-801 through 12-61-811 of the Colorado Revised Statutes, applies to all activities for which a real estate license is required in Colorado and governs the relationships between real estate brokers and sellers, landlords, buyers and tenants.

In the 2002 Colorado legislative session, Senate Bill 196 (SB-196) was enacted, changing the brokerage relationship laws to more accurately reflect the practices within the industry and the consumer's expectations. Key elements of SB-196 are the adoption of "Designated Brokerage", elimination of sub-agency and dual agency brokerage relationships and the elimination of the public's vicarious liability for the acts or omissions of a real estate broker, which have not been approved by that member of the public. Additionally, brokerage relationships no longer extend to the employing (managing) broker or the firm. However, the listing and buyer contracts are still owned by the brokerage firm and not the individual designated broker (no change). The law took effect on January 1, 2003.

### **Real Estate Firms with Two or More Licensees**

Designated brokerage applies to Frontier GMAC Real Estate effective on January 1, 2005 and is mandatory, not optional. As a Designated Broker of Frontier, you will always indicate that we are a firm with two or more licensees and not a "one-person firm".

Under designated brokerage, the brokerage relationship with a seller or buyer, either agency or transaction-brokerage, stops at the individual broker level. The brokerage relationship does not extend to the employing (managing) broker, the firm, and other brokers not designated to work with that seller or buyer. For definition purposes when we discuss a seller or buyer, for all practical purposes, we also mean a lessor or lessee, exchangor or exchangee, etc.

Accordingly, Commission rule E-38 requires that the licensee who will work with a seller or buyer must be designated in writing to serve as the designated broker for that seller or buyer. A team or group of licensees may be designated to work with a seller or buyer. The primary designation is contained in the Exclusive Right-To-Buy and the Exclusive Right-to-Sell contracts. When additional licensees are named as designated brokers, outside of the Right-To-Buy or Right-To-Sell contracts, the employing (managing) broker shall issue a letter on an individual basis and deliver it to the seller or buyer.

### **Methods for Designation**

As allowed by rule E-38, the following policies shall serve as the method for designation of brokers:

#### **1. Designated Broker with a Seller**

Any licensee(s) entering into a listing contract with a seller shall serve as the designated broker(s) for that seller, whether as Agents or as Transaction-Brokers.

#### **2. Designated Broker with a Buyer**

Any licensee(s) entering into a buyer agreement with a buyer shall serve as the designated broker(s) for that buyer, whether as Agents or as Transaction-Brokers.

#### **3. Extension of Brokerage Relationship**

The brokerage relationship extends only to the licensee(s) so designated.

#### **4. Substitutions or Addition of Designated Brokers**

The employing (managing) broker reserves the right to substitute or add other designated brokers, as appropriate, in the employing broker's sole judgment and discretion. Such designations shall be done in writing at the time the designations are made and the changes shall be disclosed in writing to the buyer or

seller with whom the designated broker shall work. A copy of the designation shall be kept in the office file for that listing or buyer contract.

#### 5. Subsequent Designations

Regardless of the method used for the initial designation, if it becomes necessary to change the designated broker working with a particular seller or buyer, that additional, substitute or replacement designation may be accomplished by the employing (managing) broker issuing another writing. Brokers shall use the form, "Designated Broker Appointee Letter", to appoint the Designated Broker and shall deliver a true copy to their seller or buyer (even if there is no written contract). Brokers must also place a copy of the form with the front desk secretary, the office manager and the office file, each time the use of such form is necessary.

#### 6. Managing Broker as a Designated Broker

An employing (managing) broker may serve as a designated broker to work with a particular seller or buyer in which event another licensee shall be appointed to serve as the back-up employing (managing) broker for the purpose of supervising in the transaction in which the employing (managing) broker is serving as a designated broker. Specifically, the managing broker of the Frontier office shall designate either Joel Moritz or Dotson Skaggs, or other broker as the supervising broker when they are working with a seller or buyer.

#### 7. Transaction-Broker – Written Disclosure

A broker working with a buyer or seller as a Transaction-Broker as the result of a written disclosure, is the designated broker for that buyer or seller.

### **Brokerage Relationships Available to Frontier GMAC Real Estate**

Since brokerage relationships in multiple licensee firms stops at the level of the designated brokers, the following information addresses the relationships between the designated broker(s) and the public—not between the firm and the public.

#### **With Seller:**

The designated broker may execute an Exclusive Right-to-Sell Listing Contract (Seller Agency) with the seller or the designated broker may execute an Exclusive Right-to-Sell Listing Contract (Transaction-Broker) with the seller.

If a "Seller Agency" agreement is executed, the seller will make a choice by checking a box indicating what will occur should a buyer with whom the designated broker has an agency agreement want to see the seller's property (section 4.f.).

If you are selling for your own account or for a relative or close friend, then the box in sec. 4.f.1. should be checked. It is not possible for you to default to Transaction-broker status. You must continue to be an agent. You will treat any buyer as a customer, with full disclosure.

As a matter of policy, Frontier designated brokers shall never select sec. 4.f.2. without prior approval of their Managing Brokers.

Frontier designated brokers shall select the box in sec. 4.f.3. If not, then they must contact their managing broker.

### **Seller Agency/Buyer Agency/Transaction-Broker**

1. The designated broker represents the seller as a Sellers agent when we are the listing agents, unless the Seller chooses to employ the designated broker as a transaction-broker.
2. Frontier GMAC Real Estate will cooperate with and offer compensation to selling companies who wish to work as a buyer's agent or transaction-broker and represent the buyer exclusively.
3. The designated broker represents the buyer as a Buyers agent with the execution of a written agreement. If not in writing, the designated broker represents the buyer as a Transaction-Broker.
4. It is illegal to offer, nor will Frontier accept sub-agency or dual agency offers of representation and/or compensation.
5. The designated broker will act as a transaction-broker on transactions where the designated broker is representing both the seller and buyer in a transaction.
6. If you are selling for your own account or representing a relative or close friend, then the box in sec. 4.f.1. should be checked and you must remain an agent for the seller only. It is not possible for you to default to Transaction-broker status. You will treat any buyer as a customer, with full disclosure.
7. If you are buying for your own account or representing a relative or close friend, then the box in sec. 4.f.1. should be checked and you must remain an agent for the buyer only. It is not possible for you to default to Transaction-broker status. You will treat any seller as a customer, with full disclosure.
8. When working with a buyer, Colorado law presumes that the designated broker is working as a transaction-broker.

**Implementation:**

Review in its entirety the Exclusive Right-to-Sell Listing Contract with the seller, or the Exclusive Right-to-Buy Contract with the buyer, in particular:

- the advantages of agency relationship
- the liabilities of the agency relationship
- the agency disclosure statement that different relationships are available

**Duties:**

The designated broker owes the following duties to the seller when a sellers agent:

- A. To perform the terms of the written agreement made with the seller.
- B. To exercise reasonable skill and care for the seller.
- C. To promote the interests of the seller with the utmost good faith, loyalty, and fidelity, including, but not limited to:
  - seeking a price and terms which are acceptable to the seller;
  - presenting all offers to and from the seller in a timely manner, regardless of whether the property is subject to a contract;
  - disclosing to the seller adverse material facts actually known by our company;
  - advising the seller to obtain expert advice as to material matters about which our company knows but the specifics of which are beyond our expertise;
  - accounting in a timely manner for all money and property received;
- D. The designated broker may not disclose the following information without the consent of the seller:
  - that the seller is willing to accept less than the asking price for the property;
  - What the motivating factors are for selling the property;
  - That the seller will agree to financing terms other than those offered;
  - Any material information about the seller unless disclosure is required by law or failure to disclose such information would constitute fraud or dishonest dealing; or
  - Any facts or suspicions which may psychologically impact or stigmatize a property.

## **Other Policies**

On properties not listed with our company and not listed with any other Realtor® or licensed real estate firm, Frontier GMAC Real Estate designated broker may represent the Buyer as a Buyer's agent or as a Transaction-Broker and shall provide to the owner of the unlisted property the commission approved For Sale By Owner disclosure form, treating the Seller as a customer.

## **Implementation:**

Using approved language, disclose to the buyer that the designated broker for Frontier GMAC Real Estate is acting as a transaction-broker and not acting as their agent, unless an Exclusive Right to Buy Contract (Buyer Agency) is executed in written form.

Should the buyer wish to have agency representation, review in its entirety the Exclusive Right To Buy Contract (Buyer Agency), in particular:

- the advantages of the agency relationship
- the liabilities of the agency relationship
- the agency disclosure statement that different relationships are available

## **Duties:**

When acting as a transaction-broker, either on properties listed with our company or on properties listed with other companies, the designated broker has the following obligations and responsibilities:

To perform the terms of any written or oral agreement made with the party to the transaction;

To exercise reasonable skill and care, including, but not limited to:

- presenting all offers in a timely manner, regardless of whether a property is subject to a contract;
- advising the parties regarding the transaction, and suggesting that the parties obtain expert advice about materials matters which we know but the specifics of which are beyond the expertise of our company;
- accounting in a timely manner for all money and property received;
- keeping the parties fully informed regarding the transaction;
- assisting the parties in complying with the terms and conditions of any contract;
- disclosing all adverse material facts actually known by our company;

The designated broker may not disclose the following information without informed consent:

- that the buyer is willing to pay more than the purchase price for the property;
- that the seller is willing to accept less than the asking price for the property;
- what the motivating factors are for the buyer or the seller;
- that the seller or buyer will agree to financing terms other than those offered;
- any facts or suspicions which may psychologically impact or stigmatize a property.

When acting as a buyer's agent on properties listed with other companies, the designated broker owes the following duties to the buyer:

1. To perform the terms of the written agreement made with the buyer.
2. To exercise reasonable skill and care for the buyer.
3. To promote the interests of the buyer with the utmost good faith, loyalty, and fidelity, including, but not limited to:
  - seeking a price and terms which are acceptable to the buyer; except that we are not obligated to seek other properties while the buyer is a party to a contract to purchase a property;

- presenting all offers to and from the buyer in a timely manner, regardless of whether the buyer is already a party to a contract to purchase property;
- disclosing to the buyer adverse material facts actually know by our company;
- advising the buyer to obtain expert advice as to material matters about which our company knows but the specifics of which are beyond our expertise;
- accounting in a timely manner for all money and property received;
- 

The designated broker may not disclose the following information without the consent of the buyer:

- that the buyer is willing to pay more than the purchase price for the property;
- what the motivating factors are for buying the property;
- that the buyer will agree on financing terms other than those offered;
- any material information about the buyer unless disclosure is required by law or failure to disclose such information would constitute fraud or dishonest dealing;
- or
- any facts or suspicions which may psychologically impact or stigmatize a property.

Should you need any interpretation of these policies or further guidance or assistance, please do not hesitate to contact your Managing Broker or the Employing Broker. We are always here to assist you.

### **Cannot be Agent and Transaction-Broker**

A broker shall not enter into a brokerage relationship with one party as an agent and the other party as a transaction-broker. A broker who is engaged as an agent by both the buyer and seller in the same real estate transaction may enter into a brokerage relationship as (1) a Transaction-Broker for both buyer and seller (2) a single agent for the seller, treating the buyer as a customer or (3) a single agent for the buyer, treating the seller as a customer. These options shall be disclosed and made a part of the agreement between the parties to the right-to-sell contract, right-to-buy contract or tenant contract, whichever is appropriate.

### **Change of Status Disclosure in Writing**

A broker engaged as an agent by both the buyer and seller in the same real estate transaction shall provide the written “Change of Status (Transaction-Broker Disclosure)” to both the Seller and Buyer, at the time the broker begins assisting the parties in the capacity of a Transaction-Broker and not at the time of obtaining the right-to-sell contract or right-to-buy contract.

### **Teams**

A team utilizes one or more licensed broker associates, licensed or unlicensed personal assistants and/or other administrative assistants. When any individual team member(s) enters into a right-to-sell contract as the seller’s designated agent or transaction-broker, whichever is appropriate, that designation and brokerage relationship shall apply to all members of the team. If a designated broker for a listing is a member of a team and any member of the team procures a Buyer (that is not being treated as a customer) for a team listing then all members of the team will be working as Transaction-Brokers for both the Buyer and the Seller. If a designated broker for a buyer is a member of a team and any member of the team procures a Seller (that is not being treated as a customer) for a team buyer then all members of the team will be working as Transaction-Brokers for both the Seller and the Buyer. The Attachment to Exclusive Right-To-Sell Listing Form and the Attachment to Exclusive Right-To-Buy Form (Frontier GMAC forms) have specific check boxes that amend the contract and must be used by all teams all of the time.

## ***Team Logo's***

Team Logo's may not appear on marketing materials along with the Frontier GMAC logo without first obtaining written approval in advance from the Broker.

## **Other Guidelines for Teams within Frontier Real Estate**

As the creating and use of teams is more and more common in real estate sales, we want to reiterate some of the guidelines that were originally established to make this a successful program for all.

### **Definitions:**

<b>Primary Broker Associate:</b>	This is the person taking responsibility for the team and is currently licensed as a broker associate with Frontier.
<b>Team Members:</b>	The Primary Broker Associate, and clerical personnel, and licensed broker associates.
<b>Broker:</b>	This is the Employing Broker of Frontier.
<b>Buyer's Agent:</b>	A licensed broker associate that works on a team for the primary broker associate that works just with buyers.
<b>Licensed Associate:</b>	A licensed broker associate that works on a team for the primary broker associate that lists and sells property.
<b>Unlicensed Assistant:</b>	This is a clerical person that works for the primary broker associate and team in a clerical capacity.

1. The Primary Broker Associate is the person who is taking responsibility for the team.
  - a. Your team will be treated as one unit. In turn, your unit will only receive one working space, i.e. private office, one desk in a shared office, and only the use of one space as a mobile broker associate. Frontier treats the team as one unit, but the real estate commission and the local association of Realtors does not. The primary broker associate is responsible for all fees required by the state or Realtor association for any individual working on your team.
  - b. Your team will do all the marketing through the primary broker associate.
    - i. The primary broker associate name must appear on the sign, not the buyer's agent or licensed associate working for you. We want all calls to be directed to the primary broker associate to handle.
    - ii. All advertisements such as ads, flyers, newsletters etc. are to have the primary broker associate as the team leader. You may list your other team members, but just make sure the primary broker associate name is clearly identifiable in all advertising pieces.
    - iii. Each team member may have a business card, but make sure the primary broker associate name is clearly identifiable, such as, Mary Doe, Buyer's Agent for John Smith.
    - iv. The primary broker associate should handle the good and bad calls. When the problem becomes too large, then the broker at Frontier should be alerted as in any potential litigation situation. But it is the primary broker associate duty to handle the wrinkles created by your buyer's agent or licensed associate. The primary broker associate who is responsible for all mistakes made by anyone on your team.
    - v. Every team member will sign the policy manual and independent broker agreement with Frontier upon transfer of license to Frontier.



- vi. Every Unlicensed personal assistant will sign the policy manual upon the first day of working with Frontier.
  - c. Payment of compensation will only be made to the primary broker associate.
    - i. In the event Frontier is asked to break down payment and create 1099's for a buyer's agent or unlicensed associate, there will be a check charge of \$150.00 per issuance of such check for accounting purposes.
    - ii. Frontier GMAC Real Estate will pay no secretarial salaries on behalf of the primary broker associate. The primary broker associate is responsible for all salaries and benefits that may be given to an unlicensed assistant.
  - d. Frontier will provide hook ups for phone and data for buyer's agents or licensed associates as space allows on a case-by case basis at the expense of the Primary Broker Associate.
  - e. Frontier will provide hook ups for phone and data for one unlicensed assistant either in the private space or an alternative space selected by the broker.
2. Frontier will provide the following activities for your team.
- a. All team members will be allowed to participate in any training program the company is providing at the same cost as other associates. This will be on a space available basis per class, non-reserved seating.
  - b. All team members may attend sales meetings.
  - c. All team members may participate in the company retreat at the primary broker associates costs.
  - d. Any unlicensed assistants may participate in the annual "Summer Staff" party at cost to the primary broker associate.

An administrative assistant in each office can train unlicensed assistants. Any programs that you may want your team to learn about the operations, such as printing to a color copier or printer should be coordinated through the office administrative assistant.

#### **Absence, Vacation, Illness or Unavailability of Designated Broker**

In the event that any Designated Broker is going to be out of town, is ill or otherwise unable to be personally, face-to-face available for any Seller or Buyer for a period that exceeds 3 days, appropriate steps as delineated in "*Subsequent Designations*" above, shall be made to appoint another Designated Broker to perform, if necessary, in your absence.

#### **Designated Broker Appointment Must be Communicated and Agreed To**

Any broker subsequently appointed must accept such appointment prior to the Seller or Buyer being notified of an additional appointment of a Designated Broker. In an effort to avoid confusion and as a good business practice, Designated Brokers should seek either additional or replacement Designated Brokers to handle their business in their absence, which would require the consent of all of the Designated Brokers in advance of the appointment.

#### **Oral Contracts are Prohibited**

Seller's and Buyer's contracts must be prepared using the forms mandated by Frontier which are generally Colorado Real Estate Commission approved forms, unless prepared by an attorney for one of the parties. Seller and Buyer shall always be furnished with a copy of every document that they sign. The Firm requires original signatures on all documents for the office file.

#### **Education Class Fees**

Some classes have fees. Associate will pay for those classes that they attend or commit to attend.

## **Transaction/Add-on Fees**

Frontier associates are allowed to charge add-on fees or transaction fees, over and above the negotiated commission rate with the seller or buyer. However, any associate who does charge these fees must develop a written policy for the use of such fees and must submit the policy to the employing broker for approval. The policy should specify the nature of the fees and should delineate how the fees will be assessed to ensure that all parties are treated fairly and what your waiver policy is, if any. The employing broker must approve the policy prior to the charging of fees.

## **Confidential Information**

1. **Conversation:** It is imperative that as a designated broker, you always remain aware of the information that you can share with others concerning our buyers and sellers. There are limits. Unless you have obtained the buyers or sellers specific written permission, you may not share with anyone, including any Frontier associate who is not a "designated broker" for the same buyer or seller in the same transaction, the following:

- a. Information regarding motivating factor for the parties;
- b. That the seller or landlord would take less than the listed price for the property;
- c. That the buyer or tenant would pay more;
- d. Information that a party would agree to financing terms other than those offered;
- e. Any facts or suspicions regarding circumstances which may psychologically impact or stigmatize any real property pursuant to Colorado law;
- f. Any material information about the Client unless the disclosure is required by law or failure to disclose such information would constitute fraud or dishonest dealing, and
- g. Any such other as per Colorado law and Commission rule.

Please be aware that conversation includes telephone and cellular phone use too and it is your duty to be discrete with confidential information. Be especially careful during sales meetings and marketing sessions, as this is a major change in the way we can share information!

2. **Email and Other Writings:** It is the obligation of the designated broker that they protect their client's confidential information in email and other writings, including letters, memorandums, notes, etc., not including Fax or Facsimile documents. These items should never be left in a place (copier, printer, countertop, etc.) where any person other than the designated broker, staff, managing broker and/or employing broker would have access. In the event that an associate scans documents left on a countertop, copier, printer, etc, then you do so at the risk of having to abstain from a transaction if you find out confidential information that you should not have. Additionally, you should immediately report a breach to your managing broker.

- a. Each designated broker shall maintain a permanent file apart from the office file to hold such documentation.
- b. The minimum time period for retaining such records shall be 4 years from the date of closing, unless there is litigation and the documents will be held until the resolution of any such litigation.
- c. No associates except for the designated broker, employing and managing brokers may access the office files for any property. Staff will have access.

3. **Fax or Facsimile Documents:** To prevent accidental or unauthorized breach of confidential information, the following rules apply to faxes:

- a. Staff shall always screen the incoming faxes and deliver them to designated brokers mailbox. All associates shall ask staff to check the incoming faxes and staff will always happily comply.
- b. Please always use a cover sheet on your outgoing faxes and ask staff to send them for you.
- c. Request that all incoming faxes always have a cover sheet, identifying the designated broker for whom the fax is intended.

In the event that staff is not available to check the fax, then ask the managing broker to check, and if no one is available to check except for you, then you do so at the risk of having to abstain from a transaction if you find out confidential information that you should not have. Additionally, you should immediately

report a breach to your managing broker. Intentional and/or repeat violations of these rules will not be tolerated.

4. Shared Computer Networks, Printers and File Directories: All associates shall protect their buyers and sellers confidential information from access on the company networks and file directory systems.

5. In Office Mailboxes: All associates shall only view documents from their own mailboxes and shall not view mail of others.

6. Handwritten Telephone Messages: Any handwritten telephone messages which contain confidential information shall be filed or stored in a location that provides no chance for an accidental viewing by others.

7. Phone Conversations or Meetings with Clients: Care must be used in discussing confidential information on both the telephone and when meeting with buyers or sellers in the office so that confidential information is not overheard by others.

8. Relocation, Divorce, Pending Foreclosure and Other Sensitive Documents: Care must be used in cases regarding sensitive documents which might be coming from other parties to ensure that others don't obtain any confidential information

9. Conversations with Affiliated Business Providers: You may not share confidential information with affiliated business providers unless such information is required to be disclosed by law or commission rule.

10. Production Boards: Production boards must not be displayed.

11. Social Functions: Particular care must be used in social functions so that confidential information is not inadvertently shared improperly.

### **No Authority to Order in the Name or on the Account of Frontier**

Frontier associates have no authority to order any product, advertisement or service in the name of or on the account of Frontier GMAC Real Estate. Associates must always order products, advertisements or services in their own name.

### ***Do-Not-Call Compliance***

It is the policy of Frontier to prohibit all "cold calls" by licensees and staff to the consumer public. Frontier personnel are permitted to contact For Sale By Owners only if the agent, acting as a Buyers Agent, has a legitimate buyer who is interested in viewing the subject property; however, the agent shall not call the FSBO for the purpose of soliciting the listing. It is the policy of Frontier GMAC Real Estate to comply with Colorado and federal Do Not Call/contact laws, rules and regulations. It is the associates responsibility to be familiar with and to comply with all of these requirements. .

### **Release of Earnest Money Deposits**

As long as you have both buyer and seller signatures, and the form is the version approved by the Colorado Real Estate Commission, you will no longer need your Broker's signature to release the earnest money. If you are missing either signature, then you will need the Broker's signature.

### **Contact Deletions**

Any party requesting to be removed from any marketing, mail-out, telephone, email, newsletter or any other method of contact list, shall immediately have their request honored by all Associates.

### ***Reminder regarding Fair Housing Logo's***

All materials including your cards, signs and advertising are required to have the Equal Housing logo and the Realtor R. All Advertising, brochures, etc also need to have them.

### ***Basic Personal Business Website Guidelines***

For those associates who have a website that is used for Frontier business purposes, it is important that your website always contains some basic information and rules.

1. No vulgar, sexual, discriminatory or obscene material shall ever be posted on your site.
2. The REALTOR “R” Logo shall prominently be displayed on every page within the site.
3. A “Terms of Use” agreement shall be available for anyone viewing your website. It shall explain the limitations of use of any material displayed within the site. (i.e. copyright, registered trademark, etc)
4. Fair Housing Logo’s shall be prominently displayed on every page within the site.
5. Only approved Frontier logo’s shall be used on the site.
6. We expect you to comply with any rules of the Real Estate Commission.
7. Listing information on your site must be updated no less than once every seven days.

### **Home Offices**

Mobile, virtual or home offices are acceptable. However, no Frontier associate shall advertise any address of such home office, without also displaying the Frontier branch address with which they are affiliated in a type size and style equal to or larger than the home office address. No yellow page or telephone directory advertising, message service or answering device will be allowed that uses or implies that Frontier has an office in any location other than that established by our physical branch offices. You may use the direct line you receive through Frontier, or your home or home office phone, or your cell phone within your promotional materials and advertising and we recommend that you also include the phone number for the branch office with which you are affiliated.

### **Duty to Notify Broker of any Possible Claim**

In the event that any Frontier associate is contacted, notified or suspects that a claim may, or is being made against them or their errors and Omissions Insurance Policy, the associate must contact the Employing Broker or their office managing broker at the earliest possible time and explain the circumstances of the event.

## ***Chapter 4 - Advertising***

### **Real Estate Advertising**

#### **Advertising Media**

The Broker advertises in the following media:

**To be determined**

#### **Open House Ads**

Open Houses ads will be the responsibility of the Associate.

#### **Allocation and Costs of Advertising**

Allocation of advertising to listings will be the sole responsibility of the Broker. Additional requests for more ads must be approved and is at the discretion of the Broker since the Broker pays for all approved advertisements. Promotional materials that are costly and expensive such as brochures should not be promised to the client unless pre-approved by the Broker.

### **CREC Advertising Rules**

#### **General Principles:**

- No Associate shall advertise to sell, purchase, exchange, rent or lease a property in a manner indicating that the advertiser is not engaged in the real estate business.
- No advertisement by a licensee shall direct responses to only post office box number, telephone number, and/or street address.
- Every Associate shall affirmatively and unmistakably indicate in any advertising that he is a licensed real estate agent.
- All Associates shall advertise under the firm name offers to purchase, sell, rent, or lease any property. All advertising must be under the direct supervision of the Broker.
- No Associate shall post a sign on any property for which he does not have an active written authorization from the owner.
- Associates may not advertise in any medium by utilizing letters in their name larger than those of the firm.

Licensees are exempt from this list if the licensee's advertising shall include the designation "owner/agent" and the property is not listed.

#### **Advertising for Franchise or Cooperative Advertising Groups:**

Any licensee using a franchise trade name or advertising as a member of a cooperative group:

- Shall clearly and unmistakably indicate his name, broker or firm name, and business telephone number and/or office address adjacent to any specific properties advertised for sale or lease in any media.
- When advertising other than specific properties for sale or lease, shall cause the following legend to appear in a manner reasonably calculated to attract the attention of the public:  
*"Each GMAC Office is Independently Owned and Operated."*

### **Fair Housing Advertising**

#### **Equal Opportunity Slogans and Logos**

Associates shall use the Equal Opportunity slogan or logo in all advertising. Associates shall use publications which reach large audiences and does not limit to a small select audience.

### **Prohibited Advertising Language**

Advertising copy used by Associates must describe the property, NOT THE DESIRED BUYER OR TENANT. Examples of prohibited advertising language are:

1. Race, color, national origin: Real estate advertisements may not state a discriminatory preference or limitation on account of race, color, national origin or any other protected class, and shall not describe the housing, the current or potential residents, or the neighbors or neighborhood in racial or ethnic terms. However, Associates may use phrases such as "master bedroom", "rare find" or "desirable neighborhood."
2. Religion: Associates shall not use advertisements which contain an explicit preference, limitation or discrimination on account of religion. Advertisements which use the legal name of an entity which contains a religious reference (i.e., Sisters of God Catholic Home) or a religious symbol (such as a cross) must contain an appropriate disclaimer against any religious preference or limitation. Associates may use descriptions of the property (apartment complex with chapel) or the services (kosher meals available), and terms (Merry Christmas or Happy Easter) or symbols (Santa Claus or Easter Bunny) relating to certain religious holidays.
3. Sex: Associates shall not advertise single family dwellings or separate dwelling units in multifamily housing in a manner which explicitly indicates a preference, limitation or discrimination on the basis of sex. Associates may, however, use terms such as "master bedroom," "mother-in-law suite" and "bachelor apartment" which describe a property type.
4. Handicap: Associates' real estate advertisements shall not contain exclusions, limitations or other indications of discrimination based on handicap. Associates may describe the property (great view, fourth floor walk-up, walk-in closets), the services or facilities (jogging trails), the neighborhood (walk to the bus stop), the conduct required of residents (nonsmoking), and accessibility features, such as a wheelchair ramp.
5. Familial Status: Associates shall not place advertisements which contain limitations on the number or ages of children or state a preference for adults (unless the property meets the housing for older persons exemption), couples or singles. Associates may use descriptions of the property (two bedroom, cozy, family room), services and facilities (no bicycles allowed) or neighborhoods (quiet streets).

## ***Chapter 5 - Compensation***

### **Commission and Fee Rates**

Sales commissions for listings shall be negotiated by the associate. The company standard is that total commissions be 6 to 7 percent. The company will require Broker approval for any commission negotiated below 4.8% total.

Buyer side transaction commissions are generally established by the listing agent. The amount being offered to the buyers agent is generally 2.8% or more of the final sales price. To offer or accept a buyer side commission lower than 2.5% shall require manager approval.

Should an agent need to use any portion of the commission within the sales transaction for a credit to the buyer or the seller, the final portion of the commission due to the company shall be based off of the total commission offered for the transaction. Frontier GMAC Real Estate will not share in the reduction of any commission without prior manager approval .

### **Minimum Fees for Sale or Purchase of Associate's Own Property.**

The Associate shall pay the firm a flat fee of \$750.00 on the sale or purchase of Associate's own property. Any and all commissions paid in addition to the flat fee shall be applied to reduction of the purchase price. In order to qualify for the flat fee rate, the Associate must be on the deed to the property sold or purchased unless the lender verifies that the agent could not buy with the Associate on the deed and it is purchased in the name of the Associate's spouse. Should the associate be on a 100% commission plan the agent shall be responsible for a total of the 6% franchise fee. The franchise fee shall be established by using a sales commission of 2.8% of the total purchase price.

### **Associate Commission and Fee Compensation**

#### **Definition**

Compensation shall be defined to include commissions, buyer agency fees, referral fees, fees for negotiating construction contracts or referring customers to builders, appraisal fees, incentives received while buying property for personal use or investment or any other thing of value received in connection with the Associate's real estate brokerage services.

#### **Payment of Compensation**

**Pay-at-the-Table.** The firm will authorize commission checks to be paid directly to the Associate at the time of closing for Associates who have signed and agreed to an Addendum to their Independent Contractor Agreement authorizing such payment.

Associates not paid at the table will be paid commissions on the 15<sup>th</sup> and the 30<sup>th</sup> of each month, whichever date falls directly after the date in which the complete file is submitted to the office systems coordinator, so long as the file is received at least two business days before the commission payment date. Special situations or special requirements for the compensation checks will be handled through the Broker on a case-by-case basis.

**Partial Receipt of Commissions**

If a commission is paid partially in cash, and a promissory note or other arrangement is given for the remainder, the Associate shall ensure that the cash portion is sufficient to first pay the firm the 6% franchise fee and the company's split of the gross commission. Any remaining portion of the cash portion shall then be paid to the Associate. Associates must obtain the advance written consent of the Broker before acceptance of a promissory note in lieu of a cash commission, or any other agreement to defer receipt of commission.

**Reduction of Commissions and Fees**

Associates shall not have the authority to reduce the commission to be paid by the seller pursuant to a listing contract, the fee to be paid by a buyer pursuant to a buyer agency agreement, nor any other fee payable to the Broker without the written consent of the Broker, unless Associate is on a desk fee plan. Any unauthorized reduction of commissions or fees by an Associate, either directly or indirectly, through negotiations or the assumption of various charges, expenses, fees or otherwise, shall be reimbursed to the Broker by the Associate.

**Referrals and Bonuses**

When a referral is sent to an Associate by a cooperating Broker, the Associate must immediately clarify the referral agreement in writing. All payments for referrals and/or bonuses shall be made payable to the Broker and the Associate shall be compensated on the basis of the commission schedule in the Independent Contractor Agreement.



## ***Chapter 6 – Termination of Affiliation***

### **Termination of Affiliation**

Should the Broker and the Associate terminate this relationship, the Associate will immediately turn in all company property including all transactional files pertaining to property listings, buyer listings, offers, or other contracts, any other office files, office policy books, office keys, lock box keys and lock boxes, signs, books, supplies and a copy of all prospect and referral lists generated while employed by the Broker. The Associate will contact the Broker for final out-processing. The Associate's license shall be returned to the CREC immediately by the Broker. The Broker's supervisory responsibility shall terminate upon his signing of the release form.

Note: The licensee shall not engage in any real estate transactions nor shall he act under contract with another firm until completion and transmittal to the Commission of the change of affiliation form and fee is remitted.

Listing contracts are the property of the Broker. The Broker reserves the right to reassign any listing or other contract upon termination by or of an Associate. Compensation for offers to purchase or for listings obtained by the Associate prior to termination of this relationship shall be payable in accordance with the commission schedule shown in the Independent Contractor Agreement in effect between Broker and Broker Associate.

By my signature below, I acknowledge that I have read, understand and agree to abide by the provisions of the foregoing Frontier GMAC Real Estate Associates Office Policy Manual, as amended from time to time.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
Broker Associate

\_\_\_\_\_  
Managing Broker

**Journey to Mastery™ (JTM) Program Broker Associates**

Broker Associates enrolled in the JTM Program will be compensated by the Company from commissions received by the Company on transactions closed by the associate while in the JTM Program as follows:

Prior to graduating from the JTM Program, the JTM Associate earns 45% of the commission on all associate's closed buyer transactions, one-half of 45% of the commission on the first three seller sales (listings) (with the other half to the mentor), and 45% of the commission on all other seller sales until the associate completes all requirements of the Journey to Mastery™ Agreement and Program, completes the closing of three buyer sales and three seller sales (listings), and graduates from the Program. The Company earns 55% during this period.

Beginning the day after graduation from the JTM Program, a new anniversary date begins and the associate earns 60% and the Company 40%, until the Company earns \$26,000, then Associate earns 90% for the balance of the anniversary year, and the associate will be assigned an Exclusive Office Work Station to use.

**Note:** All Associates will be on anniversary years and not calendar years. Associate earnings shall be defined as the gross commission income less 6% franchise fee, referral fees, and company earnings. A \$295 initial startup fee for all associates shall be deducted from first commission check. Commission plans may be amended by Company, but effective to the Associate only at time of the anniversary renewal. The Company contemplates that a Transaction Fee of \$195.00, payable at time of closing, will soon be implemented.

**Referral Fees**

This section only becomes applicable after the Associate graduates from the JTM Program. Upon graduation, the Associate may become eligible to receive Frontier Leads and Referrals.

The Company receives many referrals (Frontier Leads) from a wide variety of sources. Frontier's Lead Management Policies in effect at the time the referral is assigned to a Broker Associate shall govern the management, assignment, referral fees, and commission splits for all referrals and shall supersede the statements made in this Commission Plan. As further clarified in the applicable Lead Management Policy in effect at the time the referral is assigned, Frontier Leads are any leads generated from Frontier advertising or promotion or because of Frontier's relationship with GM and GMAC and their affiliated businesses, or any other businesses. Frontier Leads include, but are not limited to, leads from: Websites; Newspapers; Internet; E-mail campaigns; Broker to Broker; Phone Inquiries; Frontier Affinity Program; Frontier GMAC Real Estate and its affiliated companies, and their employees, including Lending Frontier Company, Frontier Title Company, Moritz Title Company, Frontier Metro Real Estate, LLC or other affiliated referring company, and any other Frontier referrals.

**AGREEMENT FOR JOURNEY TO MASTERY™ PROGRAM  
BROKER ASSOCIATES**

**Date:** \_\_\_\_\_ **Branch Location:** \_\_\_\_\_

**Associate Name:** \_\_\_\_\_

**Anniversary Date:** \_\_\_\_\_ (to be inserted after JTM graduation)

**Other:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Any other costs or expenses that accrue as result of associates day to day business, extra advertising, etc. shall also be due and payable each month per the independent contractor agreement and company policies and procedures.**

**Associate Signature:** \_\_\_\_\_ **date** \_\_\_\_\_

**Branch Manager Signature:** \_\_\_\_\_ **date:** \_\_\_\_\_

**Employing Broker Signature** \_\_\_\_\_ **date:** \_\_\_\_\_

**Frontier** **GMAC**  
**Real Estate** **COMMISSION PAYMENT POLICY**

Frontier has implemented a Pay-at-the-Table Policy to expedite payment of commissions to agents. The policy is described in the Broker Associate Policy Manual and the Pay-at-the-Table Addendum to the Independent Contractor Agreement between Frontier GMAC Real Estate and Broker Associate. In all cases not covered by the Pay-at-the-Table Policy, the company pays out commissions on the 15<sup>th</sup> and 30<sup>th</sup> of each month.

Current closing commission distribution forms **must be completed** and the file **must be reviewed** by the JTM Manager and the company Managing Broker before commission payments can be authorized. **No commission checks** for the agent will be given out until all of the agent's paperwork from **any and all** closed and canceled files have been turned into the Office Manager.

The company has the right to withhold the commission check for **any** monies owed to the company by an agent.

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\_\_\_\_\_  
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## **FRONTIER GMAC REAL ESTATE COMPUTER & TECHNOLOGY POLICIES**

Frontier GMAC Real Estate provides company owned computers, software and high speed internet access for the benefit of its agents and employees. These systems are provided for business use only and are not intended for personal use.

The maintenance of these systems is expensive and can only be handled by company-designated personnel or vendors. Viruses, foreign software, altered settings, etc. are common emergency problems that are expensive to repair and are detrimental to sales production.

Therefore, Frontier GMAC Real Estate establishes the following as the company policy as it relates to company owned computer systems.

No software programs shall be installed other than company approved programs.

Internet access sites shall be limited to real estate information sites only.

Screen savers shall be limited to the "Frontier GMAC Real Estate" model. The browser default shall be set to the Frontier GMAC Real Estate web site.

Our goal is to provide a user-friendly system that provides the information necessary to perform business in a professional manner. Cooperation from everyone will keep our system functional and fast. Anyone who violates these rules will be responsible for the cost of repair or replacement.

### **Personal Computer:**

Agents are encouraged to bring permanent or portable computers into the office and are welcome to access our Internet connections. Frontier GMAC Real Estate provides the connection to our network, but the agent is responsible to have a network compatible computer. Frontier GMAC Real Estate is not responsible for theft or maintenance of any agent's computer. Agents are encouraged to insure their computer against any loss or theft on their homeowners or personal insurance.



## FAIR HOUSING POLICY

This manual was developed by the Colorado Association of REALTORS<sup>®</sup>, Equal Opportunity/Legal Compliance Committee to assist in complying with the HUD/NAR Partnership Agreement. The contents of this guide have been reviewed by the Colorado Association of REALTORS<sup>®</sup> legal counsel to assure compliance with state law.

### Definitions

- SALESPERSON:** Reference to “salesperson” throughout this document means broker associate or brokerage licensee.
- SHALL:** The word “shall” used in this document is synonymous with the words “mandatory” or “required.”
- SHOULD** The word “should” used in this document means that “it is recommended, not required.”
- EQUAL OPPORTUNITY SLOGAN:** The official Equal Opportunity slogan is: “Equal Housing Opportunity.”



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**EQUAL OPPORTUNITY**

**LOGO:**



**BOARD:**

The use of the term “board” throughout this manual will denote boards/associations of REALTORS®.

**PARTNERSHIP/AGREEMENT:**

Refers to NAR/HUD agreement.

**SIGNATORY:**

Means broker.

**FEDERAL FAIR HOUSING LAW PROTECTED CLASSES:**

Race, Color, Religion, Sex, National Origin, Handicap and Familial Status

**ADDITIONAL PROTECTED CLASSES UNDER COLORADO LAW:**

Ancestry, Creed, Marital Status

**COMPANY FAIR HOUSING POLICY STATEMENT**

THE COURTS HAVE RULED THAT REAL ESTATE COMPANIES ARE RESPONSIBLE FOR THE ACTS OF THEIR BROKER ASSOCIATES IN FAIR HOUSING MATTERS. THE COMPANY MAY NOT BE IN A POSITION TO DEFEND ITSELF SUCCESSFULLY IN A FAIR HOUSING MATTER IF THESE POLICIES AND PROCEDURES HAVE NOT BEEN FOLLOWED BY ITS BROKER ASSOCIATES. THEREFORE, THE COMPANY MUST INSIST THAT THESE POLICIES AND PROCEDURES BE FOLLOWED. ANY ACTS OF DISCRIMINATION WILL BE GROUNDS FOR TERMINATION OF EMPLOYMENT OR THE INDEPENDENT CONTRACTOR AGREEMENT.

The management of Frontier GMAC Real Estate has the legal, ethical and moral responsibility to endeavor to prevent any broker associates or employees from committing any act or making any statement, which could be perceived in any way as discriminatory in the area of fair housing.

Carrying out this important responsibility requires an active education program and a well-defined plan for monitoring everyday activities and correcting improper conduct when discovered.

The management of this company must make certain that all of its salespersons and employees know what company policy is regarding listing or leasing property, showing



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property, negotiating offers and serving the needs of buyers, sellers, property owners and prospective tenants without discriminatory intent or effect. The information contained in this manual sets forth these policies. These policies have been developed to ensure that the company and all its salespersons comply with both the letter and the spirit of the fair housing laws.

The management of this company must provide salespersons and employees with a set of procedures that can be used to ensure compliance with the partnership agreement since this company has signed that agreement. The information contained in this manual sets forth those procedures.

These policies and procedures must be followed by everyone associated with this company.

### REALTOR® OFFICE POLICIES

1. During the conduct of business, no salesperson or employee should make any statement (either directly or otherwise) or perform any act which could have the effect of:
  - a) Implying that the presence or anticipated presence in a neighborhood of persons of any protected class will or may have results such as:
    - Lowering of property values
    - Changing the composition of the block or neighborhood
    - Making the area less safe
    - Contributing to a decline in the quality of the schools
  - b) Implying that persons of a protected class will be less able to obtain financing on a property.
  - c) Implying that we, as salespersons and employees, adhere to stereotypes that might result in different treatment in dealing with protected classes in the sale or purchase of property including:
    - Telling racial/ethnic jokes
    - Making derogatory remarks to anyone or about anyone
2. Fair housing laws should be discussed with a seller at the time listing. The seller's unequivocal commitment to abide by the law should be obtained.
3. Any seller who refuses to abide by the law and whose listing was therefore refused by the salesperson, or any seller who makes a home unavailable for





showing to an individual of a protected class should be reported immediately to the principal broker or manager.

4. Discriminatory acts or statements on the part of the seller in rejecting or countering an offer should be reported immediately to the broker or manager. Proper guidance in what to relay back to the buyer should be obtained prior to delivery of the rejection or counter-offer by checking with your broker or manager.
5. CONSISTENT qualifying techniques should be used with all buyers and adequate records should be maintained by salespersons to demonstrate that all buyers are asked the same questions and given equal treatment.
6. No salesperson shall refuse to list or show a property in a given market area because of the presence/absence of a protected class.
7. All salespersons and employees shall provide equal service without regard to buyer's/seller's race, color, religion, sex, handicap, familial status, national origin, ancestry, creed or marital status. Areas of service where the potential for inconsistent treatment exists includes (but are not limited to) the following:
  - Greeting when entering or calling the office
  - Acts of courtesy and hospitality
  - Initial meeting to discuss needs
  - Qualifying and financing information asked and given
  - Personal information required
  - Availability and quality of properties shown
  - Follow-up procedures
  - Method of determining which properties to show
8. Salespersons and employees will be equally cooperative with all brokers and agents when setting up showings, making keys available, setting appointments to present offers, conducting negotiations, etc.
9. Salespersons will offer to show all properties available in a market area within a buyer's price range and objective criteria without regard to individuals who may be in a protected class.
10. Any harassment of salespersons, employees, buyers or sellers by anyone in carrying out obligations under the law should be reported immediately to the office manager/principal broker.

ACTS OF DISCRIMINATION WILL BE GROUNDS FOR TERMINATION OF  
EMPLOYMENT  
OR THE INDEPENDENT CONTRACTOR AGREEMENT.



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FAIR HOUSING OFFICER

The fair housing officer for the company is Joel Moritz, who will be responsible for training and will deal with fair housing issues and concerns. Cooperation with the fair housing officer is required during investigations of alleged discrimination or in review of equal service records.

REALTOR<sup>®</sup>'S OFFICE PROCEDURES

**POSTER**

The NAR/HUD developed fair housing poster, which includes the Code for Equal Opportunity in housing, will be displayed in a prominent place in each company office.

**ADVERTISING:**

**Public Commitment to Fair Housing**

1. Each signatory shall display, in a prominent place in the signatory's office, a fair housing poster as outlined in 24 CFR Part 110.
2. Each signatory shall use advertising policies for the sale or rental of housing that indicate to the general public that the advertised housing is open to all persons and is designed to attract buyers and renters without regard to race, color, religion, sex, familial status, handicap, or national origin.
3. Such advertising shall include an official Equal Housing Opportunity slogan or logotype as follows:
  - a. In all display advertising, the Equal Housing Opportunity logotype, when used shall be at least ½" by ½" in size.
  - b. In each "classified" advertisement of six (6) column inches or larger in size, except where the HUD "Publisher's Notice" appears on the lead page of the classified advertising section of the newspaper or magazine.
  - c. In a prominent place on all brochures, circulars, billboards, and direct mail advertising.
  - d. In a prominent place on signs and all other forms of advertising not specifically referred to in subparagraphs 3(a), (b) and (c) above, where its inclusion does not significantly increase the cost of advertising.
4. In order to promote awareness of the fair housing laws and the equal opportunity policy of the signatory, each signatory shall encourage all associates to distribute copies of the NAR flyer entitled "What Everyone Should Know About Equal



Opportunity in Housing”, or its equivalent, provided a copy of the equivalent flyer is attached to this plan or otherwise provided to HUD prior to its use.

**Fair Housing Procedures and Advertising Policies**

1. Each signatory shall adopt fair housing procedures, including procedures relating to office operations, and advertising policies to implement the goals and purposes of providing fair housing for all. The signatory either shall adopt the fair housing “best practices” recommended by NAR and HUD, or shall develop written fair housing procedures and advertising policies which, at a minimum, are consistent with the recommended “best practices.”
2. Each signatory shall require all associates to follow the procedures and policies adopted by the signatory’s firm.
3. The fair housing procedures, including those relating to office operations, shall address the provision of equal professional service without discrimination based on race, color, religion, sex, familial status, handicap, or national origin.
4. The advertising policies shall incorporate the provisions of paragraph II B of this plan.

**ALL PRINTED MATERIALS**

All brochures, cards, circulars, billboards, and direct-mail advertising shall include the official Equal Opportunity logo or slogan. All signs will contain an official Equal Opportunity logo or slogan. (Excluding those materials in inventory as of the date the firm adopted these procedures.)

**TRAINING:**

**Fair Housing Education and Training**

1. Each signatory shall explain and publicize the purposes and provisions of this agreement to all associates.
2. Each signatory shall provide, either directly or through Board or Association sponsored programs, ongoing training and education to inform all associates of their responsibilities under this Agreement and under the fair housing laws, and urge associates to attend and participate in Board or Association training programs.
3. Each signatory shall obtain and make available to all associates the NAR **Fair Housing Handbook**.



It is highly recommended that ALL associates attend training in fair housing law and obligations and the company's fair housing procedures. Such training will be provided in-house or at the state or local association of REALTORS®.

The company will make available ongoing training in fair housing law, obligations and the company's fair housing procedures. Staff meetings will address fair housing issues on a regular basis. All salesperson are encouraged to raise fair housing concerns for discussion.

#### FAIR HOUSING RESPONSIBILITIES

Areas where CONSISTENT service will be provided include, but are not limited to, the following:

- Greeting when entering or calling the office
- Arranging appointments
- Acts of courtesy and hospitality
- Initial meeting to discuss needs
- Qualifying and financing information requested and given
- Personal information required
- Availability, location and quality of properties shown
- Keeping appointments
- Follow-up procedures
- Method of determining which properties to show

#### BROKER AND/OR FAIR HOUSING OFFICER RESPONSIBILITIES

- Be certain that all managers, salespersons and employees know the name and phone number of the person in the company responsible for implementing fair housing policies.
- Keep informed on current changes in the laws that affect company policy.
- Develop training programs for salespersons and employees on the subject of fair housing.
- Provide fair housing materials as needed.
- Investigate possible instances of discrimination.
- Review record-keeping/reporting throughout the company on a spot-check basis.
- Maintain written records on action taken to deal with questionable acts and/or statements.
- Provide means of eliciting opinions of protected class buyers, sellers and renters on way which services can be improved or changed to increase the company's responsiveness to their needs



## LISTING PROCEDURES AND WORKING WITH SELLERS

While making any listing presentation or listing any property, the following procedures shall be followed:

1. Fair housing law must be discussed with a seller at the time of listing with unequivocal commitment to abide by the law, as follows:
  - Read the fair housing clause contained in the listing agreement.
  - Give an “Equal Opportunity in Housing” brochure to the sellers.
  - Review the contents of the brochure.
  - Refuse any listing where the sellers are not in agreement
2. Any seller who refuses to abide by the law and whose listing was therefore refused by the licensee must be reported immediately to the fair housing officer or broker.
3. Any seller who makes a home available for showing on account of any of the protected classes shall be reported to the fair housing officer or broker.
4. Any apparent or suspected discriminatory act or statement on the part of a seller in rejecting or countering an offer must be reported immediately. Proper guidance in what to relay back to the buyer must be obtained prior to delivery of the rejection or counteroffer by checking with the fair housing officer or broker.

## WORKING WITH PROSPECTIVE BUYERS

Salespersons should qualify prospects in a uniform, CONSISTENT way, CONSISTENT interviewing and qualifying techniques must be used with all buyers and adequate records must be maintained by salespersons to demonstrate that all buyers are given equal treatment. Using CONSISTENT and systematic procedures, the salesperson will obtain objective information regarding the prospect’s needs and wants. Let the customer set the limits and provide a variety of choices.

## HIRING AND RECRUITMENT POLICIES

### Equal Opportunity in the Real Estate Industry

1. Each signatory shall affirmatively recruit persons of all racial and ethnic groups, of both sexes, with and without disabilities, and individuals otherwise protected



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from discrimination by the Fair Housing Act, as salaried employees and independent contractors.

#### COMMUNITY PARTICIPATION

##### **Association and Community Efforts**

1. Each signatory shall encourage all associates to participate in community fair housing equal opportunity activities.
2. Each signatory shall endeavor to participate in Association Fair Housing Partnership activities designed to identify and remove barriers to equal opportunity in housing in the community.

##### **Specific Project Considerations**

1. Each signatory shall attach this Realtor<sup>®</sup> Model Plan to its Affirmative Fair Housing Marketing Plan Application form for each project subject to the Affirmative Fair Housing Marketing Plan regulations.
2. Each signatory shall consider, for each project submitted for HUD approval, the following:
  - a. the type of project
  - b. the area in which the project is to be located
  - c. the groups that are least likely to apply for or be aware of the project
  - d. the most effective methods to be used in marketing to group(s) that are least likely to apply for or be aware of housing in the project area and respective project. Groups are defined as white (non-hispanic), black (non-hispanic), Hispanic, American Indian or Alaskan Native, Asian or Pacific Islander.
3. Each applicant shall review its marketing efforts for each project to assess whether its marketing efforts have attracted a significant cross-selection of the eligible population, especially significant numbers from those eligible among those population groups least likely to apply for or be aware of housing in the project area and project.

#### RESPONSES TO POSSIBLE DISCRIMINATION OR HARASSMENT

Alleged acts of discrimination, whether by salespersons of this or another firm, or by members of the public, are to be immediately brought to the attention of the fair housing officer. It is the policy of this company to cooperate in the investigation for fair housing complaints, and, when appropriate, to file complaints on behalf of salespersons or employees of this firm.



When working with prospects or clients who may be victims of discrimination, the fair housing office will determine how best to assist them in protection of their fair housing rights.

Any incident of harassment of sellers, buyers, salespersons or employees in violation of fair housing laws will be promptly reported to the fair housing officer and appropriate authorities, which may include local or state police, local or state human rights agencies, the US Department of Justice, HUD or the FBI.

WHEN A CLIENT REFUSES TO COMPLY WITH FAIR HOUSING LAWS.  
THE FIRM WILL DISASSOCIATE ITSELF FROM THAT PERSON

IN SUMMARY...THE PARTNERSHIP AGREEMENT

Management and salesperson shall comply with the provisions of the Partnership Agreement. As a signatory to this agreement, the company has made a commitment to affirmative marketing. Affirmative marketing means providing a housing choice free of practices and influences that would limit the freedom of that choice. Simply put, this means that individuals with similar financial resources and interests in the same market area must have a like range of property choices available to them regardless of their RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP (PHYSICAL AND MENTAL), FAMILIAL STATUS, CREED, ANCESTRY AND MARITAL STATUS.

I, \_\_\_\_\_, have read and understand my obligations as contained herein on this the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

x \_\_\_\_\_  
Frontier Broker Associate



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**National Do Not Call Registry**

Frontier GMAC Real Estate subscribed to the appropriate entity and downloaded all numbers on the Do Not Call Registry for the area codes pertaining to our offices. They are 303, 719, 720, and 970.

Frontier GMAC Real Estate is assisting our agents by providing this information; however the agent will bear full responsibility for obeying the law and any fine imposed for violation.

The numbers are available on each office computer under the DNC Notifier Icon. Frontier GMAC Real Estate will update the list every 90 days as required. Frontier GMAC Real Estate does not guarantee the accuracy of the list. The agent who wishes to “Cold Call” is responsible for verifying each number and understands the rules and accepts full financial responsibility for any infractions of the rules.

---

Print Name

---

Signature



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## **AFFILIATED AND STRATEGIC ALLIANCES**

Frontier GMAC Real Estate has affiliated and strategic alliances with major suppliers of services to the real estate transaction. The objective of the group is to collectively pool resources to generate business for each of the members.

The suppliers are selected because they are owned by Frontier GMAC Real Estate or its owners, or because of their ability to provide necessary and valuable services. There are neither illegal financial arrangements nor referral fees between the companies. There is a commitment to provide excellent service to Frontier GMAC Real Estate, its agents and their customers and to seek business opportunities for the good of the whole.

Frontier GMAC Real Estate has developed programs that will bring business to the company and subsequently to the agents of the company. Working together, sharing clients, creating new opportunities and capturing a greater share of the business are our goals.

Agents are deluged with sales representatives from many competitors, yet none offer the opportunities to which the members of our alliance have committed. Each agent with Frontier GMAC Real Estate should understand the opportunities that exist. The more agents who support the members of the group, the more it will benefit the agents and the company. The company will be able to provide even more services and benefits to agents if the companies are more profitable due to agent support.

### **Affiliated and Strategic Alliances of Frontier GMAC Real Estate include:**

- **Lending Frontier Company, LLC (financing and mortgages)**
- **Frontier Title Company DTC, LLC (title insurance and closing services);**
- **HomeSource Financial Services, LLC (financing and mortgages in Colorado Springs);**
- **GMAC Real Estate Home Protection Plan (Home Warranty Plan);**
- **State Insurance Services (Home Owner's Insurance).**



**South Metro Denver REALTOR® Association, Inc.**  
 7899 South Lincoln Court, Littleton, CO 80122-2699  
 (303) 797-3700 Phone (303) 797-0109 Fax

**2004/2005 APPLICATION FOR REALTOR® MEMBERSHIP**

- Designated REALTOR®** (licensed real estate broker or licensed appraiser who is a sole proprietor, partner, corporate officer or branch office manager of a real estate or appraisal firm)  
 **REALTOR®** (licensed real estate agent or broker, or licensed appraiser)  
 **Secondary REALTOR®** (primary membership with another Board/Association)

Mr.  Mrs.  Ms.  Miss      **Preferred Mailing Address:**  Home  Office

Name as Shown on License \_\_\_\_\_ Nickname \_\_\_\_\_  
 Office Name \_\_\_\_\_ Office Phone \_\_\_\_\_  
 Office ID # \_\_\_\_\_ Office Fax \_\_\_\_\_  
 Office Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Date of Birth \_\_\_\_\_  
 Colorado Real Estate License # \_\_\_\_\_ Expiration Date \_\_\_\_\_

Home Address \_\_\_\_\_ Home Phone \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Office E-mail \_\_\_\_\_ Personal E-mail \_\_\_\_\_  
 Office Website \_\_\_\_\_ Personal Website \_\_\_\_\_  
 Cell Phone # \_\_\_\_\_ Political Party Affiliation (Optional) \_\_\_\_\_

I, the undersigned, hereby apply for REALTOR® (primary, secondary, or designated) membership in the South Metro Denver REALTOR® Association (SMDRA) and enclose my payment to cover the application fee and dues (see below). I understand this will be returned to me in the event I am not accepted for membership. In the event my application is approved, I agree as a condition of membership to complete the orientation courses of SMDRA within 90 days of application, including the GRI Ethics and Professional Practices course, which I understand may be worth credit towards the Graduate REALTORS® Institute (GRI) designation. I also agree to thoroughly familiarize myself with and abide by the Code of Ethics of the National Association of REALTORS®, including the duty to arbitrate business disputes in accordance with the Code of Ethics and Arbitration Manual of the Association and the Constitution, Bylaws, and Rules and Regulations of the Colorado Association of REALTORS® (CAR), and the National Association of REALTORS® (NAR); and I further agree to satisfactorily complete a written examination covering such Code, Constitution, Bylaws, Rules and Regulations and duty to arbitrate as and when provided by SMDRA. I agree as a condition of continuing membership to complete Code of Ethics courses as required by NAR and SMDRA. I further agree that my act of paying dues shall evidence my initial and continuing commitment to abide by the aforementioned Code of Ethics, Constitution, Bylaws, Rules and Regulations and duty to arbitrate, all as from time to time amended. Finally, I consent and authorize the Association, through its membership committee or otherwise, to invite and receive information and comment about me from any member or other person, and I agree that any information and comment furnished to the Association by any member or other person in response to any such invitation shall be conclusively deemed to be privileged and not form the basis of any action by me for slander, libel, or defamation of character.

**Application Fee:**  
 (Less \$10 for every year you have been a member of any REALTOR® Association)      \$100.00      \$ \_\_\_\_\_

**Annual Dues:**  
 (Prorated, based on the fiscal year from 10/1/04 through 9/30/05)

<u>Joining During the Month of:</u>	<u>Dues Amount</u>	<u>Joining During the Month of:</u>	<u>Dues Amount</u>
January 2005	\$322.25	June 2005	\$178.50
February 2005	293.50	July 2005	149.75
March 2005	264.75	August 2005	121.00
April 2005	236.00	September 2005	92.25
May 2005	207.25		

**Total Amount Enclosed:** \$ \_\_\_\_\_



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 All rights reserved. May not be reproduced without permission

Read and Understood by pre-license

When did you receive your Colorado Real Estate License? \_\_\_\_\_ Month \_\_\_\_\_ Year

Have you ever held membership in this or any other real estate Board/Association? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, give the name of the Board/Association: \_\_\_\_\_

Are you now a member of any other real estate Board/Association? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, give the name of the Board/Association: \_\_\_\_\_

Have you paid dues to another real estate Board/Association this year? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, give the name of the Board/Association: \_\_\_\_\_

Have you completed the Ethics and/or Orientation courses at another real estate Board/Association? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, give the name of the Board/Association: \_\_\_\_\_

Are you financially indebted to another Board/Association? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, please explain: \_\_\_\_\_

Are you now subject to an unresolved professional standards or arbitration hearing award of this or any other Board/Association? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, please explain: \_\_\_\_\_

I hereby certify that the foregoing information furnished by me is true and correct, and I agree that failure to provide complete and accurate information as requested, or any misstatement of fact, shall be grounds for revocation of my membership if granted. I agree that, if accepted for membership in the Association, I shall pay the fees and dues as from time to time established.

I grant SMDRA, CAR, and NAR my express written consent to contact me at their discretion by U.S. mail, fax, telephone, or e-mail. I understand that by providing my street address, e-mail address(es), telephone numbers(s), and fax number(s), I consent to receive communications sent from SMDRA, CAR, and NAR via regular U.S. mail, e-mail, telephone, or facsimile at those numbers/locations.

*NOTE: Applicant acknowledges that if accepted as a member and he/she subsequently resigns from the Association or otherwise causes membership to terminate with an ethics complaint pending, the Board of Directors may condition renewal of membership upon applicant's certification that he/she will submit to the pending ethics proceeding and will abide by the decision of the hearing panel. If applicant resigns or otherwise causes membership to terminate, the duty to submit to arbitration continues in effect even after membership lapses or is terminated, provided the dispute arose while applicant was a REALTOR®.*

Signed \_\_\_\_\_ Date \_\_\_\_\_

*Payments to the South Metro Denver REALTOR® Association are not deductible as charitable contributions for federal income tax purposes; however, they may be deductible under other provisions of the Internal Revenue Code. Seek information and guidance from and rely upon the advice of your tax expert and not SMDRA.*

**Applicants for Designated REALTOR® only:** *I understand and agree that as Designated REALTOR® of the above-named real estate office or appraisal office, I am fully responsible for all dues and fees for services that I request and receive prior to completing the Association's required membership application process. I also understand and agree that if accepted for membership, I will pay all dues and fees as are from time to time established, and that the total amount of dues for which I will be personally and individually liable and responsible, as Designated REALTOR® of the firm or office named herein, shall be in such amount as established annually by the Board of Directors for myself, plus an amount times the number of real estate licensees or certified appraiser employed by or otherwise affiliated with my firm or office who are not themselves REALTOR® members of the Association. I further understand that if I apply for participation in the Multiple Listing Service that I, as Designated REALTOR®, am an individual member of the Multiple Listing Service and as the participant am responsible for all dues and fees for MLS service.*

Signed \_\_\_\_\_ Date \_\_\_\_\_

**For Association Use Only**

Date application received _____	Attended CAR Ethics (date and location) _____
Application fee paid \$ _____	Attended Orientation (date and location) _____
Dues paid \$ _____	Office NRDS # _____
Date entered in computer _____	Personal NRDS # _____

# South Metro Denver REALTOR® Association

7899 South Lincoln Court  
Littleton, CO 80122  
(303) 797-3700 Phone (303) 797-0109 Fax

## Credit Card Dues Payment Form

If you would like to use a credit card to pay your application fee and dues, please complete the following:

Date: \_\_\_\_\_

Member Name \_\_\_\_\_

Amount \$ \_\_\_\_\_

VISA     MasterCard     American Express     Discover

Card Number \_\_\_\_\_

Expiration Date \_\_\_\_\_

Name as Shown on Card \_\_\_\_\_

Credit Card Billing Address \_\_\_\_\_  
Street City State Zip

Signature \_\_\_\_\_

# METROLIST User Account Form

Fax To: 303-850-9637

## SIGNATURE of Employing Broker

## Instructions

**1 Signature**  **The Employing broker's signature is needed to process this form**

### ■ ADD User account

## Instructions

**1 Username**  Last 6 digits of your Real Estate Lic. number

**2 Name**  Name on your Real Estate License

**3 Password**  Six (6) character minimum, 12 maximum

**4 Broker Load**  Yes  No Needed to Add and Change Listings

**5 Office ID**  5-digit code assigned by Metrolist, Inc.

**6 Office Name**  Name of your real estate office

**7 Office Ph/Fax** Phone: (  ) Fax: (  ) Primary office phone and fax numbers

Email Address  For Prospect Match, etc.

Mailing Address	<small>Address</small>		
	<small>City</small>	<small>State</small>	<small>Zip</small>

**Only if different than office mailing address**

Pro. Designations  For example, CRS, GRI, etc.

Website Address  Displays on print formats, User's record, etc.

### ■ DELETE User account

## Instructions

**1 Username**  Last 6 digits of your Real Estate Lic. number

**2 Name**  Name on your Real Estate License

**3 Office ID**  5-digit code assigned by Metrolist, Inc.

### ■ EDIT User account

## Instructions

**1 Username**  Last 6 digits of your Real Estate Lic. number

**2 Name**  Name on your Real Estate License

Password  Six (6) character minimum, 12 maximum

Broker Load  Yes  No Needed to Add and Change Listings

Office ID  5-digit code assigned by Metrolist, Inc.

Office Name  Name of your real estate office

Office Ph/Fax Phone: (  ) Fax: (  ) Primary office phone and fax numbers

Email Address  For Prospect Match, etc.

Mailing Address	<small>Address</small>		
	<small>City</small>	<small>State</small>	<small>Zip</small>

**Only if different than office mailing address**

Pro. Designations  For example, CRS, GRI, etc.

Website Address  Displays on print formats, User's record, etc.

### ■ MLS Books

## Instructions

**1 Username**  Last 6 digits of your Real Estate Lic. number

**2 Office ID**  5-digit code assigned by Metrolist, Inc

Subscribe  Unsubscribe Order or discontinue a book subscription

Res/Land Qty:  Comm Qty:  Sold Qty:  Indicate book product and quantities

Delivery Address	<small>Address</small>		
	<small>City</small>	<small>State</small>	<small>Zip</small>

Indicate where books will be delivered if different from Office Address



**FRONTIER GMAC REAL ESTATE  
AGENT PROFILE**

**In an effort to provide pertinent background information to our marketing department for press releases and advertising, we ask that you provide as much biographical information as possible.**

**Name:** (As you would like it to appear in advertising)

\_\_\_\_\_

**Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Pager:** \_\_\_\_\_ **Mobile:** \_\_\_\_\_

**Educational Background**

**High School:** \_\_\_\_\_ **College:** \_\_\_\_\_ **Degree:** \_\_\_\_\_

**Real Estate Background**

**# Years in business:** \_\_\_\_\_ **Market areas:** \_\_\_\_\_

**Where you worked:** \_\_\_\_\_

**Area of expertise:** \_\_\_\_\_

**Advanced real estate course:** \_\_\_\_\_

**Real estate designations:** \_\_\_\_\_

**Special classes:** \_\_\_\_\_

**Awards of special recognition:** \_\_\_\_\_

**Board membership:** \_\_\_\_\_

**Board positions held:** \_\_\_\_\_

**Personal Data**

**Family information:** \_\_\_\_\_

**Spouse:** \_\_\_\_\_ **Children:** \_\_\_\_\_



Community involvement: (PTA, Little League, Clubs etc...)

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Professional involvement: (Board committees on which you serves, etc..)

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Reasons why you chose the real estate profession: \_\_\_\_\_

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Please include any additional information that you would like to see in your biographical sketch. Please keep in mind that all the information that you submit will be edited to fit the allotted space requirements, so you will want to indicate which data you feel is most pertinent.

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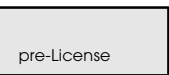
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## Request for Taxpayer Identification Number and Certification

**Give form to the  
 requester. Do not  
 send to the IRS.**

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return)	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

<b>Social security number</b>								
<b>or</b>								
<b>Employer identification number</b>								

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding,
- or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

• Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

**Other entities.** Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

**Exempt payees.** Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt recipients 1 through 7 <sup>2</sup>

<sup>1</sup>See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup>However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.socialsecurity.gov/online/ss-5.pdf](http://www.socialsecurity.gov/online/ss-5.pdf). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses/](http://www.irs.gov/businesses/) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

**INITIAL INQUIRIES SHOULD START WITH OFFICE MANAGER...**

<b>BUSINESS CARDS:</b>	Marcie Nestor	303-218-5326
<b>MARKETING/ ADVERTISING/ PUBLICITY:</b>	Keith Brown	303-218-5335
<b>SUPPLIES:</b>	Marcie Nestor	303-218-5326
<b>FILES/PAPERWORK:</b>	Marcie Nestor	303-218-5326
<b>CHECK REQUIREMENTS:</b>	Marcie Nestor	303-218-5326
<b>EQUIPMENT REPAIR:</b>	Office Manager	303-218-5332
<b>CHECKOUT QHT SIGNS:</b>	Marcie Nestor	303-218-5326
<b>CHECKOUT YARD SIGNS:</b>	Mel Tofflemoyer	303-218-5323
<b>COMMISSION CHECKS:</b>	Shawn Cassel	303-218-5333
<b>OUTGOING REFERRALS:</b>	Shawn Cassel	303-218-5333
<b>WHEN IN DOUBT:</b>	Larry Swenson	303-218-5334

