

EXHIBIT B

WARNINGS, CITATION AND APPEALS POLICY

This “Citation and Appeals Policy” is implemented pursuant to the Bay Area Real Estate Information Services, Inc. (“BAREIS”), MLS Rules and Regulations, Regulation 16, “Violations of Rules and Regulations,” and covers the violations outlined in **Exhibit A-1**, “Citations for Rules and Regulations Violations.” The Citations may be amended at any time and from time to time by the Board.

Process

1. Warnings

Certain violations or repeat violations are not subject to a warning and/or may be subject to immediate citation. For violations of the Rules and Regulations that are subject to a warning, the Member will be given the warning to correct the violation by phone call or email contact. If a Subscriber has repeat violations of the Rules or Regulations that are subject to a warning, the Subscriber’s supervising Participant will receive notice of the third repeat violation by phone call or email contact. (4/16/10)

2. Citations

If a Member fails to correct the violation within the time allotted in the warning, the citation for the offense will be issued and will become due and payable. Any Member receiving the citation must pay the amount specified on the citation and complete the BAREIS Online Orientation class within 14 days of receiving the citation. If a Member does not complete the class on time, the fine shall be doubled. (4/16/10)

3. Citation Payment

If the Member fails to pay the citation within the initial 14 day period, the citation balance will be added to the Member’s account. The total balance must be paid by the next statement due date, or BAREIS membership and MLS Privileges will be suspended for that Member. (4/16/10)

4. Member Request for Appeal

Pursuant to Regulation 16.1, “Citations,” of the Rules and Regulations, a BAREIS Member may request an appeal for a Rules and Regulations violation citation to the Rules and Regulations Committee. If the Member desires to appeal the citation, the Member must pay the citation, complete the BAREIS Online Orientation class per Item 2 above, and provide documentation together with a letter explaining why the fine was incorrectly levied. The request for appeal must be received by BAREIS within 14 days of the Notice of Citation letter date (date postmarked or date of notification by electronic mail, facsimile transmission, and/or agent notice). (4/16/10)

5. Member-Requested Appeal Hearing

If a Member timely makes a complete request to appeal the decision of the Rules

and Regulations Committee, as provided by Paragraph 4 of this Exhibit B, the Member shall be entitled to a final hearing by an Appeals Panel of the Board of Directors of BAREIS, which Appeals Panel shall consist of three Members of the Board of Directors, who shall be appointed by and who shall serve at the pleasure of the Chair of the Board of Directors. At the sole discretion of the Appeals Panel, the Appeals Panel may either hear the appeal by reviewing documentation only, or request the personal appearance of the appealing Member. The decision of any two members of the Appeals Panel shall be final.

6. Board Initiated Hearing

If any Member commits three violations within a 12-month period that result in either fines or warnings requiring corrections, the Board may, at its discretion, direct the Grievance Committee to initiate an investigation into the Member's conduct, which may result in a disciplinary hearing for further action. If a Subscriber, who is under the supervision of a single Participant, commits four violations within a 12-month period that results in either fines or warnings requiring corrections, the board may, at its discretion, direct the Grievance Committee to initiate an investigation into the Participant's conduct, which may result in a disciplinary hearing for further action (See Regulation 16.4.2(c)).

Definitions of the terms, "suspension," "termination," "MLS Privileges," and "expulsion" are provided in Section 3 of the MLS Regulations. (4/16/10)