

DISCLOSURE TO CLIENTS

1 UNDER WISCONSIN LAW, A BROKERAGE FIRM (HEREINAFTER FIRM) AND ITS BROKERS AND
2 SALESPERSONS (HEREINAFTER AGENTS) OWE CERTAIN DUTIES TO ALL PARTIES TO A TRANSACTION:

- 3 (a) The duty to provide brokerage services to you fairly and honestly.
4 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
5 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you
6 request it, unless disclosure of the information is prohibited by law.
7 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
8 information is prohibited by law (see lines 28-37).
9 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
10 confidential information or the confidential information of other parties (see lines 78-96).
11 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
12 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
13 advantages and disadvantages of the proposals.

14 **BECAUSE YOU HAVE ENTERED INTO AN AGENCY AGREEMENT WITH A FIRM, YOU ARE THE FIRM'S**
15 **CLIENT. A FIRM AND ITS AGENTS OWE ADDITIONAL DUTIES TO YOU AS A CLIENT OF THE FIRM.**

- 16 (a) The Firm or one of its Agents will provide, at your request, information and advice on real estate matters that
17 affect your transaction, unless you release the Firm from this duty.
18 (b) The Firm or one of its Agents must provide you with all material facts affecting the transaction, not just Adverse
19 Facts.
20 (c) The Firm and its Agents will fulfill the Firm's obligations under the agency agreement and fulfill your lawful
21 requests that are within the scope of the agency agreement.
22 (d) The Firm and its Agents will negotiate for you, unless you release them from this duty.
23 (e) The Firm and its Agents will not place their interests ahead of your interests. The Firm and its Agents will not,
24 unless required by law, give information or advice to other parties who are not the Firm's clients, if giving the
25 information or advice is contrary to your interests.

26 If you become involved in a transaction in which another party is also the Firm's client (a "multiple representation
27 relationship"), different duties may apply.

DEFINITION OF MATERIAL ADVERSE FACTS

29 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of
30 such significance, or that is generally recognized by a competent licensee as being of such significance to a
31 reasonable party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a
32 transaction or affects or would affect the party's decision about the terms of such a contract or agreement.

33 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
34 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
35 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or
36 information that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations
37 under a contract or agreement made concerning the transaction.

MULTIPLE REPRESENTATION RELATIONSHIPS AND DESIGNATED AGENCY

39 ■ A multiple representation relationship exists if a firm has an agency agreement with more than one client who is a
40 party in the same transaction. If you and the Firm's other clients in the transaction consent, the Firm may provide
41 services through designated agency, which is one type of multiple representation relationship.

42 ■ Designated agency means that different Agents with the Firm will negotiate on behalf of you and the other client or
43 clients in the transaction, and the Firm's duties to you as a client will remain the same. Each Agent will provide
44 information, opinions, and advice to the client for whom the Agent is negotiating, to assist the client in the
45 negotiations. Each client will be able to receive information, opinions, and advice that will assist the client, even if the
46 information, opinions, or advice gives the client advantages in the negotiations over the Firm's other clients. An Agent
47 will not reveal any of your confidential information to another party unless required to do so by law.

48 ■ If a designated agency relationship is not authorized by you or other clients in the transaction, you may still
49 authorize or reject a different type of multiple representation relationship in which the Firm may provide brokerage
50 services to more than one client in a transaction but neither the Firm nor any of its Agents may assist any client with
51 information, opinions, and advice which may favor the interests of one client over any other client. Under this neutral
52 approach, the same Agent may represent more than one client in a transaction.

53 ■ If you do not consent to a multiple representation relationship the Firm will not be allowed to provide brokerage
54 services to more than one client in the transaction.