



ANTITRUST COMPLIANCE POLICY

Dear Colleague:

It is the policy of Realty to comply with all applicable laws and regulations, including the antitrust laws. This Antitrust Compliance Policy applies to all Realty employees, regardless of their business unit or location. Please read it carefully and retain it for future use. The Antitrust Policy will help you recognize and avoid the antitrust offenses that could arise in the context of your work. We want you to be fully informed and understand our policies and procedures completely.

The policies and procedures outlined in the Policy should provide answers to many of the questions you might have about Realty's antitrust policy. But, if any situation arises where you are at all uncertain about the application of the antitrust laws, bring your concern to the attention of the Legal Department. All inquiries will be treated with the appropriate level of confidentiality. No one who reports a suspected violation in good faith will be met with reprisal.

Like any successful company, Realty prides itself on being a skilled and effective competitor. Yet, there is no commercial objective that is more important than obeying the law. Thank you in advance for your efforts to ensure that Realty continues to maintain a solid record of antitrust compliance.

Sincerely,

Marilyn J. Wasser

Executive Vice President and General Counsel of Realty Holdings Corp.



1. INTRODUCTION

Realty (together with its subsidiaries and affiliates, “Realty” or the “Company”) is committed to conducting business legally, ethically, honestly, and professionally worldwide. This Antitrust Compliance Policy (the “Policy”) is designed to help all employees comply with antitrust laws and underscores Realty’s commitment to antitrust compliance in all locations in which the Company does business. Realty expects all Company directors, officers, employees and agents in all locations to comply with this Policy and with all antitrust laws.

Today, almost every country in the world has its own version of antitrust laws and many states in the U.S. do as well. Those laws are quite similar in their rules and applications and declare illegal various practices that can harm consumers by impairing competition in the marketplace. The following guidelines focus on U.S. antitrust laws. If your work affects matters outside the United States, contact the Legal Department with any questions, but you should know that activities entirely outside the U.S. may nevertheless be subject to the U.S. antitrust laws.

Failure to comply with antitrust laws can lead to significant adverse consequences for both Realty and responsible employees, including substantial fines and imprisonment. For that reason, any Company director, officer, or employee who fails to comply with the antitrust laws or violates this Policy will be subject to disciplinary action, up to and including (in appropriate cases) dismissal.

Any employee, officer or agent of Realty with information concerning actual or potential violations of the antitrust laws or this Policy must immediately report the information to the Realty Legal Department or through Realty’s Code of Ethics Line at (866) 495-2633 (CODE), which is available 24 hours a day, 7 days a week. Employees who fulfill their responsibility to report actual or potential antitrust violations will not suffer retribution because of such disclosures. However, employees who knowingly fail to report such information may be subject to disciplinary action. Employees must not attempt to investigate any suspected violations of Realty’s antitrust policy. The only appropriate course of action for an employee with a concern about antitrust compliance is to contact the Legal Department.

2. APPLICATION

This Policy applies to Realty operations worldwide, including Realty’s subsidiaries and affiliates. It applies to all Realty employees, officers, directors and agents.

If you are or manage a broker or sales associate, see **Appendix A** for information about additional antitrust requirements for real estate brokers and sales associates.



If you are responsible for assigning geographic territories to the Company’s franchisees, see **Appendix B** for additional information about antitrust requirements pertaining to assigning territories to the Company’s franchisees.

3. IMPLEMENTATION

All Realty employees are responsible for complying with this Policy and for reporting violations of this Policy or law to Realty’s Legal Department. If you participate in (by phone or in person) or are aware of any meeting or conversation involving one or more competitors (including a trade association meeting or a customer event) in which any topic prohibited by this Policy is raised or discussed, you should (i) state that Company policy prohibits you from discussing the subject, (ii) promptly leave the meeting (or hang up the phone) in a conspicuous manner, and (iii) immediately report the incident to the Legal Department.

4. THE PURPOSE OF THE ANTITRUST LAWS

Antitrust and competition laws are intended to create an efficient economy by requiring competitors to act and make decisions independently. The underlying principle of antitrust is that competition leads to innovation, efficiency, lower prices and higher quality goods and services. Thus, laws are designed to protect consumers from anticompetitive business practices, such as agreements not to compete. The purpose of the antitrust laws is to protect consumers, not competitors.

5. RELATIONSHIPS WITH COMPETITORS AND POTENTIAL COMPETITORS

The most serious antitrust violations involve collusion with competitors and potential competitors.

Horizontal price-fixing, bid rigging and market allocation are agreements among competitors that increase prices and as such they are uniformly unlawful, regardless of whether they succeed. And, they are subject to the most severe sanctions under the antitrust laws, including fines and imprisonment. For purposes of the antitrust laws, the term “agreement” is defined broadly. It extends to all forms of understandings, including those that are written, verbal or even tacit. The existence of an agreement may be inferred from circumstantial evidence, such as a casual discussion between employees of competitors or a few carelessly written words. It is critical that all Realty employees always keep in mind that communications with competitors may be misinterpreted (and that competitors could share those communications with antitrust enforcement agencies); it is especially important not to write or say anything that falsely implies Realty has agreed to coordinate its conduct with that of its competitors.

a. HORIZONTAL PRICE-FIXING



“Horizontal price-fixing” occurs when two or more competitors agree on the prices they will charge or other terms of sale. Horizontal price-fixing covers a broader range of conduct than just agreements to charge a particular price to customers. It encompasses any agreement with a competitor that affects price, output or quality, including agreements about price components, agreements to reduce supply, agreements on how to set prices and agreements to raise prices (or to reduce prices less than would occur in a competitive market). A non-exhaustive list of examples of horizontal price-fixing also includes agreements not to offer discounts, rebates, or promotions; and agreements to charge a fee or surcharge. In our industry, price-fixing may include an agreement among competitors to fix any economic term of a listing agreement, including commissions. It is also illegal for competing brokers to agree not to charge commissions under a certain level or not to enter into commission agreements with specific terms.

b. MARKET ALLOCATION

Agreements among competitors to allocate customers, product lines, business opportunities, or territories, which are commonly known as market allocation, are always unlawful, regardless of their actual competitive effects or alleged justifications. For example, competitors may not agree upon the geographic areas in which each will or will not sell, or agree on particular customers or classes of customers that each will or will not serve. Competitors may not agree to sell only particular types of products or services to certain customers. Market allocation includes agreements not to steal clients or former clients of a competitor.

c. BID RIGGING

Agreements among competitors to coordinate bidding activities are always illegal. This includes bids to purchase and sell real estate properties (particularly foreclosures). For example, competitors cannot agree not to bid against one another so that a designated firm will win. In addition, competitors may not agree to coordinate their bids so that all bidders but one submit high bids, or to fail to meet all of the bid requirements to lose a contract to a competitor (presumably with some sort of quid pro quo in another bidding situation).

d. GROUP BOYCOTTS

A company, acting alone, generally has the right to select the firms with which it will do business. However, when two or more companies agree not to do business with another business, such as a mutual supplier or customer, that agreement may violate the antitrust laws. Such agreements not to deal with a particular company are especially troublesome under antitrust law when they are reached among competitors.

A group boycott is illegal if the purpose of the boycotters is to deny a business access to goods or services (including listings) necessary for it to compete in the marketplace. Examples include:



- Agreements among brokers not to work with discount brokers;
- Refusals to deal with brokers who offer rebates to their clients;
- Refusals to show properties that are for sale by owner (FSBOs) or listed by a discount broker;
- Agreements among brokers or multiple listing services (MLSs) to prevent competition from real estate websites or other information sources.

e. REALOGY POLICY

It is the Company's policy to compete vigorously, independently and fairly at all times. The Company will make all competitive decisions -- including decisions relating to pricing, marketing and sourcing -- independently of competitors, taking into account the Company's costs, profitability goals, market conditions, customer responses, the state of competition and other factors that may be relevant to the Company's independent decision-making.

Realogy policy bars employees from entering into any agreement with a competitor or potential competitor to restrict competition, including horizontal price-fixing, market allocation, bid rigging and group boycotts. It is against Realogy policy to communicate with a competitor or potential competitor concerning: present or future pricing or commissions; bids for purchase or sale; discounts, rebates, or promotions; or any other terms of sale. No Realogy employees shall communicate with a competitor or potential competitor concerning: allocation of customers or territories; or possible boycotts of customers or competitors.

Realogy personnel **must** obtain guidance from the Legal Department before entering into any discussions or agreement with another company or person (including a competitor, supplier or customer) about business relationships with a third party. If any Realogy employee has any concern that Realogy has been involved in or been solicited with respect to any unlawful activity, contact the Realogy Legal Department immediately.

6. LEGITIMATE COMMUNICATIONS WITH COMPETITORS

Although Realogy personnel should avoid unnecessary contacts or communications with competitors, some types of communications are permissible. Examples of legitimate contacts with competitors include trade associations and professional societies and joint activities to influence the government.

Any Realogy employee communicating with competitors in the context of any of these activities should ensure that business contacts and communications do not include any form of collusion or cooperation. Many antitrust violations have occurred under the cover of legitimate joint activity. NEVER share information on Realogy's pricing, costs, or market shares.



7. MONOPOLIZATION

The antitrust laws encourage vigorous competition. Having a “monopoly position” as a consequence of a superior product, business acumen, or a historic accident is not unlawful. However, the antitrust laws prohibit certain conduct intended to obtain or preserve a monopoly share of a market. A monopoly position can be far less than 100% of a market. In those areas where Realty might enjoy a substantial share of a market, you must consult with the Legal Department before entering into a contract or other agreement that could affect the ability of another firm to compete. This could include, but is not limited to, agreements that could affect competitors’ costs or access to information.

8. RELATIONS WITH CLIENTS

Relations with clients can present antitrust risks. Never respond to a question about fees by referring to the pricing policies of other competitors or to a policy of the local real estate board or association that supposedly prohibits or discourages price competition. Do not tell a client that the firm’s terms must be accepted because “this is what all businesses do” or “no one else will cooperate unless you accept these terms.” Never suggest to potential clients that they should not do business with another firm because other businesses will not do business with or cooperate with that firm.

9. CUSTOMER TERMINATION

The antitrust laws generally permit a firm to decide not to do business with another firm, and this includes the right to terminate an existing relationship (including vendors, commissioned sales representatives and end-users). However, terminated suppliers frequently initiate antitrust lawsuits or complain to enforcement agencies. Even when there is little or no basis for the suit or complaint, it can be difficult and expensive to defend. Therefore, prior to terminating a significant vendor or other significant relationship, it is important to consult with the Legal Department to make sure there is a lawful basis for the termination and to minimize the risk of suit.

10. COMMUNICATIONS GENERALLY

If an antitrust enforcement agency investigates Realty or an acquisition proposed to be made by Realty, or Realty is sued by a private party, no Company document is absolutely exempt from disclosure. Indeed, you should assume that the government could review all internal Company documents. To minimize the risk of damage to Realty as a result of poor word choice or imprecision, Realty employees should always use common sense, always think before committing something to paper, and adhere to the following guidelines:

- Write every document or communication with the assumption that it will someday become public;



- Do not use words that suggest “guilt” (e.g., “Destroy after reading”) (Marking a document as “confidential” or “restricted circulation” is acceptable);
- Omit exaggeration and unwarranted speculation (e.g., “The plan will obliterate/dominate/destroy the competition”);
- Do not speculate as to the legality or legal consequences of conduct or attempt to paraphrase legal advice;
- Do not speculate as to market strength and generally avoid market share discussions without the involvement of the Legal Department;
- Use particular care when discussing competition and prices. Avoid giving the false impression that Realty is not competing vigorously, that its prices are based on anything other than its own business judgment or that competing firms are cooperating with one another (e.g., “There is industry consensus that prices must rise”);
- When discussing the prices or plans of competitors, clearly identify the source of your information, so that there will be no false implication that the information was obtained from a competitor; and
- Do not communicate with the media unless all communications have been first reviewed by Corporate Communications.

Careful language will not avoid antitrust liability when the conduct involved is illegal. But careful language can avoid the appearance of illegality when the Company’s actions are in fact legal. Careless and inappropriate language in communications can hurt Realty’s defense in an antitrust investigation or lawsuit. It is not enough for Realty external and internal statements to be true; they should also be precise and not readily susceptible to misinterpretation.

11. ANTITRUST INVESTIGATIONS

If an individual representing an antitrust enforcement agency such as the United States Department of Justice or the Federal Trade Commission contacts you, contact the Realty Legal Department immediately. If contacted, do not destroy any documents that could relate in any way to the subject matter of any government or private investigation, claim or lawsuit. Do not alert a customer, competitor, supplier, another Realty employee (other than the Legal Department) or anyone else that they may be the subject of a government investigation.

12. ANTITRUST COMPLIANCE TRAINING

Realty will seek to ensure that the Policy is brought to the attention of all relevant Realty employees upon hiring and periodically thereafter; and that further training is made available to enable them to understand their obligations.



13. CONSEQUENCES OF VIOLATIONS

Realogy employees are expected to understand and follow this Policy. In making this judgment, employees should consider not only whether their actions are lawful, but also whether their actions would cause criticism or embarrassment to Realogy or its employees if the action was disclosed to their supervisor, the public press, a government entity, or an independent third party.

Failure to comply with this Policy or the relevant antitrust laws could tarnish Realogy’s reputation and subject Realogy and its employees to significant fines and other penalties, including imprisonment. Consequences for noncompliance with this Policy include:

Realogy Legal Liability	Realogy may be subject to serious criminal and civil penalties for violations of antitrust laws, including very substantial fines. In addition, the mere appearance of impropriety by Realogy or Realogy employees could subject Realogy to investigations, negative publicity, loss or disruption of business, reputational harm and enormous expenses.
Individual Legal Liability	Individuals who violate antitrust laws may be subject to severe criminal and civil penalties, including imprisonment and very substantial fines.
Individual Disciplinary Action	Realogy employees who violate the law or this Policy may be subject to disciplinary action, up to and including (in appropriate cases) dismissal.

14. REPORTING CONCERNS

Realogy employees must consult with the Legal Department as soon as possible when you learn of any activity or potential activity that raises antitrust issues. It is the responsibility of each individual to be familiar with this Antitrust Compliance Policy and attend any antitrust training provided by Realogy.

Realogy employees should report all activities that could violate this Policy or any applicable antitrust laws to the Realogy Legal Department or through Realogy’s Code of Ethics Line at (866) 495-2633 (CODE).

Employees who in good faith report potential violations of the law or this Policy will not be discriminated against or retaliated against for raising such concerns. Information provided through these methods will remain confidential, and will be shared with appropriate employees if necessary to the investigation as determined by the Legal Department.



15. ADDITIONAL INFORMATION

This Antitrust Compliance Policy contains general guidelines for Realty employees, but is not an exhaustive analysis of antitrust law. It is not possible to anticipate all of the questions that may arise under the antitrust laws, or to address all of the issues that may arise in each aspect of Realty's businesses. Realty employees are encouraged to seek advice from the Realty Legal Department as the need arises.



APPENDIX A REAL ESTATE BROKERS

Real estate brokers and sales associates vigorously compete to secure an inventory of listings to offer for sale. They also regularly cooperate with one another as subagents, buyers' agents, non-agent "transaction brokers," or "facilitators" to identify a ready, willing and able buyer. This tradition of competition and cooperation, which is unique to the real estate profession, presents opportunities for antitrust suspicion and misconduct almost daily.

- The commission rates charged by NRT brokerages are based upon the cost of the services they provide, the value of these services to their clients and competitive market conditions. NRT's commission rates are not determined by agreement with, or recommendation or suggestion from, any person not a party to a listing agreement with an NRT brokerage.
- Sales associates affiliated with NRT brokerages shall not participate in any discussion with any person affiliated with, or employed by, any other real estate firm concerning the commission rates charged by NRT or any other real estate firm in their community.
- When soliciting a listing, or negotiating a listing agreement, no sales associate affiliated with an NRT brokerage shall make any reference to a "prevailing" commission in the community, the "going rate," or any other words or phrases that may suggest that commission rates are uniform or standard in their marketing area.
- The amount of cooperative compensation, or commission split, offered by NRT to cooperating brokers is determined by the level of service NRT can expect a cooperating office to perform and the amount of compensation necessary to induce cooperation under prevailing market conditions. Commission splits are not intended, and may not be used, to induce or compel any other real estate firm in NRT's marketing area to raise or lower the commission they charge to their client or clients in any situations.
- When soliciting or negotiating a listing agreement, no sales associate affiliated with an NRT brokerage shall disparage the business practices of any other real estate firm nor suggest that NRT, or any other company, will not cooperate with another real estate firm.
- Listing presentations shall focus exclusively upon the level of service and professionalism provided by NRT, the results NRT has achieved for other clients and the value the client can expect to receive for the fees NRT charges.
- Potential clients should not be discouraged from comparing the value of NRT's services to those of any other real estate firm in NRT's marketing area.

- Any sales associate who is invited by a potential client to compare NRT's services with those of any other real estate firm should do so by emphasizing the nature and quality of the services NRT provides.
- Whenever a sales associate is unsure about the proper way to respond to the concerns of an actual or potential client or customer, or whenever a sales associate has been present during an unauthorized discussion of fees or commissions (or any discussion that might have been unauthorized or illegal), he or she should contact the Legal Department immediately.
- Freedom to vary cooperative compensation offers from office to office is permitted by the antitrust laws and is consistent with the fundamental proposition that cooperative compensation offers are to be determined unilaterally by each competing broker.
- The best evidence to rebut the inference of conspiracy is evidence of a rational business motivation and conscious business decision that is consistent with independent decision making, such as the additional costs incurred by the listing office, when dealing with the cooperating office at issue. Of course, direct evidence of an agreement will refute any attempted rebuttal.
- Apart from lawful MLS rules, companies cannot conspire to fix the length of a listing, the type of listing accepted (exclusive right to sell, exclusive agency, or open), or the formula upon which compensation will be based (flat fee, percentage of the sales price, or a variable percentage depending upon the sales price) also may be illegal. In short, price-fixing includes an agreement to fix any term of the listing agreement.
- Conspiracies among competitors to fix the compensation paid for the cooperative efforts of other brokers are also illegal.

The following are examples of words or phrases occasionally used by sales associates that may cause a judge or jury to infer that real estate brokers are engaged in an illegal conspiracy:

- "I'd like to lower the commission rate but a third party (often a business association) has a rule..."
- "This is the rate that everyone charges."
- "The MLS will not accept less than a 120-day listing."
- "Before you list with XYZ Realty, you should know that nobody works on their listings."
- "If John Doe were really professional (or ethical), he would have joined a particular business association or group."

- “The best way to deal with Jane Doe is to boycott her (stop using the service she provides).”
- “If you valued your services as a professional, you wouldn’t cut your commission.”
- “No association member or member of another group of businesses will accept a listing for less than ninety days.”
- “Let him stay in his own market. This is our territory.”
- “If she were really a professional, she wouldn’t use part-timers.”

The keys to avoid antitrust vulnerability based upon the fees a broker establishes for professional services rendered to a client are as follows:

- Establish fees unilaterally without consultation or discussion with persons affiliated with any other firm.
- Ensure that when the Company’s brokers or sales associates discuss fees with actual or potential clients they use words that clearly convey to the listener that the Company prices its services independently.
- When comparing their split policies with those of other firms, sales associates should point out to potential clients that the efforts of other firms are important to the marketing effort, and cooperative compensation is offered to other firms as an incentive to sell the potential client’s property.
- Under no circumstances should sales associates suggest that other firms have agreed not to cooperate with firms that offer less than a particular commission split.
- Real estate brokers and sales associates may do the following:
 - Charge discount or flat fee commissions.
 - Engage in comparative but truthful advertising.
 - Act in the capacity of buyers’ brokers, transaction brokers or facilitators.
 - Offer variable commissions depending upon whether the property is sold cooperatively or in-house.
 - Accept open or exclusive agency listings.



- Employ general mass media advertising campaigns that reach persons whose properties are already listed with other realtors.



APPENDIX B

GEOGRAPHIC RESTRICTIONS ON FRANCHISEES

Placing restrictions on franchisees or sub-franchisors could potentially be viewed as procompetitive or anticompetitive, depending on the specific circumstances and the jurisdiction. For example, there may be situations in which it is procompetitive and lawful to enter into an agreement that places territorial restrictions (or other such limitations) on a franchisee or sub-franchisor. On the other hand, there may be situations in which a facially similar limitation could be viewed as unlawful. The laws relating to such conduct can be highly technical and vary from jurisdiction to jurisdiction. Accordingly, **before** placing a geographic limitation on a franchisee or sub-franchisor, you should contact the Legal Department.