



**General Terms and Conditions for  
Customers**

**VBO Code of Conduct**

**VBO Regulations on Disciplinary Jurisdiction**

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## INTRODUCTION

This brochure contains the 'General Terms and Conditions for Customers of VBO (AV CZ/44) of June 2005 as drawn up in consultation with the Dutch Consumers Association (Consumentenbond) and the Dutch Home Owners Association (Vereniging Eigen Huis) within the scope of the Dutch Coordination Group for Consultation on Self-Regulation (CZ) of the Dutch Socio-Economic Council (SER). These Terms and Conditions are effective as of January 1<sup>st</sup> 2006.

The General Terms and Conditions for Customers are applicable to the service of your VBO real estate agent, and are furthermore observed by the Dutch Arbitration Board for Real Estate Agents (Geschillencommissie Makelaardij) of the Dutch Arbitration Foundation for Consumer Affairs (Stichting Geschillencommissies voor Consumentenzaken, SGC), which is authorized to hear (civil law) complaints by customers against a VBO real estate agent. Such hearing of complaints by SGC is subject to certain conditions; please visit [www.geschillencommissie.nl](http://www.geschillencommissie.nl).

Apart from this, complaints may be brought before the Executive Board of VBO Confederation of Real Estate Agents (Vereniging Bemiddeling Onroerend goed, hereinafter referred to as: "**VBO**") in order to achieve a settlement out of court. Complaints of a disciplinary nature may be brought before the Disciplinary Board of VBO. This board consists of a chairman from the judicial authorities, an independent member and a member appointed by VBO. Hearing of disciplinary disputes is subject to the regime of the 'Regulations on Disciplinary Jurisdiction', which you will also find in this booklet.

Finally, the 'VBO Code of Conduct' has been included, which is also applicable to the services and conduct of your VBO real estate agent.

## **GENERAL TERMS AND CONDITIONS FOR CUSTOMERS**

These General Terms and Conditions for Customers of VBO were drawn up in consultation with the Dutch Consumers Association (Consumentenbond) and the Dutch Home Owners Association (Vereniging Eigen Huis) within the scope of the Dutch Coordination Group for Consultation on Self-Regulation (CZ) of the Dutch Socio-Economic Council (SER), and are effective as of January 1<sup>st</sup> 2006.

### **Part 1. General**

#### **Article 1 - Scope**

These General Terms and Conditions are applicable to the creation and carrying out of contracts entered into between a customer and a VBO real estate agent concerning an assignment to provide services with respect to immovable properties.

#### **Article 2 - Definitions and concepts**

In these General Terms and Conditions the following definitions shall apply:

- a. Customer: principal, natural person, who does not act by virtue of a profession or on behalf of a company;
- b. Real estate agent: a VBO real estate agent or the company of a VBO real estate agent;
- c. Assignment: an assignment contract to provide services. Services are to be understood as: brokerage with respect to purchase, sales, renting or letting of immovable properties (Articles 11 ff.); valuation of immovable properties (Article 17); immovable property management (Article 18); carrying out sub-services (Article 19) and other services to be carried out by the real estate agent;
- d. Fee: the price for the service provided by a real estate agent including but not limited to the brokerage fee stated in paragraph e;
- e. Brokerage fee: fee payable for brokerage with respect to purchase, sales, renting or letting of immovable properties; immovable properties are to be understood also as rights to immovable properties such as leasehold and superficies;
- f. Trade association: VBO; domiciled in (2289 CM) Rijswijk, the Netherlands, at Braillelaan 6;
- g. Arbitration Board: the Dutch Arbitration Board for Real Estate Agents of the Dutch Arbitration Foundation for Consumer Affairs.

## **Article 3 - General and personal offer**

1. The general offer of a real estate agent to a customer contains a clear specification of the service which the customer concerned may expect. The general offer also states the fee for the service and the other conditions on which the service is carried out.
2. After the customer has examined the general offer, the real estate agent shall give the customer the opportunity to start negotiations about it in order to arrive at a personal offer.
3. The real estate agent shall see to it that the ultimate personal offer is laid down in writing in an engagement letter, in which reference is made to the applicability of these General Terms and Conditions.
4. The personal offer shall also include a copy of these General Terms and Conditions.
5. In the absence of any written assignment signed by the customer, the real estate agent shall not be entitled to any payment of fees or expenses, unless, in the event of a dispute, he is able to prove the existence of the assignment at a later stage.

## **Article 4 - Coming into effect of the assignment**

An assignment takes effect upon acceptance of a personal offer by a customer.

## **Article 5 - Term of the assignment**

Unless otherwise agreed between parties, an assignment shall have an indefinite period of validity.

## **Article 6 - End of the assignment**

1. An assignment shall come to an end by means of:
  - a. fulfilment of the assignment by the real estate agent;
  - b. withdrawal of the assignment by the customer;
  - c. return of the assignment by the real estate agent;
  - d. dissolution by any of the parties;
  - e. decease of the customer before the assignment has been fulfilled by the real estate agent.
2. The real estate agent shall have fulfilled his assignment referred to in paragraph 1 subsection a, as soon as the agreed deliverable has been delivered or - in the event of brokerage by the real estate agent - the intended contract between the parties concerned has taken effect as a result of services provided by him. In the event of a purchase of immovable property, the assignment shall be fulfilled by the real estate agent

if the consensus between purchaser and vendor becomes evident from a written agreement signed by both parties and also from the fact that the purchaser has not made any use of the possibility to terminate it during the reconsideration period entitled to him by law. The mere fact that an assignment has been fulfilled does not affect his obligation under the assignment to assist the principal with the finalization.

In contracts of which the effectuation or the obligation to carry out depends on a condition precedent or on a condition subsequent pursuant to a clause included in the contract, the question whether or not the assignment has been fulfilled is also (still) dependent thereon.

3. As stated in paragraph 1 subsection b, assignments may be withdrawn at all times and without requiring any term of notice. In respect of giving notice, the customer shall never be liable to pay any damages, without prejudice to the right to compensation of expenses already incurred if and insofar as agreed. Preferably, withdrawal of assignments shall be effected in writing.
4. As stated in paragraph 1 subsection c, the real estate agent may return the assignment on the basis of weighty considerations. Weighty considerations include but are not limited to: the situation described in Article 12 or a serious disruption of the relationship between the real estate agent and the customer. Return of the assignment by the real estate agent shall be effected in writing.
5. Assignments as mentioned in paragraph 1 subsection d may be dissolved if the opposing party fails to fulfil its obligations. In this respect 'opposing party' is to be understood as the opposing party of the real estate agent (i.e.: the principal) or the opposing party of the principal (i.e.: the real estate agent). Preferably, dissolution notifications shall be effected in writing.
6. Unless otherwise agreed in the assignment mentioned in paragraph 1 subsection e, the assignment contract shall come to an end through decease of the customer except if the assignment has already been fulfilled by that time.
7. The valid termination date of the assignment shall be the date on which the real estate agent respectively the customer receives the (written) notification regarding withdrawal, return, termination or decease, or a later date if mentioned in the notification concerned.

## **Article 7 - Obligations of the real estate agent**

1. The real estate agent shall carry out the assignment accepted by him to the best of his knowledge and ability and with due observance of the interests of the customer. Unless otherwise agreed, the real estate agent may call in others to carry out the work necessary for the fulfilment of the assignment at his responsibility.

2. The real estate agent shall keep the customer informed about progress on a regular basis.

## **Article 8 - Payment**

1. The customer shall pay the real estate agent for the service provided in accordance with what has been agreed.
2. Brokerage fees regarding brokerage for purchase or sales of an immovable property shall not be due and payable until the time of legal transfer of title of the immovable property before a notary public, on the understanding that the customer shall not be liable to pay any interest to the real estate agent concerning the period between the indebtedness of the brokerage fee and the date on which it falls due.
3. The real estate agent shall send the customer an adequately specified invoice stating a reasonable and fair term of payment.
4. If the customer fails to pay within the term of payment stated in the invoice, the real estate agent shall send him a reminder enabling the customer to settle the bill later within 2 weeks after receipt of the reminder.
5. If the customer fails to comply with such payment reminder, he shall be in default and the real estate agent shall be entitled to impose a statutory interest surcharge.
6. After the term mentioned in paragraph 4 has expired, the real estate agent shall be authorized to proceed to collection of the amount payable to him without any further notice of default. All reasonable and fair (extra-) judicial expenses involved shall be at the expense of the customer.
7. In the event of an assignment given by more than one person each person shall be jointly and severally liable for payment of the total amount payable regardless of the reason.

## **Article 9 - Disputes**

1. Disputes between a customer and a real estate agent about the creation or the carrying out of contracts regarding services to be provided by this real estate agent up to a financial interest of 10,000 Euro may be brought before the Dutch Arbitration Board for Real Estate Agents, Bordewijklaan 46, 2509 LP The Hague ([www.geschillencommissie.nl](http://www.geschillencommissie.nl)) both by the customer and by the real estate agent.
2. Disputes shall be heard by the Arbitration Board only if the customer has made his complaint to the real estate agent first.
3. After the complaint has been made to the real estate agent, the dispute shall be brought before the Arbitration Board not later than three months after it has arisen.

4. If a customer brings a dispute before the Arbitration Board, the real estate agent shall be held to this option. If a real estate agent wishes to bring a dispute before the Arbitration Board, he must ask the customer to state within five weeks whether or not he agrees to it. Also, the real estate agent must notify that he shall consider himself at liberty to bring the dispute before court after aforementioned term has run out.
5. The Arbitration Board shall give judgement with due observance of the provisions of the applicable rules of procedure. The rules of procedure of the Arbitration Board shall be sent upon request thereto. Any decision by the Arbitration Board shall be made by way of a binding opinion. For the hearing of a dispute a fee shall be payable.
6. The court or the aforementioned Arbitration Board shall have exclusive jurisdiction on disputes.

## **Article 10 – Guaranteed fulfilment of binding opinions**

1. VBO shall stand surety towards the customer for the fulfilment of any binding opinion expressed by the Arbitration Board, unless the binding opinion is submitted to court for a review within two months after it has been sent, and the judgment, in which the court declares the binding opinion to be non-binding, has become final and conclusive
2. Situations of administration order and bankruptcy are precluded from the fulfilment guarantee as long as the dispute has not yet been heard in court. Situations of company termination are precluded from the fulfilment guarantee as long as the dispute has not yet been brought before the Arbitration Board.
3. A customer may invoke the fulfilment guarantee in writing after it has been established beyond any doubt that the real estate agent himself does not fulfil the binding opinion, and also fails to submit the binding opinion to court for a review within 2 months after it has been sent. Payment of the amount ordered shall be effected within a period of one calendar month after receipt of the request.

## Part 2. Brokerage

### Article 11 - Obligations of the real estate agent

1. A real estate agent is not allowed to accept more than one brokerage assignment for one and the same immovable property. If he has received a brokerage assignment at an earlier stage for a specific immovable property, he cannot accept any new assignment until the first assignment has been terminated in writing. If, pursuant to two or more current brokerage assignments, services are to be provided by the real estate agent regarding one and the same immovable property, the real estate agent shall report this in writing to his principals and he shall hold consultations with his principals, before the interests of the principals shall lead to a stage where negotiations are held. Such consultations shall lead to suspension or termination of one of the assignments. After all, the real estate agent is not allowed to provide services to more than one principal for one and the same immovable property, regardless of the wishes of the parties concerned.
2. A customer whose brokerage assignment is terminated pursuant to what has been laid down in the previous paragraph does not owe the real estate agent (the real estate agent) any compensation whatsoever, except for any possible advertising expenses already incurred by the real estate agent on orders by the customer and already invoiced to the customer.
3. A real estate agent is not entitled to enter into agreements for and on behalf of the customer, unless the customer has granted a written power of attorney thereto.
4. When carrying out an assignment a real estate agent shall adhere to the Personal Data Protection Act. This also implies, amongst other things, that data may be collected and stored only if and as long as necessary in order to carry out the assignment.
5. A real estate agent is bound to adequately insure his liability for damages arising from imputable breach of contract or from wrongful act or omission.

### Article 12 - Obligations of the customer

1. A customer shall provide to the real estate agent to his best knowledge and ability any information needed by the real estate agent for carrying out the brokerage assignment.
2. Unless otherwise agreed, the customer is not allowed to enter into any agreements without the intervention of the real estate agent, to carry on negotiations, and/or to develop activities which could prevent the real estate agent from carrying out his brokerage assignment or which could form an impediment for his activities.

## Article 13 - Brokerage fee

1. A brokerage fee shall be payable by the customer to the real estate agent if during the term of the brokerage assignment a contract is entered into with respect to an immovable property.
2. After termination of the brokerage assignment as referred to in Article 6 paragraph 1 subsections b to e no brokerage fee shall be payable by the customer if a contract is entered into with respect to an immovable property, unless:
  - the customer has acted contrary to the provisions in Article 12 paragraph 2;
  - the real estate agent has adequately proved that the contract concerning the immovable property has come into effect as a result of a service provided by the real estate agent to the customer during the term of the assignment.
3. In the event of contracts concerning an immovable property on a condition precedent (such as a prejudice regarding adequate financing), brokerage fee shall only be payable by the customer to the real estate agent if such condition is met, thus finalizing the contract between purchaser and vendor or tenant and landlord of such immovable property.
4. If an effectuated contract is terminated because the purchaser makes use of the reconsideration period which he is entitled to by law (Article 7:2 Dutch Civil Code), the right to a brokerage fee with respect to the contract concerned shall lapse.
5. If an obligation arises to pay brokerage fee in accordance with the provisions in paragraph 2 of this Article, the real estate agent is entitled to part of the brokerage fee to be established in all fairness. When establishing it, any work already carried out by the real estate agent shall be taken into account, as well as the advantage thereof for the customer and the ground on which the contract was terminated.
6. If an effectuated contract concerning an immovable property is not carried out due to an imputable breach of contract by the opposing party of the customer, the real estate agent shall not be entitled to any brokerage fee unless he is not to blame for such breach of contract.

## Article 14 - Calculation of brokerage fee for purchase and sales

1. The brokerage fee shall be calculated on the basis of what has been agreed by parties in this respect. If and insofar as parties have not agreed on any basis of calculation for the brokerage fee, the following paragraphs of this Article shall apply.
2. The brokerage fee shall be calculated on the basis of the purchase price of the immovable property increased by the applicable VAT.

3. The purchase price is to be understood as the amount payable by the purchaser to vendor, exclusive of the expenses and rights connected with the transfer, such as transfer tax, notarial fees and land registry fees.
4. If VAT is payable on the purchase price, or if it is included in the purchase price, the brokerage fee shall also be calculated on the basis of the amount inclusive of aforementioned tax, unless the purchaser is entitled to deduct VAT.
5. In case of immovable property under construction or yet to be built the brokerage fee shall be calculated on the basis of the purchase price and contract price put together, or on the basis of the foreseen construction price or all-in cost of a building inclusive of VAT as stated in the contract, unless the purchaser is entitled to deduct VAT.
6. In case of purchase and sales of an apartment right the brokerage fee shall be calculated on the basis of the purchase price of the apartment right.
7. In case of purchase and sales of a membership right of a cooperative aimed at the exploitation of immovable properties or of shares in undivided property rights, the brokerage fee shall be calculated on the basis of the purchase price of the membership right or share concerned, without deduction of the share in a possible mortgage loan.
8. For the brokerage fee calculation the following shall be considered equivalent to purchase and sales contracts:
  - barter trade;
  - hire purchase;
  - financial lease;
  - purchase and sales by instalments;
  - purchase and sales not automatically containing any transfer obligation (economic transfer of title);
  - creation of the right of leasehold or superficies.
9. If movable property in a material sense and/or goodwill are purchased or sold, and/or if agreements are also made between parties concerning damages, registrations, contributions and similar claims, the brokerage fee is also charged on the basis of the purchase price of such property and such rights.

## **Article 15 - Calculation of brokerage fee for renting and letting**

1. The brokerage fee shall be calculated on the basis of what parties have agreed in this respect. If and insofar as parties have not agreed on any basis of calculation for the brokerage fee, the following paragraphs of this Article shall apply.

2. In the event of tenancy agreements concerning immovable properties the brokerage fee shall be calculated on the basis of the rent, with due observance of the other provisions mentioned hereinafter.
3. The rent is to be understood as the amount agreed by the tenant and landlord as remuneration for the mere enjoyment of the immovable properties for the first year of lease.
4. The brokerage fee shall be calculated on the basis of the rent+ VAT, if applicable, unless the tenant is entitled to deduct VAT.
5. If pursuant to the contract in any subsequent year the amount of rent payable is different from the rent in the first year of lease and this amount is already known at the time when the contract has come into effect, whilst apparently it serves a different purpose than keeping the rent up to date with the value development of the Euro, the calculation of the brokerage fee shall take the total of these amounts into account, divided by the number of years they refer to.
6. Part of a year of lease shall be considered as a full year of lease.
7. For the brokerage fee calculation the following shall be considered equivalent to tenancy agreements: - lease agreements;
  - exchange agreements;
  - loan agreements;
  - agreements concerning a real right of enjoyment and occupancy;
  - other comparable agreements, such as financial or operational lease.
8. In the absence of any provisions to that effect, all claims for payable fee brokerage fee or expenses shall be immediately due and payable as soon as the contract has come into effect, or the assignment has been fulfilled or terminated for other reasons.

## **Article 16 - Expenses**

1. Unless otherwise agreed, the customer shall reimburse the expenses incurred by the real estate agent for the benefit of the customer in the event of a brokerage assignment for purchase or rental. With respect to incurring such expenses and their size, the real estate agent shall consult the customer in advance and lay down in writing any arrangements made on the matter. All this shall also apply if the assignment is suspended or terminated due to withdrawal or otherwise.
2. In the event of withdrawal or suspension of the assignment no damages shall be payable by the customer to the real estate agent without prejudice to the right to reimbursement of expenses already incurred if and insofar as agreed.

## **Part 3. Valuation, property management**

### **and sub-services**

#### **Article 17 - Valuation**

1. Valuation of an immovable property means giving an estimate to the customer of the value of the immovable property based on its nature, class, location and technical state, and to issue a brief report about it. Unless otherwise agreed, the valuation shall take place in accordance with the applicable version of the valuation report for the financing of accommodation as established by the representative trade associations.
2. The valuation report shall include: the name of the customer, the objective of the valuation, a brief description of the valued property, land registry data, the current proprietor, an opinion on the value and the kind of valued property, any extraordinary circumstances taken into account, the date of the valuation and the name and details of the valuing party. The valuation report does not qualify as a constructional report.
3. The report shall be issued to the customer, unless otherwise agreed. The real estate agent shall not make the report available to third parties unless upon consent thereto by the customer.
4. The real estate agent shall only accept responsibility towards the customer for the contents of the report, and therefore not towards any third parties.
5. The agreed fee for the valuation assignment shall be payable by the customer as soon as the report has been issued.
6. If a customer withdraws a valuation assignment before it has been carried out, the real estate agent shall charge the work already carried out on the basis of an agreed hourly fee.
7. Any expenses incurred by the real estate agent for travel and hotel and any handling fees necessary for the valuation assignment shall be reimbursed by the customer.

#### **Article 18 – Property management**

1. Management of an immovable property means providing services to a customer with respect to one or more immovable properties. The customer giving the property management assignment may be the proprietor or the party having the immovable properties in possession or otherwise controlling them.

2. These services may include but are not limited to any of the following activities with respect to the immovable properties:
  - (renewed) letting of (parts of) the immovable property / properties which has/have become available;
  - providing expert advice.
3. Termination of such property management contract may only be effected in writing, with due observance of a term of notice of at least 3 months.
4. Principal and real estate agent may agree that any expenses incurred in connection with the letting of managed immovable properties be charged per individual case.
5. In special cases, for instance in case of extra work by the administrator or if services have been provided which are not included in these terms and conditions, a special remuneration may be agreed between principal and administrator.
6. A property management assignment may also include performing the duties of the board of a condominium association holding apartment rights or performing the duties of secretary / treasurer of a cooperative for the exploitation of immovable properties.
7. The administrator may charge to the customer any expenses incurred by him within the scope of the property management assignment.

## **Article 19 - Sub-services**

Sub-services to be provided to the customer include, in particular:

1. Drawing up sales contracts for houses with or without investigation at the Land Registry and/or easement investigation;
2. Drawing up sales contracts for apartment rights, with or without investigation at the Land Registry and/or easement investigation;
3. Drawing up tenancy agreements for houses;
4. Drawing up tenancy agreements for apartments;
5. Creating a photo presentation of a property and sending it by post;
6. Entering immovable properties into electronic data exchange systems including but not limited to data exchange via the internet;

7. Drawing up and publishing advertisements;
8. Arranging visits to properties;
9. Investigation of an immovable property, with or without easement investigation and/or floor plan;
10. Giving expert advice;
11. Assessment of the constructional state of an immovable property;
12. Carrying out a dedicated immovable property purchase assignment;
13. Carrying out an immovable property search assignment;
14. Carrying out investigations geared to the needs of the customer;
15. Taking care of residence permit applications;
16. Taking care of applications for the NHG (National Mortgage Guarantee Scheme);
17. Taking care of applications for tax rulings on wage withholding tax;
18. Taking care of applications for the transfer of government subsidy;
19. Taking care of insurance policies.

## VBO Code of Conduct

1. The real estate agent, member of Vereniging Bemiddeling Onroerend goed (VBO), hereinafter referred to as: "VBO member", is fully aware that he acts as a service provider and deals with confidential issues.
2. The VBO member shall carry out his work in an honest and dignified manner and shall observe confidentiality with respect to everything he becomes aware of when practising his profession.
3. At all times shall the VBO member be aware that he must be reliable, objective and have the required expertise.
4. The VBO member shall comply with everything stated in the Articles of Association, Rules of Procedure, General Terms and Conditions for Customers and Code of Conduct of VBO.
5. The VBO member shall protect and further the interests of his principal(s) and shall exclusively represent the interests of such principal(s). Under no circumstances shall the VBO member act at the same time for two principals who wish to enter into a contract with each other. The VBO member is not entitled to charge any brokerage fee to both parties for one and the same transaction.
6. The VBO member shall be able to account for his acts to the best of his knowledge.
7. The VBO member shall have the required expertise in the chosen field.
8. The VBO member shall not carry out any requested work for which he does not have the required expertise, unless he calls in the assistance of an expert in the field.
9. The VBO member is aware of the fact that brokerage of registered property as a profession is strongly dependent on the person concerned, and when exercising his duties he shall see to it that neither his name, nor the name of others shall be brought into disrepute.
10. The VBO member is not allowed to maintain contacts or to carry on negotiations with clients of colleague real estate agents.
11. At all times shall the VBO member undertake to inform anyone wishing to make a bid on a specific registered property whether he is free to accept any bids and to discuss these with his principal(s), or whether he is already carrying on negotiations with respect to the property concerned.

12. With respect to the property assignment granted to him, the VBO member shall see to it that all offers, advertisements, photo presentations of the property et cetera shall be displayed in the appropriate manner.
13. The VBO member shall refrain from making any negative remarks about colleagues to third parties. On the other hand, he shall report any possible objections against the conduct of colleagues to the General Council of VBO.
14. The VBO member shall undertake to be a good and loyal colleague and shall do his utmost to maintain and/or improve the reputation of VBO and its members. It is not allowed to carry out any activities or to be involved in any acts which may damage the honour and good standing of VBO members.
15. The VBO member is allowed to have a direct or indirect interest in transactions regarding registered property for his own benefit; in which case, however, the following rules shall be applied:
  - in the event of purchase/sales or renting/letting by a VBO member the opposing party is to be informed that the VBO member has a business interest in the transaction concerned. This shall be explicitly stated in writing before the negotiations start and shall also be adequately expressed in the contract to be drawn up;
  - the VBO member is not allowed to charge any brokerage fee in such case.
16. Except for what has been laid down hereinabove it is not allowed to develop any activities or to be involved in any other way in acts which may jeopardize the independence of the VBO member.
17. The VBO member shall monitor and be held accountable for the conduct of his staff lest they act contrary to the Articles of Association, the Code of Conduct, General Terms and Conditions for Customers and Rules of Procedure of VBO.
18. The VBO member is bound to make use of the standard VBO contracts as approved by the professional liability insurance company.
19. In order to make his membership known to his principal(s), the VBO member is held to use the VBO logo on all his offers or to add the text "VBO member".
20. If an interested party (principal) makes a complaint to the VBO member about a way of conduct and no solution is reached between parties, the VBO member shall draw the complainant's attention to the possibility of reporting such complaint to the secretary of the General Council of VBO.

21. A complaint shall be lodged within six months after the VBO member has drawn the complainant's attention to the possibility referred to in the previous provision. If the VBO member has not drawn the complainant's attention to the possibility concerned, the complaint shall be lodged within a one year term after the conduct concerned has taken place, or after complainant has become aware of the conduct, and not later than three years after the conduct concerned.

# VBO Regulations on Disciplinary

## Jurisdiction

## Institution

1. The Disciplinary Board is instituted by the annual general meeting of VBO (Vereniging Bemiddeling Onroerend goed).

## Composition and appointment

- 2.1. The Disciplinary Board consists of a chairman and four members, two of which shall meet the requirements stated in Article 2.5. The Disciplinary Board shall get assistance from a secretary, who shall serve in the Board in an advisory capacity only.
  - 2.1.1. The chairman is entitled to convoke the Disciplinary Board in a smaller composition, on the understanding that in that case the majority of the Disciplinary Board shall (also) consist of non-VBO members.
- 2.2. The Disciplinary Board consists of at least two deputy members as well as a deputy chairman and secretary.
- 2.3. Appointment of Disciplinary Board members, the chairman and the secretary, as well as their deputies, shall be effected by the General Council of VBO.
- 2.4. The chairman, as well as the secretary and their deputies shall have a Master of Laws degree (LL M) and shall not be members of VBO.
- 2.5. The members of the Disciplinary Board, as well as their deputies, shall be members of VBO. However, they shall not have a seat on the General Council.
- 2.6.
  - a. If a member or a deputy member of the Disciplinary Board has been convicted under a disciplinary decision, he shall be dismissed from the Disciplinary Board, after which the vacancy concerned shall be filled immediately.
  - b. If a member or deputy member of the Disciplinary Board joins the General Council he shall be dismissed from the Disciplinary Board by operation of law after which the vacancy concerned shall be filled immediately.
- 2.7. Appointment of the chairman, the members, as well as the deputy chairman and deputy members shall be effected for a five year term, after which they may be reappointed

## **Lodging of complaints: procedure, settlement out of court**

- 3.1. Anyone who feels that a member of VBO has acted contrary to the Articles of Association, Rules of Procedure, General Terms and Conditions for Customers or the Code of Conduct of VBO, or has acted contrary to the interests of VBO, may lodge a complaint before the Disciplinary Board.
- 3.2. All complaints shall be submitted to the secretary of VBO in writing and stating the facts.
- 3.3. The secretary of VBO shall immediately hand the complaint to the Executive Board of VBO, upon which the Executive Board shall try to achieve a satisfactory settlement out of court between the complainant and the accused member, unless the Executive Board immediately believes that the complaint lodged is so serious that it requires hearing by the Disciplinary Board beyond any doubt. If it turns out that a settlement out of court cannot be achieved between parties, the secretary of VBO shall point out to the complainant that he may lodge his complaint before the Disciplinary Board.
- 3.4. If complainant and/or defendant wish to have the complaint heard by the Disciplinary Board, a simple notification on their part shall be sufficient to forward the complaint immediately to the Disciplinary Board. If such request was made by complainant, he shall deposit an amount of € 75,- for having the complaint heard, amount which shall be reimbursed if the complaint is sustained
- 3.5. If the complaint refers to a member of the General Council, the chairman of the Disciplinary Board, instead of the Executive Board, shall have the authority referred to in paragraph 3.3.
- 3.6. If a satisfactory solution as referred to in the previous paragraphs cannot be achieved, or if the complaint in the view of the Executive Board respectively the chairman of the Disciplinary Board is so serious that it requires hearing by the Disciplinary Board, or if complainant and/or defendant wish to have the complaint heard by the Disciplinary Board, the Executive Board respectively the chairman of the Disciplinary Board shall inform the secretary about it, upon which the Disciplinary Board shall proceed to hearing the complaint.

## Hearing by the Disciplinary Board

- 4.1. The summons for oral proceedings and the decision shall be sent by registered post at all times.
- 4.2. Before the Disciplinary Board makes a decision on a complaint lodged, such complaint shall be made known to the accused member, who shall be given the opportunity to submit a statement of defence within a reasonable and fair term to be determined by the chairman of the Disciplinary Board.
- 4.3. The chairman of the Disciplinary Board may give the complainant and the accused member the opportunity to submit further written statements in a second round.
- 4.4. The written statements by complainant or the accused member addressing the Disciplinary Board shall be communicated to the opposing party.
- 4.5. After complainant and the accused member have been given the opportunity to submit written statements in a second round, the chairman of the Disciplinary Board shall determine the oral proceedings of the complaint lodged, unless in the view of the chairman of the Disciplinary Board the complaint may be handled without any oral proceedings, given its nature and proportions and in view of the written statements.

Against such decision by the chairman an objection may be lodged before the Disciplinary Board both by complainant and by defendant within 14 days and, if the objection is dismissed, an appeal may be lodged 14 days before the Executive Board of VBO within 14 days.

- 4.6. The hearing of the complaint shall be effected in the presence of complainant and the accused member, unless they fail to appear after having been summoned to appear in person, or if oral proceedings have been abandoned in accordance with Art. 4.5.
- 4.7. The Disciplinary Board shall at all times be authorized to seek information from third parties. VBO members and their staff, as well as the staff employed by VBO, are bound to supply the requested information to the best of their ability.
- 4.8. The Disciplinary Board is authorized to hear in oral proceedings the complainant, the accused member, the witnesses, the experts and, in general, the VBO members as well as their staff. The VBO members shall be bound to appear in person, if summoned thereto, with their staff.
- 4.9. If the complainant or the accused member refuses to appear in person before the Disciplinary Board, after having been summoned thereto, or refuses to answer the questions asked in a satisfactory manner, or hinders the hearing of the complaint in

any way, the Disciplinary Board shall take this into account, as is considered appropriate.

- 4.10. During the oral proceedings the complainant and the accused member may seek assistance from a lawyer or another counsel respectively representative who shall possess a written power of attorney signed by his client in the event of representation.

## **The penalty**

- 5.1. If in the view of the Disciplinary Board the accused member has acted contrary to the Articles of Association, Rules of Procedure, General Terms and Conditions for Customers and/or Code of Conduct of VBO, or has acted contrary to the interests of VBO, the Disciplinary Board may impose, amongst other things, any of the following penalties:
- a. an official warning;
  - b. an admonition;
  - c. suspension as a member for up to one year;
  - d. a financial penalty up to an amount to be determined by the Disciplinary Board, payable to VBO;
  - e. a decision revoking the membership.
- 5.2. If any of the penalties aforementioned are imposed the Disciplinary Board may determine that the contents of the decision be made public in whole or in part at the expense of VBO, in a manner to be determined by the Disciplinary Board.
- 5.3. If required, the Disciplinary Board may conditionally impose any of the penalties aforementioned in whole or in part. The contents of the terms and conditions, as well as the term within which the conditions are to be met, shall be set forth in the decision.
- 5.4. If the Disciplinary Board has imposed, in whole or in part, any of the penalties aforementioned on the accused member, the Disciplinary Board may determine that the cost of the hearing concerned chargeable to VBO shall be paid to VBO by the member concerned in whole or in part. In the decision the size of the amount payable shall be determined, as well as the method of payment and the term within which such amount is to be paid.
- 5.5. The penalties imposed and the conditions set in accordance with the previous Articles shall be executed by or on behalf of the General Council, if and insofar as necessary.

- 5.6. A conditionally imposed penalty, or the conditionally imposed part of a penalty, shall not be executed by the General Council until the Disciplinary Board has ordered its execution.
- 5.7. Before the Disciplinary Board orders the execution referred to in the previous paragraph, the accused member shall be heard, or at least summoned thereto in accordance with Art. 4.1.

## **The decision**

- 6.1. The Disciplinary Board shall render a decision within eight weeks of the date of receipt of the request to hear the complaint. The decision shall be a binding opinion.
- 6.2. The Disciplinary Board shall decide by a majority of the votes cast and shall lay down its decision in a motivated judgment. The decision shall state the names of those who made the decision and shall be signed by the chairman and the secretary.
- 6.3. Within two weeks after the decision has been signed, the secretary of the Disciplinary Board shall send a certified copy of the decision to the complainant and the accused member, by registered post. Within the same term, the secretary of the Disciplinary Board shall also send a copy, certified by himself, to the General Council of VBO.

As has been established in the annual general meeting on 13 June 2000 and amended in the annual general meeting on 10 June 2005.

In all events shall the Dutch version of these General Terms and Conditions, this Code of Conduct and these Regulations on Disciplinary Jurisdiction prevail and be legally binding.