

APPRAISAL DATA NETWORK, INC.

RULES



RULES OF APPRAISAL DATA NETWORK, INC.

PREAMBLE

Shareholders, Shareholder's Affiliates, and Non-Shareholder's shall collectively be known herein as 'Members'. ADN data refers to the data as defined in the ADN Bylaws.

These rules ("the Rules") govern the Members of Appraisal Data Network, Inc. ("ADN") and the subscription agreements established with its Members. Only those Members of ADN shall have access to the ADN Data. Capitalized terms not otherwise defined in these Rules shall have the meaning assigned to them in the Bylaws of ADN.

1. USE OF ADN MATERIAL AND INFORMATION.

1.1. ADN Data is the exclusive property of ADN. The ADN Board of Directors and its Administrator maintain the right to prescribe the use and the confidentiality to be afforded by the Members entrusted with care of the ADN Data.

1.2. Only those persons who are listed on the official ADN corporate Member roster are authorized for access to and use of the ADN Data. Information submitted by ADN Members may be used by the subscriber; however, the identity of the subscriber who submitted the data shall not be revealed to others. REDI or REDIComps may be listed as a data source.

1.3. Subscribers shall not duplicate or distribute copies of ADN Data reports to anyone except other ADN Members and whose names are listed in the official corporate Member roster.

1.4. Other than the uses specifically authorized herein, any use or reproduction, in whole or in part, of the ADN Data in any form is strictly prohibited without the express written consent of the ADN Board of Directors.

1.5. The prohibitions of Paragraph [3 & 4] above include but are not limited to the reproduction, reconfiguration and/or recompilation of the ADN Data in any format, selection or arrangement for redistribution, dissemination or sale to any person or entity without the express written consent of the ADN Board of Directors.

1.6. On written or verbal request by ADN Board of Directors or their Administrator, Subscriber will certify compliance with these Rules.

2. TERRITORY

2.1. The geographic region will generally be comprised of the State of Minnesota, Eastern North Dakota, Eastern South Dakota, and Western Wisconsin as approved by the contractor.

3. MEMBER SUBMITTED DATA

3.1. Members may provide property data, media, and other content which will become a part of the ADN Data, and appropriate points awarded ("Shared data"). Such points may be used for accessing other Members Shared data.

- 3.2.** Any communication or content that is remitted, posted, or uploaded to ADN in any manner, is considered to be non-confidential, non-copyrighted, and that you or your company owns or have retained the rights for such use in ADN. By submitting any such communication or content, you automatically grant (or warrant that the owner of such communication or content has expressly granted) to us a royalty-free, transferable, perpetual, irrevocable, worldwide, nonexclusive right and license to use, reproduce, create derivative works from, publish, edit, translate, distribute, perform, and display the communication or content in any media or medium, or any form, format, or forum now known or hereafter developed.

4. DEFICIENT INFORMATION

- 4.1.** The Contractor has the authority to dock a data submission by up to 100% of the points that may otherwise be awarded if the submission form is materially lacking in any way, or violates the terms under the Member Shared Data paragraph.

5. ANCILLARY INFORMATION

- 5.1.** The Contractor has the authority to grant additional points beyond the points that would otherwise be awarded if the submission includes meaningful supplementary information that is in addition to that otherwise required for a data submission (i.e., resale information, meaningful detail, including equity dividend rates, yield rates, capitalization rates, and internal rates of return), or if the data is unique and generally difficult to develop).

6. INACCURATE DATA

- 6.1.** If inaccurate data is revealed, the submitter will be docked those points previously awarded, and those points may be awarded to the user whom brought the inaccuracy forward. Data discrepancies will be reviewed by the Contractor.

7. OPERATING INCOME, EXPENSES AND ACCOUNTING

- 7.1.** The Officers and Board of Directors are volunteer positions who serve without pay.
- 7.2.** Expenditures by the Contractor for carrying on ADN business may be drawn by the Treasurer from the ADN Operating Fund checking account. Such expenditures must be approved as a part of the current fiscal year budget, or as an approved expenditure through a duly called meeting.
- 7.3.** Each quarter the President shall inspect the ADN income and expense record.
- 7.4.** The Contractor shall prepare an annual ADN operating statement on January 1. The statement shall be delivered to each Member at any duly called Members meeting.
- 7.5.** The ADN Operating Fund checking account shall be maintained by either the Contractor or Treasurer as appointed by the Board of Directors, with only the Contractor, Treasurer and up to two appointed Board of Director members permitted to draw checks.
- 7.6.** All subscribers and Members must submit market information as part of the cost of their subscription in order to access other Member shared information. Once data has been submitted, ADN is permitted to use the information without obligation to the shareholder, subscriber, or submitter.

7.7. Corporate operational costs are determined by the Board of Directors and equitably charged to each Shareholder on a quarterly basis.

8. AMENDMENTS

8.1. These Rules may be amended by action taken at any duly called meeting of the Board of Directors and providing electronic notice of such amendments on the ADN website. Continued use of the ADN Data or the ADN website by a Subscriber shall constitute acceptance by such Subscriber of such amendments to the Rules.

9. SHAREHOLDER MERGER

9.1. In the event of a merger of one shareholder with another, they have the option of combining membership under one shareholder. In exercising this option the following will occur:

9.1.1. The effective date of a shareholder merger is the first day of the month after the Board of Directors received written notice of the actual merger.

9.1.2. At the Shareholders discretion, one of the Shareholders must relinquish or suspend their Stockholder status with ADN.