



The State of Wisconsin

WISCONSIN
REAL ESTATE BROKERS' BOARD
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JULIUS J. DINGER, PRESIDENT
EAU CLAIRE
M. WILLIAM GERRARD
LA CROSSE
HOWARD J. MEISTER
MILWAUKEE

November 30, 1960

REB 5.04

Mr. James J. Burke
Revisor of Statutes
321 NE Capitol Bldg.
Madison, Wisconsin

Dear Sir:

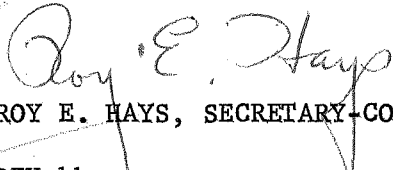
In accordance with the provisions of Section 227.023 (1), please find enclosed a certified copy of the order of the Wisconsin Real Estate Brokers' Board rescinding the old rule R.E.B. 5.04 Legal Advice or Services and adopting a new rule R.E.B. 5.04 Legal Advice or Services (1-6). It is requested that this order be filed in your office in accordance with the provisions of Section 227.023 (1).

It is further requested that this new rule be published in the Wisconsin Administrative Register which publication, I understand, will issue in December, 1960. This Board issued a Notice of Public Hearing with respect to this rule, which notice was printed in the Wisconsin Administrative Register in July of 1960. A public hearing was held pursuant to said notice of hearing on September 13, 1960. This Board, at its formal meeting of November 29, 1960, by motion unanimously passed, rescinded the prior rule and adopted the new rule.

If there is any question with regard to this matter, kindly advise. I wish to thank you in advance for your cooperation with respect to this matter.

Very truly yours,

WISCONSIN REAL ESTATE BROKERS' BOARD


ROY E. HAYS, SECRETARY-COUNSEL

REH:kk

Enc.

ORDER OF THE WISCONSIN REAL ESTATE BROKERS' BOARD

RESCINDING OLD RULE AND ADOPTING NEW RULE

Pursuant to authority vested in Wisconsin Real Estate Brokers' Board by Section 136.04 (1), Wisconsin Statutes, the Wisconsin Real Estate Brokers' Board hereby rescinds the present rule R.E.B. 5.04 Legal Advice or Services which provided as follows:

"R.E.B. 5.04 Legal advice or services. The broker or salesman shall not dispense legal advice, directly or indirectly, or act as a public conveyance, or give advice as to the legal effect of legal instruments, or give opinions concerning the validity of title to real estate or undertake to draw or prepare documents fixing and defining the legal rights of parties to a transaction. The above prohibition however, does not prevent a broker from preparing instruments of conveyance in connection with property in which he has acted as broker, such as deed, mortgage, et cetera. No separate fee can be charged for this service."

The Wisconsin Real Estate Brokers' Board hereby adopts the following new rule:

R.E.B. 5.04 Legal Advice or Services.

1. A real estate or business opportunity broker in transactions in which he is acting as a broker and incidental to his trade or business may use a standardized contract in a form prepared or approved by this Board, or as set forth in Section 235.16 of the Wisconsin Statutes. Said broker may complete said forms by filling in the blank spaces to show the parties and the terms of the transaction. Said forms shall not, however, be prepared by a salesman.

2. Real estate or business opportunity brokers, in transactions in which they are acting as a broker may use standardized forms, as set forth in paragraph one (1), of deeds, land contracts, leases, options, mortgages, assignments of mortgages and land contracts, releases of mortgages, chattel mortgages, bills of sale, conditional sales contracts and other instruments of a similar nature, provided, however, that such are appropriate and incidental to transactions in which they act as licensed brokers, and that said brokers receive no extra compensation for filling in or completing such forms. The brokers may not do so in any other transactions. Said forms shall not, however, be prepared by salesmen.

3. Real estate, business opportunity or cemetery brokers and their salesmen may, in transactions in which they are acting as licensees of this

Board, use standardized forms, approved by this Board or as set forth in Section 235.16, Wis. Statutes, of offer to purchase and listing contracts and may complete them by filling in the blank spaces to show the parties, descriptions and terms necessary.

4. A licensee of this Board may not make a separate charge for completing any standardized forms, or may not prepare such forms for persons in transactions in which they are not acting as a licensee, unless they are themselves one of the parties to the contract or instrument.

5. At no time may a licensee of this Board give advice or opinions as to the legal rights of the parties as to the legal effect of instruments to accomplish specific purposes or as to the validity of title to real estate; and they may not prepare reservations or provisions to create estates for life or in remainder or any limited or conditional estates or any other form of conveyance than a direct present conveyance between the parties as provided for in standardized approved forms to be effective upon delivery.

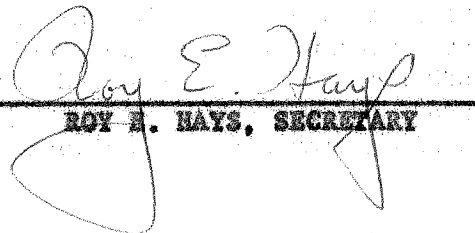
6. Any licensee who violates the foregoing provisions of this rule shall be in violation of Section 136.08 (2) (1), Wisconsin Statutes, and deemed to be incompetent to act as a broker or salesman in such manner as to safeguard the interests of the public.

The adoption of the above rule shall take effect on January 1, 1961, as provided in Section 227.023, Wisconsin Statutes.

Dated this 30th day of November, 1960, at Milwaukee, Wisconsin.

WISCONSIN REAL ESTATE BROKERS' BOARD

BY:


ROY E. HAYS, SECRETARY