EXHIBIT 12

Standard Operating Procedures:

A Freecycle™ Moderator's Day-to-Day Responsibilities

Thank you for agreeing to help the Freecycle movement and your own community by volunteering to be a moderator. Your help is invaluable. Without responsible moderators, a list quickly gets filled with spam and inappropriate posts. Membership soon falls, and the list becomes a ghost town. With your help, this list will thrive, and everyone will benefit.

Please read the Membership Guidelines for Necessary Stuff. Familiarize yourself with them enough that you know where to go to look for answers to questions.

Your Member Settings:

It's a good idea to keep your own moderator account set to "Always Moderated" setting. That way you can stop a message from going to the group accidentally, for example if it was meant for one member only or another moderator.

Each moderator should be set to receive individual emails from the group and to receive notices of pending messages or pending memberships.

Monitoring Posted Messages:

Please read each email (or you can read at the website, of course), and watch for the following things:

1. SPAM (any post that endorses a commercial product or is being blanketed across the Freecycle network). This includes posts for things like game pieces from McDonalds, links to websites where you can get a free iPod or some other wonderful item, offers that promise to show you how to save huge amounts on your grocery bill, World of Products, Network of Savings, etc. If you receive SPAM on the website, delete the post immediately and place the member back on moderated status. Send them a courtesy e-mail and let them know that their post has been deleted due to inappropriate content and that their membership will be moderated temporarily to make sure they post appropriately. On the second offense, they are out.

2. Messages containing stuff "For Sale" or offering to pay for an item. Immediately delete the post and contact the person who posted it to let them know that all things on Freecycle must be free, and that their membership will be moderated temporarily to make sure they post appropriately.

3. Chit Chat. This one is a judgment call. If it's replying to someone else's post, delete it and contact the poster (or post to the list) with a reminder that responses MUST go directly to the person who made the post, not to the whole list. If it applies to the whole list, is Freecycle-related, or in regards to list guidelines, you might want to let it ride for now. It can always be deleted in the future.

If others start jumping in, post something like, "It's good to hear your thoughts about Freecycle, but we really have to keep this board on topic to keep from filling members email boxes with miscellaneous comments. Please direct your thoughts and concerns to the site owner (yourgroupname-owner@yahoogroups.com)" or something similar.

If it continues to be a problem (or is obviously off-topic chatter), let folks know that chit chat posts will be deleted and those responsible will be put on moderation. Do this with an ADMIN message.

Inappropriate Posts:

Other than those three things (which will apply to most problem messages), you will also need to watch for illegal items or items which are restricted due to age, including alcohol, weapons, tobacco, and "adult" materials. You'll also want to look for posts that are antagonistic or inflammatory to other members, or those that may start a debate such as religious or political statements. Delete those posts, give a STERN warning to the poster, and put them on moderation.

Messages from Moderated Members:

Besides checking the posts made to the group by those who are not moderated, you will also need to approve messages by those folks still on moderation. Usually these are "New Members." When a moderated member posts, an email will be sent to all moderators to let them know that a pending message needs approval. Although you can approve or reject via email (the instructions are on the email), if you have a minute or two extra, please do the following:

Go to the website. Click on "pending messages" to view the messages needing approval. If the message is OK, you have the option of changing the member's status from moderated to unmoderated at this point.** Look for this message: "this member's messages are moderated, to change the status [edit]". Click on [edit]. Then you'll see a couple of options, and you'll want to click the first one, "change to group settings". At the bottom of the page, click "Save changes". Now go to the message and hit "approve". (There are actually two options you can click. The first option described ensures that all your members are put on the same group settings. If you click on "messages posted by this member are not moderated", and later need to bring your entire group back to moderated status, you will have some members outside the scope of your group settings. They would be free to post without moderation unlike the rest of the members who are back on the same settings.) For a more detailed explanation, read the description given in the <u>Not Moderated vs. Unmoderated</u> file.

** (Check your group's policy to determine if the member needs to complete an Offer/Taken set of posts or even post a few series of Offers/Taken posts before removing the member from moderated status. Group policy varies between Freecycle lists.)

If the message is inappropriate, then you may choose to edit it if it's a minor error containing incomplete headings (they forgot to put OFFER or WANTED), or reject it if it's SPAM, for sale ad, or chit chat. A good habit to get into (depending on time available) is to send a very quick but cordial note to the poster to let them know that their messages was edited, or, you can add a statement to the bottom of the note, such as, "Edited by Moderator to add appropriate heading" or something similar. This can be very effective because it reminds the rest of the membership that they must do the same.

Occasionally, you may have to <u>search the archives</u> to make a determination on whether or not to approve a message. This is especially true when dealing with Wanted posts.

You'll want to periodically remind either individuals or the whole group about the policy regarding the use of proper headings and to include their location in the subject line. Be kind, but provide occasional reminders, and they'll gradually catch on. When you post a message like this to the whole group, start the subject line with "ADMIN".

To put a member back on moderation, open the members list (left hand column on the home page). Find the member's name and click on the little pencil in under their name. Under Membership Privileges, you'll see Posting Messages. Use group settings [edit]. Click on edit. Click the circle for "messages posted by this member are moderated", then "Save Changes" at the bottom of the page.

A Final Emphasis on Moderating Members:

*** DON'T FULLY MODERATE YOUR GROUP. Full moderation of all posts is not allowed. Moderation of new member posts is fine – just remember to take the folks off moderation after a week or two and/or after you are certain they are not spammers. Important: The moderation of troublemakers is highly advised.

Freecycle works best without full moderation. Empower your members to give directly to another member without moderator intervention, quickly, easily and enjoyably. Trust and empower your members directly as much as humanly possible and it'll pay out when your group gets really big.

Why? Because by then all members will know and use the rules correctly. You have taught them to fish rather than giving them fish for a day, right? This is why we don't allow FULL moderation. It's like "Freecycle Lite." It tastes kind of like The Freecycle Network™, but doesn't pack that caffeine punch, is slower, and more controlled. Be bold, trust, and educate members unless individuals give you a reason not to and moderate those individuals.

In choosing the New Member moderation remember that when removing the 'moderated' status from your members to check 'Use Group Settings'. This allows you to still resort to Full Moderation in case of an extreme situation. If you have checked 'unmoderated' then those member will still be able to post to the group even in the case of a required Full Moderation.

If you will be unable to moderate the group for more than a day or two in a row, please contact the other list owners and/or moderators to let them know, so that the site is covered in your absence.

That's about it! If you have questions or problems that stump you, you can ask for help from the Group Outreach and Assistance person for your state at YOUR_STATE@freecycle.org, or contact your State Mod Squad.