

Policy and Procedure Manual for Licensee

Introduction: Real Broker LLC or Real Brokerage Technologies Inc. or Real Broker NY LLC or Real Broker MA LLC or Real Broker CT LLC ("Broker") operating under the assumed name "Real" is a real estate broker licensed in the States of California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Louisiana, Maryland, Massachusetts, Missouri, New Jersey, New Mexico, New York, North Carolina, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington and District of Columbia.

As an innovative real estate brokerage, Real is committed to the highest standards of professionalism and service in order to achieve the highest level of customers' satisfaction. Our policy and procedure manual outlines key issues important for our Licensees operation, however, it is important that you use your professional judgment and education you have obtained.

Licensees of Broker are not employees of the company and are considered independent contractors, bound by an independent contractor agreement signed with Broker which clearly outlines the relationship between Licensees and Broker. As a Licensee, you are under the direction of a broker as results of the work, but not by the methods by which results are accomplished. Please use this document as a reference on how to conduct your daily business as the Broker's Licensee.

Real's Philosophy: Real strives to provide excellent service while constantly improving the professional skills and ethics of our employees and Licensees. We are dedicated to offering our clients the highest level of customer service, in order to create a brand associated with pure excellence.

License and education: Licensees are required to hold and maintain a valid Real Estate salesperson license or broker license, in good standing, for as long as Licensee is under independent contractor agreement with Broker. If there is any change in your license status, such as expiration, revocation or suspension, you may not engage in any activity on behalf of Broker. It is Licensee's sole responsibility to comply with all applicable laws and education requirements of Licensee's state of licensure real estate commission.

Working Place: Broker does not maintain office spaces for the use of Licensees. You may work from home, personal office or any other place of your choice. However, you are responsible for storing all transaction documents in a safe place with a lock and to be able to present them at the Broker's request within 24 hours. You must be accessible at the contact number and email address you provided to Broker and respond no later than 24 hours after receipt of an email or voice message from Broker.

Relationship of Licensee and Term:

Licensee is not an employee, but rather an independent contractor as outlined in the Independent Contractor Agreement. You do not have an employee employer relationship with Broker. You are considered an independent contractor for all purposes. Except where it is otherwise expressly agreed in writing with the company, either party may terminate their association at any time with or without cause or reason. Broker maintains the absolute rights to transfer, demote, suspend and administer independent contractor discipline at any time, for any reason. You are advised, however, that any violation of the following could be cause for immediate termination of your association:

- The policies in this manual
- The terms of any Broker-Licensee independent contractor agreement
- Any request or announcement communicated to you by Broker

- The Real Estate License Law
- The laws of the State in which your real estate license was issued
- The REALTOR® Code of Ethics
- Conviction of any illegal act or any dishonest or unethical act

Broker is committed to Equal Opportunity in the workplace and maintains a policy to employ, retain, promote, terminate, and otherwise treat all Licensees, employees and job applicants on the basis of merit, qualifications, and competence.

Licensee's Employees:

Licensee is obligated to inform Licensee's employees, if any, who perform, directly or indirectly services for Broker, of their obligation to be bound by the provisions of this Policy and any other agreement between Broker and Licensee. Licensee is responsible for notifying Licensee's employees about this obligation and supervise their activities to ensure they comply.

Rebates or Credits:

Licensees may negotiate commissions clients in accordance with the real estate laws in their state of licensure. Fees and commissions owed to Broker by Licensee are calculated on the total "Gross" commissions paid on a transaction and not the rebated, discounted or credited commission amount paid. Buying or Selling your own property: Any transaction involving Licensee as buyer or seller must be reported, ahead of time, to Broker as Licensee will have to address issues such as Broker's E&O insurance, property advertising and disclosure on Licensee's license status in the contract. In such case, Broker should advise whether Licensee may represent him/herself or should be represented by another Licensee of Broker.

Do-Not-Call, Spam and Fax:

Licensees who make "cold calls" must comply with the requirements of the National Do-Not- Call registry and Do-Not-Call Rules. Specifically, before making a cold call, a licensee must verify whether the number is on the national do-not-call registry. Licensees may not make "cold calls" to numbers in the registry. Licensee needs to update any download of the registry at least every 31 days. Licensees are prohibited from engaging in any form of spam, email spam, mass faxing or emailing. If you are uncertain about the legitimacy or legality of an act you are planning to perform, please consult an attorney.

Discrimination:

Broker does not discriminate, does not allow any associated parties to discriminate and will not tolerate discrimination. Licensees must respect the law and not discriminate based on sex, color, religion, race, origin, disability, sexual orientation and family status. Licensees must assist all customers in meeting their real estate needs.

Compensation Disputes:

If a dispute of any kind involving the compensation, including, among other things, payment of the compensation, the amount of the compensation, or the parties entitled to the compensation, exists between or among any of the following: broker, you and another broker, a principal, or any other party involved in a transaction, the compensation will be held by Broker or until the dispute is resolved. You agree Broker will incur no liability for withholding payment until all disputes are fully resolved. In the event of a termination of this Agreement, all listings and pending purchase and sale agreement shall remain with Broker unless Broker send a written document stating otherwise to Licensee.

Commission checks:

At no time is Licensee to request, receive, ask or authorize any escrow company to release a commission check on a transaction they may be involved in unless authorized to do so by Broker, in writing. A complete package of the transaction files must be sent to Broker prior to a such request. Failure to comply with this regulation may result in immediate termination.

MLS Services:

Multiple Listing Service (MLS) provides real estate professional listings and valuable information. You are obliged to join your local MLS and board of REALTORS. By joining MLS, you will be requested to comply with MLS rules which you may find in the respective Association of Realtors' website. Failure to comply with MLS rules, may result in fines, suspension or other sanctions, to you and to Broker. You are responsible for any fine or punishment imposed on you or on Broker as a result of your noncompliance.

Tax Reporting:

Licensees are urged to maintain accurate records of all their earnings and expenses and provide them to the Internal Revenue Service at the end of each year as required by law. Licensees are advised to obtain a professional tax advice regarding these matters.

Confidentiality:

Broker may provide you innovative proprietary tools and information that are only available to Broker's Licensees. You agree to keep all information concerning Broker's tools, online system, forms, website, marketing strategies, programs, legal information, brochures, clients, training materials and plans confidential at all times.

Error and Omissions Insurance:

As expressed on our Independent Contractor Agreement, All real estate transactions are covered under our E&O insurance policy, which has a limit liability of \$1.0M. Licensee is responsible for the deductible on any transaction that was brokered through Broker and resulted in claim or lawsuit. Such deductible may be as high as \$5000.

Lockboxes and Signs:

Licensee is responsible for ordering, purchasing and handling his signs and lockboxes. Licensee should use only known and reliable vendors. Broker may provide licensee with easy ordering tools directly from Licensee's dashboard on Broker's website.

Litigation and Claims Handling:

You are required to:

1. Promptly notify your broker/ manager of any claim or potential claim made against you and or the company, including any demand received by you for money or services alleging a negligent act or omission; any notification of the commencement of a Lawsuit, arbitration or mediation process; or any written or verbal notice or threat that anyone intends to hold you and/or the company responsible for any alleged wrongdoing.
2. Cooperate with the company in the defense of the claim.
3. Promptly pay to the company any amounts due hereunder upon notice to you from the company in regards of such claim or lawsuit.
4. The Broker has the right to make all decisions concerning the defense of the claim, including choice of counsel. In the event you object to any decision made by the company, you may obtain your own

attorney at your own expense; however, you shall not be relieved from the obligation to pay your portion of the cost of the claim as set forth herein.

5. Except as provided below, the cost of the defense of the claim, or to defend or protect against any potential or possible claim where the company or you are not involved as a party, including attorney's fees, and the cost of any settlement or a judgment (collectively the "costs of defense"), shall be allocated between the company and you in the same percentages as per your Independent Contractor Agreement or prospective transaction that led to the claim, whether or not the transaction actually closed.

6. You will be responsible for all costs of a claim if you fail to follow any law, regulation or company policy as set forth in this policy manual, and that failure results in a judgment or other final adjudication based on that failure.

7. You will be solely responsible, and shall reimburse the company, for all the company's costs of defense if a judgment or other final adjudication on any claim adverse to the company and/or you establishes that dishonest, fraudulent, criminal, or malicious acts, errors or omissions were committed or results in a finding of intentional tort, slander, defamation or any conduct which leads to the imposition of punitive, exemplary or multiple damages, or fines or penalties, or establishes discrimination on the basis of race, creed, religion, ethnic background, national origin, age, sex, handicap, familial status, physical disability, sexual preference, or any other unlawful classification.

Sexual Harassment Policy:

Broker disapproves of and does not tolerate sexual harassment of any kind. All licensees must avoid offensive or inappropriate sexual behavior and are responsible for ensuring that their workplace is free from sexual harassment at all times. Broker prohibits: unwelcome sexual advances, requests for sexual acts or favors, with or without accompanying promises, threats or reciprocal favors or actions, or other verbal or physical conduct of a sexual nature which creates a hostile or offensive working environment. Complaints of sexual harassment will be promptly and carefully investigated, and all licensees are assured that they will be free from any reprisal or retaliation from filing such complaints.

Any licensee who has a complaint of sexual harassment by anyone should immediately bring the complaint to the attention of the broker. Broker investigations will include interviews with all relevant persons, including the complainant, the accused, and other potential witnesses. Licensees are assured that the privacy of the complainant and the person accused of sexual harassment will be kept strictly confidential. The broker will review findings with the complainant at the conclusion of the investigation. If the investigation reveals that the complaint appears to be valid, immediate and appropriate corrective action, up to and including termination will be taken to stop the harassment and prevent its recurrence. If the validity of the complaint cannot be determined, immediate and appropriate action will be taken to assure that all parties are acquainted with this sexual harassment policy and to avoid sexual harassment in the future. The above policy also applies to harassment of any kind.

Recommendations on Working with Clients and the Public:

Listing Presentations - All of your marketing efforts will be a waste of time if you don't have an effective listing or buyer presentation with your customer. New Licensees are welcome to seek assistance and we may provide such.

Please browse all available material on our website and your dashboard section of our website as you may find many valuable answers in it. If you need closer guidance, Broker may provide it to you, or may refer you to the relevant licensed individual who may assist you. Here are a few suggestions that may increase your effectiveness:

- Always be on time for appointments. Leave early and plan your schedule well.
- Be positive, optimistic, confident and truthful. Be precise and do not exaggerate.
- The law requires you always leave a signed copy of any agreement with Seller.
- It is recommended that you visit a property before showing it to customers. Being familiar with a property will assist you when showing it to clients.
- Make sure Sellers are doing their best to make their property show well.
- Notify Sellers or other party's agents of any change in showing schedule.
- When arriving to a showing, approach the door or lockbox first without your client and advise Seller of the situation.
- Be respectful to your client and to other parties.
- When using a lockbox, first approach the door and knock or use the doorbell. If no answer, enter and make sure there is no one there.
- Open the lights, curtains and make the property lightened and all details visible to you and your client.
- Spend enough time with your client at the property and advise your clients of any defects or issues that require your client's attention and appropriate disclosure.
- Do not leave your client unattended on the property as you may be blamed for missing items later on.
- When leaving, be sure to keep your card in a visible place and leave the property (including electric switches, alarms and curtains) in the same condition it was before.

Offers To Purchase:

Licensees are obligated to present all offers to the listing agent, even if the property is in escrow, unless the listing agent or seller has given you written instructions to the contrary. Upon receiving offers from buyers, review it thoroughly for completeness, accuracy and clarity. It's important to pay close attention to time limits set out in the offer, **ESPECIALLY** the time within which the seller must respond.

Next, you may want to call the listing agent, obtain any relevant background information about the buyer and clarify any ambiguities in the offer. Notify the listing agent promptly that you have received the offer. Then make an appointment as soon as possible to present the offer to the listing agent. Refer to the MLS Rules and Regulations for Selling Agent's right to present in person. As with all contracts, you must obtain all parties' signatures in order for the contract to become effective. If a party signs on behalf of another, you must have evidence of that person's authority to do so in writing. If you must present an offer missing a signature, you must disclose this fact to the seller/listing agent. Be sure to condition the offer on the obtaining of any missing signature(s). If your clients receive a counter offer, be sure the terms are clear and complete. Be sure to review it against the offer to purchase.

NOTE: You must adhere to all time requirements stated in the purchase agreement and closing instructions unless all parties agree in writing to the contrary. Never use outdated forms. Loan Modifications: Broker does not allow Licensees to engage in loan modifications and such activity is not covered by Broker's E&O insurance policy.

Communication with Broker:

Broker may be reached in the manners specified at the "Contact Us" section of Broker's website, at www.joinreal.com, at the broker's mobile application support chat, at broker's urgent phone line number or as otherwise informed by Broker. All important announcements and notifications will be communicated by Broker via email, phone or text. It is imperative that you pay close attention to all emails arriving from Broker and notify Broker of any change in your contact information. In case of termination of your agreement with Broker, you are required to provide Broker all information, files and documents for closed, pending and current contracts with clients. Acknowledgement: I, the

undersigned Licensee of Real Broker LLC or Real Brokerage Technologies Inc. or Real Broker NY LLC or Real Broker MA LLC or Real Broker CT LLC hereby acknowledge I have read, fully understood and agree to abide this policy.

Licensee name:_____

Signature:_____