

# CENTURY 21<sup>®</sup>

Alton Clark

POLICY AND PROCEDURE MANUAL

JULY 2018

# CENTURY 21<sup>®</sup>

## Alton Clark

### POLICY & PROCEDURE MANUAL

For Independent Contractors and Employees

Date of Last Revision: July 2018

*Some of the policies contained in this manual may have been revised or superseded by policy changes that will be incorporated in a future updated manual. Use this document as an information guide but please consult with your Broker on specific questions for guidance and confirmation.*

JNC LLC  
d.b.a.  
CENTURY 21<sup>®</sup> Alton Clark

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# OUR HISTORY

In the mid 1990's, we began as a private real estate investment firm. Our specialty ranged from basic residential sales and property management to vacant land and luxury properties. This passion led us to eventually enter the world of retail real estate in the mid 2000's. We experienced working for different residential firms and quickly learned that both customer service and agent support was lacking in the real estate industry. This gap in service led us to create our own brokerage and as a result Alton Clark Realty was born.

Alton Clark Realty operated for several years and during that time caught the eye of Realogy Franchise Group which owns the largest real estate brands in the industry. After a lengthy due diligence process on both sides, a decision was made to align ourselves with the largest real estate brand in the world, CENTURY 21®. As a result of our affiliation, Alton Clark Realty became CENTURY 21® Alton Clark.

We're excited about what the future holds for all of us at CENTURY 21® Alton Clark and are committed to establishing and maintaining C21AC as the first choice in real estate for sales Associates and support staff as well as consumers. As you contribute your hard work and professionalism, we will continue to provide systems, tools, and training that multiply the results of your efforts. It is in this way that we all will meet our goals for success in the coming days, months and years.



James A. Clark  
Chief Executive Officer | Broker  
CENTURY 21 ® Alton Clark

## **INTRODUCTION AND DEFINITIONS**

The CENTURY 21 Alton Clark (C21AC) Policy and Procedure Manual is designed to provide our independent contractor real estate licensees (Associates) and our Employees a single reference point for the activities and situations most frequently encountered in the course of providing services under the respective real estate licenses of C21AC (Broker) and Associates. Some portions of the Manual will apply only to Associates and others will be addressed specifically to Employees.

It is important to note that this manual is not an employment agreement, nor is it an offer of such. Associates operate as independent contractors in accordance with federal, state and local guidelines, and the business affiliation between C21AC and the Associate can be terminated at any time, by either party and for any reason. As independent contractors, Associates pay all required federal, state and local taxes associated with their income. Associates are responsible for their own life, health, medical, and/or any other type of insurance coverage desired. Associates, if they choose, must self-enroll in retirement and health savings plans, with no participation from C21AC. Associates shall provide their own automobile and be fully liable for its operation, pay all related expenses, and comply with license and insurance requirements specified in the Independent Contractor (IC) Agreement.

Building upon past business practices, C21AC has earned a reputation for high ethical standards and professionalism and welcomes this opportunity to define the methods by which these standards are maintained. These guidelines do not replace or supersede the jurisdictional rules, regulations and statutes under which real estate licensees must operate, but rather clarify C21AC policies and procedures for the implementation of those licensee duties. C21AC depends upon its supervising brokers to ensure compliance with national, state, and local real estate laws and regulations.

Review this information carefully and keep it available for quick reference. If you find that you have questions or situations not addressed by this manual, please discuss them with your Broker. We will continue to update this information as needed and we welcome your comments.



## II. STANDARDS OF PRACTICE & CONDUCT

**A. REALTOR® CODE OF ETHICS** – Associates agree to abide by the Code of Ethics and Standards of Practice of the National Association of REALTORS®.

**B. LICENSING AUTHORITIES AND AFFILIATIONS** – Our Associates are among the top in the industry and as such are responsible for understanding and complying with the rules and regulations established for real estate licensees by the applicable jurisdictional licensing bodies. This also includes compliance with all applicable laws, acts and regulations establishing obligations on the part of real estate licensees. These areas of compliance include, but are not limited to, Lead Based Paint and other environmental disclosures, contract and earnest money submissions, and MFRMLS requirements. Associates and Employees must give immediate notification to the supervising Broker for any actual or purported violations of any rules or regulations that might affect an Associate's licensee status.

**C. AGENCY** – Each C21AC Associate is committed to giving appropriate, timely disclosure consistent with the Agency laws and regulations in their licensing jurisdiction, and to comply fully with all associated requirements and guidelines.

**D. FAIR HOUSING** – C21AC is committed to equal housing opportunities for all. Associates or Employees will not discriminate, nor be party to discrimination, in the provision of real estate services or facilities on the basis of race, national origin, religion, gender, handicap/disability, familial status, or any other factor prohibited by applicable federal, state or local laws or regulations. You should be aware that each jurisdiction reserves the right, and most exercise the right to add protected classes to the definitions established under the federal Fair Housing laws. If you are not familiar with the specifics of the jurisdictions in which you work, contact your Broker immediately for assistance in obtaining the specific applicable guidelines. You are responsible for your compliance and for reporting to your Broker any incidents of discrimination or attempted discrimination on the part of a customer/client.

**E. ANTI-TRUST** – The commission rates of C21AC are based upon the cost of the services we provide, the value of these services to our customer/client and competitive market conditions. Our commission rates are not discussed with, nor are they the product of, an agreement with any person or entity outside C21AC and its customers/clients. In order to protect yourself and C21AC from any violation of anti-trust regulations, do not discuss commission rates charged by this or any other firm with any person affiliated with any other real estate firm. When soliciting a listing, do not make reference to a "prevailing" commission level in the community or suggest that commission rates are uniform or "standard" within our marketing area. Likewise, the amount of sub-agency or buyer agency compensation offered by C21AC to cooperating brokers reflects the level of service that we expect them to provide, and is not intended to induce or compel any other real estate firm in our market area to raise or lower the commission charged to their client. If you find that you have been present during an unauthorized discussion of commissions or fees, contact your Broker immediately.

**F. HARASSMENT** – C21AC prides itself in the fair and civil treatment of all Associates and Employees, and is committed to protecting the right of each to conduct business in an atmosphere free of harassment, excessive profanity, or violence of any kind. Harassment on the basis of race, color, religion, national origin, gender, sexual orientation, age or disability should be reported to your Broker at once. This includes unwelcome sexual advances and other verbal or physical conduct

of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment, regardless of source. None of these will be tolerated, and C21AC will act on all reports in a timely and confidential manner.

**G. APPEARANCE AND DEMEANOR** – Associates and Employees are to present and conduct themselves in a manner that warrants the professional respect of their peers and is worthy of the confidence placed in them by our clients. Good personal hygiene and grooming are expected. Agents working in the office are required to dress in business casual at all times.

#### **WOMEN**

Women should wear a combination of a skirt or dress slacks, blouse, sweater, twinset, jacket (optional), and hosiery (optional) with closed toe shoes. Sandals or peep-toe shoes may be permissible in some offices but save flip-flops for the weekend.

- Khaki, corduroy, twill, or cotton pants or skirts (make sure skirts are not too short)
- Sweaters, twinsets, cardigans, polo/knit shirts
- A sheath dress is often flattering, and looks very professional
- Solid colors work better than bright patterns

#### **MEN**

For men, appropriate business casual attire is dress slacks or chinos, a shirt with or without a tie, dark socks, and dress shoes. Avoid wearing polo shirts to an interview, even if they are acceptable for the job in question. Do not wear jeans or shorts.

- Khaki, gabardine, wool, or cotton pants, neatly pressed
- Cotton long-sleeved button-down shirts, pressed
- Sweaters
- Leather shoes and belt
- Tie optional

**H. SOCIAL MEDIA** - CENTURY 21 Alton Clark (C21AC) (the Company) recognizes the advantages afforded by social media and encourages Employees and sales Associates to participate in blogs, wikis, social networks, virtual worlds, email marketing, real estate-related websites and other media in a manner that reflects positively on themselves, our brand, and our organization. It is the Associate's and Employee's responsibility to comply with the terms and conditions of the various social networking sites. C21AC is not responsible for an Associate's or Employee's non-compliance with a social networking site even if the intent was to promote the Associate's or Employee's business. Failure to follow the Policy and Guidelines when engaged in social media for professional purposes may result in disciplinary action or termination of a relationship.

**I. PERSONAL:** Associates and Employees of C21AC are individually responsible for all comments posted on personal social media sites. It is important, however, to understand that any mention or connection to C21AC on social media may create risks for the Associate, the Employee, and the organization. That risk is compounded given the potential for immediate and far-reaching distribution.

1. **PROFESSIONAL:** The following policy applies to all Associates and Employees of C21AC who engage in use of social media for professional or personal purposes.

## 2. POLICY:

- a. Communications on social media sites may not suggest that they are "official" statements of C21AC without the prior written authorization of C21AC's Broker.
- b. Communications on social media sites that promote or endorse the products or services of C21AC require disclosure of any relationship between the promoter or endorser and C21AC under certain Federal Trade Commission Guides. Based on these Guides, any promotion or endorsement of products or services of C21AC requires prior written authorization of C21AC's Broker.
- c. Any mention of CENTURY 21 Alton Clark must adhere to brand guidelines including use of trademarks and logos which can be found in 21Online.com.
- d. Trademarks, which are to be incorporated into a username on any social media site (including Twitter handles, Facebook pages, etc.), must have prior written approval of C21AC's Broker.
- e. Associates or Employees may not cite or reference Associates, clients, customers, suppliers, or other business partners on their social media sites without the referenced person's prior written permission.
- f. Associates or Employees may not disclose financial details of transactions, pending or settled, on social media sites.
- g. Associates or Employees may not make reference to commissions or to any contractual agreements with C21AC or with cooperating brokerages.
- h. Associates or Employees will not comment about the professionalism or business practices of any customer or client or any other person associated with a real estate transaction.
- i. Associates will be responsible for compliance with all social media rules related to electronic marketing as may be in effect under the REALTOR® Code of Ethics and related Standards of Practice.
- j. Electronic information stored on any C21AC system is the property of CENTURY 21 Alton Clark and may be reviewed by the Company without the Associate's or Employee's consent. This includes, for example, information sent from an Associate's or Employee's company computer through that individual's private email accounts or private web sites to the extent that the transmissions remain in whole or in part on the Company computer or in the Company's network files. Should an Associate or Employee leave the firm, it is that person's responsibility to delete all posts made by C21AC from their page(s), or to delete the page in its entirety.
- k. Associates or Employees who use a social networking profile for personal use only must use a personal email address. If Associates use a social networking profile for business use, but the profile or a component of the profile is set up via their personal email address, they must clearly indicate their affiliation with C21AC, provide their C21AC email address and comply with all social media rules related to electronic marketing as may be in effect under the REALTOR® Code of Ethics.

**J. TOBACCO, ALCOHOL AND CONTROLLED SUBSTANCES** – C21AC respects the rights of its Associates and Employees to work in an environment free of tobacco smoke, just as it respects the personal choice of those who elect to smoke. All C21AC office space is designated smoke-free, including the exterior area directly near the entrance and exit of the buildings. If you would like to smoke while at C21AC, please do so in an appropriate area outside the office building and never in a car or property with customers/clients. If you are not certain of your office's smoking area, see your Broker for guidance.

Alcohol is not permitted in C21AC offices except with the express prior approval of the Broker. Illegal substances are never authorized in the office and doing so will result in immediate termination.

**K. ARBITRATION, GRIEVANCE AND LEGAL ACTIONS** – As a result of our REALTOR® and MFRMLS membership status, Associates are bound to respond to disputes with fellow REALTORS in accordance with established requirements for arbitration and grievance procedures. Associates are to immediately inform their Broker of any notifications, requests or actions received and are to cooperate fully with the established boards of review. In the event an Associate wishes to file a grievance or complaint against a fellow REALTOR, the Associate must first receive authorization from the Broker. If the Associate proceeds without authorization, all associated costs are to be borne by the Associate. In the event that an arbitration, grievance or legal action is brought jointly against C21AC and the Associate, or if C21AC initiates an action against another party, all costs incurred in responding to, defending against or pursuing the charges, including any judgments, will be split between C21AC and Associate according to the commission pay plan split in effect during the transaction in question. In the event that an action is not tied to a particular transaction, the costs will be shared based upon that Associate's most recent commission split. Costs/judgments incurred as a result of fraudulent, unethical or illegal Associate behavior as determined by the applicable ruling body will be borne entirely by the Associate. If a court or Association rules differently regarding the division of costs or fines, C21AC and the Associate will comply with the ruling. In all actions, C21AC reserves the right to select legal counsel. If the Associate desires additional representation this would be at the full expense of the Associate. Real estate disagreements between fellow Associates of C21AC are to be settled in-house, either by the parties, or in the event that they cannot reach agreement, will be resolved by the Broker and such decision will be binding on all parties. As independent contractors, Associates shall present all complaints or concerns of a personal nature directly to the Broker for resolution.

**L. POWER OF ATTORNEY** – C21AC Associates or Employees will NOT act as Power of Attorney for principles we represent in real estate transactions. Any exception to this policy must be pre-approved by the CEO/President of JNC LLC.

### **III. AFFILIATION**

**A. LICENSING** – C21AC is licensed to conduct real estate transactions in Florida. In order to establish and maintain an affiliation with C21AC, each Associate must maintain an active real estate license for the geographic jurisdiction in which he/she conducts business, and must comply with all associated requirements of holding a license in that jurisdiction. An Associate may hold an active real estate license in more than one of these jurisdictions and is responsible for all licensing and renewal costs and requirements but only with the express written consent of the broker.

**B. MULTI-JURISDICTIONAL TRANSACTIONS** – Administrative processing of transactions, regardless of the transaction property address, will be conducted in the Associate's primary branch under the same procedures as with local transactions. The listing agent is responsible for ensuring signage and all other materials used to market the property are compliant with the current regulations in the jurisdiction in which the property is located and that Brokerage contact information for property inquiries are directed to the C21 AC branch office with which the listing agent is licensed in the jurisdiction where the property is located.

**C. INDEPENDENT CONTRACTOR (IC) AGREEMENT AND COMMISSION SCHEDULE** – There must be on file an agreement between Associate and C21AC establishing the independent contracting of real estate services, consisting of an IC Agreement and a Commission Schedule fully executed by both parties. Failure to have an executed agreement at the time of a commission can result in the

forfeiture of any commissions earned at the sole discretion of the Broker. In the event that there is no agreement between the parties, the current C21AC IC Agreement and Commission Schedule will apply.

**D. COMPENSATION** – Associates will be compensated on a commission basis exclusively, consistent with their IC Agreement and Commission Schedule on file, and are paid on funds actually received by C21AC. See “Commissions,” Section VIII, for further details.

**E. REALTOR® MEMBERSHIP** – Each Associate must maintain membership in good standing in at least one Board/Association of REALTORS® as a means of also belonging to the National Association of REALTORS®, these membership costs being borne by the Associate. Associates are encouraged to maintain membership in the local Boards/Associations that represent the jurisdictions in which they regularly conduct business, so as to stay informed on issues of regional interest. This is highly recommended for Associates who have licenses in more than one state jurisdiction.

**F. MFRMLS** – Each Associate will subscribe to membership in the respective MLS that covers the geographical area of the office the associate is assigned. The Associate will maintain a membership in good standing and will bear all membership expenses.

**G. AWARDS** – C21AC is proud of its award-winning Associates and honors their outstanding performance by co-hosting an annual Awards event during which Associates also receive CENTURY 21 awards for the previous awards period. Costs associated with recognition of production milestones by Boards, Associations, or clubs to which an Associate belongs are borne by the receiving Associate. Associates are encouraged to reconcile all production reports regularly to ensure receipt of earned recognition by their local association. Below are the qualifying criteria for C21AC Awards.

<b>Gold Status</b> <b>\$1,000,000</b>	<b>Platinum Status</b> <b>\$2,000,000</b>	<b>Diamond Status</b> <b>\$3,000,000</b>
<b>Masters Status</b> <b>\$4,000,000</b>	<b>Masters Ruby Status</b> <b>AGC \$145,000-\$189,999</b> <b>Units 35-45.9</b>	<b>Masters Emerald Status</b> <b>AGC \$190,000-\$234,999</b> <b>Units 46-57.9</b>
<b>Masters Diamond Status</b> <b>AGC \$235,000-\$279,999</b> <b>Units 58-69.9</b>	<b>Centurion Status</b> <b>AGC \$280,000-\$559,999</b> <b>Units 140-209.9</b>	<b>Double Centurion Status</b> <b>AGC \$560,000-\$839,999</b> <b>Units 58-69.9</b>

H. **RISK MANAGEMENT INSURANCE** – C21AC maintains a risk management insurance policy that covers each Associate under specific situations. Associates pay C21AC for yearly coverage, the amount being due from the Associate upon the closing of each transaction. This insurance covers unintentional mistakes or errors made by a real estate professional while conducting real estate business and does not relieve the Associate of the necessity of being compliant with all requirements and obligations under law and practice. The policy contains a “Consent to Settle” clause and is binding on the part of C21AC and the Associate. Any costs of defense, judgment or settlement will be split between C21AC and the Associate according to the commission pay plan split in effect during the transaction in question. In the event that an action is not tied to a particular transaction, the costs will be split based upon that Associate’s most recent commission split. Costs incurred as a result of fraudulent, unethical or illegal Associate behavior will be borne entirely by the Associate. If a court rules differently regarding the division of costs or fines, C21AC

and the Associate will comply with the ruling. The carrier selects its own legal counsel, and if Associate desires additional legal representation this would be at the full expense of the Associate. To ensure protection, an Associate must immediately notify the Broker of any potential or actual lawsuit, notice or investigation being brought against C21AC or the Associate. Associates are to keep a written log of events and provide this information to C21AC upon request. If an Associate leaves C21AC, the premium paid for that year is neither prorated nor returned to the Associate. **See also Section VII, Paragraph E., C21AC's Risk Management Policy** requirements for Associates selling personally owned properties.

**I. OTHER INSURANCE** – Associates are required to carry auto insurance that lists JNC LLC, as an additional insured, with minimum coverage as follows: \$250,000 per person; \$500,000 per occurrence; property damage coverage of \$50,000; guest medical coverage of \$5,000; uninsured motorist of \$20,000 per person, \$40,000 per occurrence and \$10,000 for property damage. Associate will provide C21AC with a policy coverage certificate and will maintain a valid driver's license for his/her state of residency. Also, the Associate is strongly encouraged to maintain insurance that covers all of the Associate's personal belongings that are located at C21AC's Office or future Branch Offices since our policy doesn't cover these items.

**J. EMPLOYEES AS ASSISTANTS** - Sales Associates will not hire or otherwise engage the services of an Employee, licensed or unlicensed, (which includes but is not necessarily limited to any administrative Employee, contractor or staff person whose work responsibilities include supporting a sales Associate or group of Sales Associates) without first obtaining the written consent of the Broker for the office where the Sales Associate maintains his or her real estate license. When authorized to hire or engage the services of an Employee, it is the sales Associate's sole responsibility to take steps necessary to ensure that an Unlicensed Employee does not perform any act or engage in any activity for which a real estate salesperson's license is required. Unlicensed Employees must attend an approved Real Estate Class offered by a local Association of REALTORS® or other source approved in writing by CENTURY 21 AC's Principal Broker. Unlicensed Employees must complete such training prior to having substantive contact with existing or potential CENTURY 21 Alton Clark clients or customers. Additionally, the Sales Associate shall not allow an Unlicensed Employee to start work whatsoever until the Unlicensed Employee receives a briefing from the Broker which will include an acknowledgement of Century 21 Alton Clark policy concerning Unlicensed Employees specific to the jurisdiction where the Unlicensed Employee works (i.e. Florida). The completion of said briefing shall be evidenced by the signature of the Broker, the Sales Associate, and the Unlicensed Employee on the standard Century 21 Alton Clark Unlicensed Employee Form for the applicable jurisdiction.

**K. VENDOR AFFILIATIONS** – By virtue of an Associate's or Employees affiliation with C21AC, there are certain established vendor relationships to which associate has access. These service relationships are borne of the leverage and professionalism of CENTURY 21 internationally, C21AC locally, and a given C21AC office's jurisdiction. Associates and Employees are encouraged to take advantage of the quality service and frequently discounted prices offered to our C21AC customers/clients. More information is available on the C21AC Intranet and 21Online. Contact your Broker for more information on the vastness and advantages of these programs. Also, proper disclosure via the C21AC Affiliated Business Arrangement Disclosure must be given to every customer/client. It is important to note that Associates may not own, participate or otherwise derive benefit from a competitor of the C21AC affiliated vendors without written consent from the CEO of JNC, LLC, and without giving appropriate disclosure to every customer/client. Associates and Employees may not receive anything of value from real estate transaction service providers in exchange for the referral of business.

**L. INTER-OFFICE TRANSFERS** – Associates who seek internal transfer to another C21AC office must make written request through their Broker to the President or CEO of JNC LLC.

**M. LEAVING C21AC** – In the event that C21AC and an Associate or Employee terminates this affiliation, Associate or Employee will immediately return keys, access cards, company-owned signs, and all other property of C21AC, to include this Policy and Procedure Manual. Associate and Employee acknowledges and agrees that without the prior written consent of the Broker, the Associate or Employee shall not copy and then take any of the Broker's Confidential Information at any time during or following termination of this Agreement. Upon termination, the Associate or Employee shall promptly deliver to Broker all confidential information, contracts, offers, materials, documents, records, books, files, lists (including but not limited to customer lists), tapes, training materials, keys, pass cards, identification cards, reports, notes, memoranda, papers, manuals, software (including but not limited to listings and documentation related thereto), equipment, devices, and other repositories containing Confidential Information or in any way relating to Broker of any affiliate of Broker which are then in the Associate's or Employee's possession or control, whether prepared by the Associate or Employee or by others and including all copies thereof. This does not prohibit the Associate from keeping a copy of their Series 300 (Agent-generated Business) client/customer lists and the standard paperwork for a real estate transaction such as contract, HUD-1, survey, and related documents.

Any fees paid in advance by C21AC upon agent's termination will immediately be deducted from the agent's credit card on file. Failure to remit payment will result in Agent being sent to collections.

**N. NON-SOLICITATION OF EMPLOYEES AND INDEPENDENT CONTRACTORS.** During the term of their affiliation with C21AC and for a period of twenty-four (24) months thereafter, Associates or Employees shall not, directly or indirectly, employ, solicit for employment, or advise or recommend to any other person or entity that they employ or solicit for employment, any Employee or independent contractor of Broker or Broker's affiliates. Moreover, Associates or Employees shall not, directly or indirectly, employ, solicit for employment, or advise or recommend to any other person or entity that they employ or solicit for employment, any former Employee or former independent contractor of Broker or Broker's affiliates who has left the employment or relationship with Employer or its affiliates within 6 months before or within 24 months following the Associate's or Employee's notification of termination date.

**O. PAYMENT OF COMMISSIONS FOLLOWING TERMINATION** – The payment of commissions will be made in accordance with the current IC Agreement between Associate and C21AC. If the agent leaves C21AC with pending transactions scheduled to close, the agent will be paid according to the IC Agreement on file, minus any expenses incurred by C21AC to facilitate the closing out of the file. If in the sole discretion of the Broker, C21AC assigns an agent to work any pending deals to ensure proper client service, C21AC reserves the right to alter the commission due to compensate the newly assigned agent who aids in the closing. If any agent leaving C21AC that has pending transactions and is found to solicit C21AC Associates or make disparaging remarks is subject to having commissions completely forfeited to pay for potential legal action taken as a result of such policy violations.

If an agent leaving C21AC is a mentor, any mentor commissions that are pending are forfeited immediately upon termination as a new mentor will be assigned to complete the transaction.

**P. NEW AGENT ONBOARDING** – All Newly licensed agents that join C21AC are required to pay an onboarding fee of \$250. Any agents that can't afford the onboarding fee are to consult with their

supervision broker as we don't want anyone allowing this fee to interfere with their future. Below is a breakdown of the assets provided to all new agents.

- Name Tag
- Prof. Headshot
- Dotloop
- Temp. Cards
- Systems Entry
- 250 Bus. Cards
- Orientation
- Printed Manual
- Intranet System

Veteran Agents who join C21AC are required to pay an onboarding fee of \$150. Below is a breakdown of the assets provided to all Veteran Agents. Any additional assets requested by Veteran Agent can be provided but must be paid for in advance such as headshots, temp cards, etc.

- Name Tag
- Dotloop
- 250 Bus. Cards
- Systems Entry
- Intranet System

**Q. NEW AGENT TRAINING REQUIREMENTS** – All Newly licensed agents that join C21AC are required to complete one of two New Agent training programs. The two new agent training program options are “Create 21” in 21Online.com and “XLR8 New Agent Training” in Alton Clark University. Completion of either of these programs will satisfy the New Agent Training requirement. An associate can also choose to complete this requirement by attending live XLR8 Training Sessions as well. For agents who complete the live XLR8 New Agent Training course, agents must have trainers sign off on the “Live XLR8 Sessions Attendance Sheet” and then the agent must take the Create 21 “Final Exam” inside of C21 University located in 21Online.com or the XLR8 “Final Exam” inside of Alton Clark University. Upon successful completion of either course, agents are responsible for turning in their certificates and to their respective Mentors and Office Managers for placement in their personnel file.

**R. AGENT STANDARDS** – CENTURY 21 Alton Clark firmly believes in the growth and development of New Agents. From our years of experience, the only way that New Agents are able to succeed is if they're held accountable to professional standards. The industry standard for New Agents is that 89% will fail and leave the business within the first 3-5 years. In an effort to avoid this, C21AC has the following requirements of all New Agents. It should be noted that a “New Agent” is anyone who's newly licensed and/or hasn't completed at least 5 transactions (both buyer and seller sides). Agents coming from other brokerages who've completed their previous brokerages training course could possibly be exempt from this upon review of the thoroughness of that program by the Supervising Broker.

Agents who fail to complete one of the two required training courses within 4 months are immediately placed on “Probation”. Agents placed on probation are immediately reduced to a 50% commission split until their training is completed. Agents are then given an additional 60 days from the start of their probation to complete New Agent training or be subject to termination.

CENTURY 21 Alton Clark also believes that each agent that joins our firm whether part time or full time needs to have the goal of being a productive agent. New agents who join our firm are required to have (1) one closed transaction within a 6 month period of joining our firm. Agents who fail to close a transaction within the first 6 months are then placed on probation. A requirement of probation is that the “Probationary Agent” must successfully register and complete the CENTURY 21 XCellerate course within 60 days of being placed on probation. The goals entered into the XCellerate program are to be approval by the Agents Mentor or Supervising Broker if the agent doesn't have a mentor.



Each and every CENTURY 21 Alton Clark agent must maintain a “**Minimum Goal Standard**” of one million dollars in sales (\$30,000 GCI) for each year. Agents who fall below this threshold are subject to being placed on Probation and being required to take advanced training such as XCellerate to enhance their productivity. Agents who don’t meet the threshold and don’t participate in efforts such as XCellerate are subject to termination at the sole discretion of the Supervising Broker.

**S. MENTOR PROGRAM** – All Newly licensed agents that join C21AC are required to complete two transactions under the supervision of an assigned Mentor. Each agent must complete/close (1) one buyer deal and (1) listing deal. The New Agent will compensate the Mentor for each of these first two deals out of their commission in accordance with the “Mentor Agreement” schedule required to be on file.

**T. ANNUAL RENEWALS** – All CENTURY 21 Alton Clark agents are required to pay an annual membership fee of \$295. This fee pays for technology systems (Dotloop, Back Agent, Alton Clark University, XLR8 Podcast, Digital & Printed Listing Presentations, Sign Store, Dashboard, Wiki Page, Seller Net Sheets, Listhub, PFRE Tour, etc.) marketing and equipment enhancements and more. There are varying payment options but an agent must seek approval from the Supervising Broker before the deadline of July 31<sup>st</sup> of each year.

#### **IV. BRANCH OFFICE OPERATIONS**

**A. AUTHORIZED LOCATIONS** – C21AC has and will continue to establish branch offices throughout its marketing area for the convenience of consumers and the business use of its Associates. Locations and directions can be found on the C21AC dashboard. It is important to note that though it is acceptable for Associates to operate from “Home Offices” when appropriate, Associates may not use any commercial/retail space other than that of C21AC or its affiliates as a base for Associate’s real estate activities without prior written approval of the CEO and/or President of JNC LLC.

**B. SHARED ACCESS** – Associates wishing to use an alternate office are welcome to do so and should first give a courtesy notification to that Branch’s Office Manager. If your visit will extend beyond normal business hours also inquire as to any special opening/closing/lockbox instructions. Under no circumstances should an Associate assume that the host office can accommodate unaccompanied customers/clients. You are responsible for your guests.

**C. STAFFING HOURS AND HOLIDAYS** – Though C21AC’s offices are generally accessible to Associates, and consumers accompanied by an Associate, the Broker establishes the appropriate staff and staffing schedule for his/her office. Holidays on which C21AC offices are unstaffed are as follows in chronological order.

- New Year’s Day
- Memorial Day (Observed)
- July 4th
- Labor Day
- Thanksgiving Day
- Christmas Eve after 12 noon
- Christmas Day
- New Year’s Eve after 12 noon

**D. SECURITY** – Associates and Employees are asked to use good judgment in ensuring personal and workplace safety. Access keys are to be kept secure, and any loss is to be reported to the

Broker immediately. Replacement keys and access cards are provided at Associate expense. Keep the doors locked if you are in the office outside of normal, accompanied business hours, and park in a well-lit place. If you are the last to leave the office, confirm that the office is fully secured, HVAC turned off, and if you are the first to arrive in the morning and the office is not locked, report any irregularities to your Broker. Also, Associates should follow safe business practices in meeting customers/clients at any hour. Associates should consult their local and national REALTOR® Associations for recommended guidelines.

**E. OFFICE RECORDS** – All office files and records are confidential and must remain on-site in a securable, controlled-access environment. Files may not be removed without the prior consent of the Branch Leader.

**F. COMPANY ASSETS** – For the purpose of enhancing business development, C21AC has made certain equipment (computers, printers, copiers, scanners, faxes, phones, desks, etc.) available for Associates' and Employees' business use. Cell phones, laptops, or any other personal equipment will be purchased, maintained, and secured by the Associate. Associates and Employees are to use common sense and professionalism in the utilization of all company equipment. Display of pornographic or other offensive material is prohibited. Chat forums are prohibited unless expressly approved by the Broker. Using company assets in a manner that violates any laws or regulations is prohibited. Any use that risks the security of C21AC hardware, software or systems is prohibited. Streaming music, videos, and other activities that potentially consume large amounts of limited bandwidth is not permitted. Associate's client files should be stored on a disk or thumb drive, not on the hard-drive. Contact your Broker if you have any questions about the authorized use of items such as, but not limited to, computers, printers, scanners, copiers, fax machines, and phones. Equipment cannot be moved or modified (including program downloads, upgrades, installations, settings and "repairs") without the express permission of the Broker under the direction of the appropriate C21AC IT/Operations professional. In the event that an Associate or Employee violates these standards of use, any resulting costs will be charged in full to the Associate or Employee concerned.

#### **G. ADVERTISING AND MARKETING**

1. *Company-Generated* – A Branch Office may, from time to time, initiate advertising or marketing programs designed to enhance the business of C21AC and its Associates. These opportunities are overseen by the Broker and comply with all laws and regulations for real estate marketing.

2. *Associate-Generated* – Associates wishing to advertise properties or generate personal marketing materials must obtain prior Broker approval of all drafts/proposals. Marketing designs must comply with all CENTURY 21 and licensee standards. Refer to the CENTURY 21 Ad Pac, as well as the Fair Housing regulations and REALTOR® Code of Ethics for specific guidance.

**H. COPIES/PRINTING** – C21AC copiers are provided for the day-to-day business of duplicating agreements/contracts and their accompanying addenda, and are not designed for the generation of items in bulk quantities. Agents are provided 100 black and white copies monthly and any overages will result in a .05cents per page charge. All color copies will be charged at a rate of .10cents per page. Any outstanding copy bills will be charged to the credit card on file. If there are any outstanding copier bills at the time of commission disbursement, the copier bill will be deducted from the agent's commission. Any and all such deductions from an agent's commission will be noted clearly on an agents check.

**I. POSTAGE** – C21AC will not pay postage connected to the specific marketing of listings and/or sale of C21AC properties without the express written consent of the Broker. See the Broker or office manager for details. Associates bear the expense for specialty, overnight or courier deliveries and for all mailings.

**J. PHONE USE** – Telephones and long distance service are provided for business use. Personal long distance charges are at Associate and Employee expense. Personal calls should be kept to a minimum to keep the lines open. Calls may not be placed to 900 or 900-type phone numbers. When making calls to past or prospective clients, Employees and Associates are responsible for compliance with Federal Communications Commission regulations relative to the National Do Not Call Registry currently in effect. Questions regarding compliance should be directed to Office Managers or Branch Leaders prior to initiating marketing calls.

**K. PAYMENTS** – All agents are required to have a valid "Credit Card Authorization" form on file for fees owed or for services requested. The only other acceptable forms of payment besides Credit or Debit are Check or Money Order payable to CENTURY 21 Alton Clark. If paying by check and the check bounces, a \$35 check fee will be charged to the Credit Card on file and the outstanding balance will also be charged with the Credit Card on file.

**L. PAPERWORK/CONTRACT COMPLIANCE** – All agents with an executed contract or executed listing agreement are required to turn in all documents within **3 Business Days** of execution to their respective Office Administrator. This requirement aids in the detection of compliance issues as well as allows the company to accurately forecast production. Failure to submit all executed paperwork within 3 business days is subject to a **\$50** administrative penalty that will be immediately charged to the agent's credit card on file.

## V. LISTINGS

**A. TYPES** – Exclusive Right to Sell/Lease/Represent Buyer are the preferred types of listings. Any other type (Open, Exclusive Agency, etc.) must have prior Broker approval before accepting from a customer/client. All listings should be submitted for managerial review within two (2) business days of Seller/Landlord/Buyer/Tenant signature. Failure to submit listings for review in accordance with this policy will result in a \$100 admin fee.

**B. LISTINGS OUTSIDE THE BRANCH OFFICE SERVICE AREA** – An Associate who obtains a Listing outside his or her service area is urged to share the listing with a C21AC Associate who services that area. The second Associate will service the listing and be compensated following settlement of the listing. With regard to shared compensation, both Associates are to have a signed, written Agreement, approved by both Branch Brokers, which will be made part of their branch's file copy of the transaction paperwork.

**C. LISTINGS OUTSIDE THE COMPANY MARKET AREA** – C21AC Associates will not list or be involved in selling properties outside our market area without prior written approval of the Broker after jointly determining the Associate's ability to properly service that market area. Opportunities well outside our market area should be referred to a Century 21 Office that services that area for assistance.

**D. LISTING PERIOD** - As good business practice, Associates should strive to obtain a six-month listing, at a minimum. In the event the Seller/Landlord/Buyer/Tenant wishes to terminate an Exclusive Right Agreement prior to the end of the Listing Period, without good cause, C21AC may release Seller/Landlord/Buyer/Tenant upon receipt of a \$1,000 fee for services/expenses. The Broker has sole discretion in waiving or reducing this \$1,000 fee and the entire amount of this fee belongs to C21AC. If the Listing Agent charges a "Cancellation Fee" in the listing agreement, they are eligible to receive these funds in full so long as the Agents account is in good standing.

## **E. SELLER/LANDLORD LISTINGS**

1. *Forms* – As a matter of sound business practice, Associate will use only authorized Exclusive Right to Sell/Lease Agreements and all required disclosures/disclaimers. Though it is the Associate's responsibility as a professional to ascertain what forms are relevant, the Broker should be consulted if there is any question or confusion. Any modifications or exclusions must first have the approval of the Broker.

2. *Signs* – Unless specifically prohibited by a jurisdictional authority or in writing by the Seller/Landlord, a company post or metal bandit sign should always be installed in compliance with the Branch Office procedures. Signage must comply with CENTURY 21 and C21AC identity standards. Sign installation request must be submitted three days prior to a listing going live in order to ensure the sign is installed in a timely manner. One main sign panel installed on the property is paid for by C21AC. All additional sign install requests require a prepaid **\$60** fee per sign which will cover the installation and removal of each additional sign. Proper placement of signs must be specified on the sign install form. Any requirements of sign installers to return to the property due to lack of clear instructions on the part of the agent will also incur a **\$60** fee to be paid immediately upon request.

3. *Lockbox* – With the written permission of the Seller/Landlord, a lockbox should be installed at a property upon receiving the signed listing and key. Associates are responsible for monitoring their lockboxes, the key therein, and reporting any usage irregularities to the Broker or appropriate Board/Assn. of REALTORS®.

*MFRMLS Entry* – Unless otherwise directed in writing by the Seller/Landlord, Associates are responsible for ensuring that listing information is entered into the MLS system within the required time frame, according to established office procedure. Associates also bear ultimate responsibility for ensuring the accuracy and currency of the listing data, and are solely responsible for any fines or fees levied in response to action or inaction on the part of the Associate. Any errors resulting from improper entry by C21AC that result in loss of commission will be the sole responsibility of the Associate. The importance of checking all listings entered for accuracy cannot be understated enough.

5. *Seller/Landlord Notification* – In keeping with our commitment to greater service, Associates should regularly update each Seller/Landlord as to the activity on a property; a minimum of once weekly is recommended. All associates are encouraged to utilize the Golden Ruler tool to provide a greater level of communication with clients.

6. *Ordering Work* – Associates are not authorized to order repair or maintenance work on a listing without specific prior written approval of the property owner. Associates will bear full responsibility for payment for unauthorized work as well as the liability for taking unauthorized actions.

7. *Key Security* – Associates are encouraged to keep on hand a spare key to each listing, should the lockbox malfunction and there be an immediate need for access. Associates are to follow good security procedures and should not label keys with readily available addresses or store keys in an unsecured manner.

8. *Marketing* – All associates are provided a professional photoshoot and HD walk through video tour (*not guaranteed on all listings due to weather, condition, etc.*) of each listing above **\$199,999**. The photoshoot will consist of 25 daytime photos of the exterior and interior of the home using Professional DSLR cameras. The photos will be delivered in both print and web ready formats. The video walk through tour will consist of HD Video shot on DSLR cameras and consist of shots of each

room throughout the house. The video will be set to music and be branded to C21AC and the agent. **It is required that the agent be present and in the videos performing/speaking an introduction and conclusion as one of the primary reasons videos are provided are to aid in the branding of C21AC and the listing agent.** Associates not wishing to be on camera will only receive the listing photoshoot consisting of 25 daytime photos.

Associates wishing to have our multi-media specialist perform additional work such as the shooting of community videos or twilight photoshoots will be charged according to the fee schedule that follows. The time needed to complete these tasks will be determined solely by the multi-media specialist. Requests for 3D scans utilizing the brokerage's 3D Matterport Camera will result in a \$100 fee for any properties under \$400K. Any requests for additional services must be communicated to the multi-media specialist at the time of the initial scheduling of the shoot. Last minute requests will only be honored if the multi-media specialist schedule permits. Payment for additional services will be rendered prior to the shoot and charged to the agents on file credit card. Associates are unable to check out the 3D Matterport Camera and perform their own 3D scans.

For properties that are listed under **\$199,999** or under, and for a minimum 2.5% commission qualify for the agent to check out a Professional DSLR photography kit assigned to their office. Each office is provided a Professional DSLR camera with super wide lens and external flash for use in documenting real estate properties only. Agents who shoot properties in the range of **\$100,000-\$199,000** are eligible to also provide the captured photos to the C21 AC Marketing Department who will then Professionally Process the photos and return them to the agent.

It is the responsibility of each associate to ensure that their listing is ready for a photo and video shoot. Properties that are scheduled for a shoot and unable to be shot upon our arrival due to poor appearance, owner request, etc. and require our specialist to return will result in a **\$150** reshoot fee for properties under **2,500** square feet and within **20** miles of the listing agent's assigned office. The cost to reshoot a property above **2,500** square feet and/or beyond 20 miles from the office will be dependent on the living square footage of the home and/or the distance from the office and quoted by the Multi Media specialist prior to scheduling the shoot in question. If we are unable to perform the reshoot in a reasonable amount of time or the agent doesn't wish to pay for a reshoot, it then becomes the responsibility of the Associate to handle having the listing marketed at their expense. Any fees incurred/agreed to by the agent to reshoot a property are immediately charged to the credit card on file.

Due to a high demand placed on our Marketing Department, the cancellation of listing shoots isn't an allowable practice as cancellations adversely affect other Agents wishing to have their listings shot in a timely manner. The consistent rescheduling of shoots also places additional burden on the staff which takes them away from servicing other Agents and clients. Therefore, each agent is allowed to reschedule a listing shoot (1) one time. Any future requests to reschedule a listing shoot regardless of the reason will incur a **\$50** charge due at the time of the rescheduling. **Please also note that no shoots can be scheduled without a signed listing agreement. Agents are encouraged to sign all listing agreements with sufficient time before the contractual "Listing Start Date" to allow for the scheduling and shooting of their listing.**

For listings that are withdrawn, cancelled, or expire where the agent doesn't collect the mandatory **\$1,000** Marketing Reimbursement from the client, the marketing expense (photos, video, drone, 3D Matterport, excess miles beyond 20 mile standard, etc.) incurred by the company for that listing will at that time be passed onto the Agent and debited against their account. Any outstanding fees will be taken out of the agent's next commission check or immediately charged against their credit card on file upon termination. The fee schedule is as follows:

**Photoshoot: \$150**  
**Aerial Video & Photo: \$50**  
  
**Community Photos: \$125**  
**Virtual Staging: \$32/Photo**

**HD Video Tour: \$150**  
**Excess Mileage over 20 Miles**  
**at .545 cents a mile**  
**Community Video: \$125**  
**Teaser Video: \$30**

**3D Matterport Tour: \$100**  
**Twilight Photos: \$125**  
  
**Written Description: \$30**  
**Photo Processing: \$35**

It should be noted that agents using the “**Smart Seller**” program or where they agree in the form of an addendum or in additional terms to allow a client to cancel/withdraw a listing without fees will result in the Listing Agent being responsible for the marketing expenses incurred for the listing as detailed in the chart above.

**Agents who earn more than 89% as a commission split are solely responsible for all listing marketing unless express written consent is given by the Supervising Broker in the form of an addendum to the Agents IC Agreement or Listing Agreement.**

## **F. BUYER LISTINGS**

1. *Forms* – As a matter of sound business practice, Associates will use only authorized Exclusive Right to Represent Buyer Agreements and required disclosures/disclaimers. Though it is the Associate’s responsibility as a professional to ascertain what forms are relevant, the Broker should be consulted if there is any question or confusion. Any modifications to or exclusions of standard forms must first have the approval of the Supervising Broker.

2. *Buyer Notification* – Associates should maintain frequent contact with all represented Buyers (weekly, at a minimum) and are to provide them regular, detailed updates on markets and properties.

**G. RENTAL APPLICATIONS** – For CENTURY 21 Alton Clark listings, Associates should instruct applicants to submit two separate instruments in certified funds as follows:

1. One made payable to CENTURY 21 Alton Clark for an amount equal to a full month’s rent. This check will fund commissions due from the property owner to Alton Clark and cooperating brokerages per the Exclusive Right to Lease Agreement. The Memo line may show the property address or simply indicate that it is for “rent.” It shall NOT reflect that it is a security deposit because security deposits are forwarded to the owner along with appropriate tax forms showing that payment was made, and...

2. One made payable to the property owner or his management representative for the Security Deposit in the amount and terms specified in the listing service. Agents working with tenants should contact the listing agent or property manager prior to submitting rental applications to ensure the proper amounts and methods of payment.

*NOTE:* Costs associated with performing credit worthiness and other background checks shall not be included in these amounts. Contact the listing agent or property manager for instructions prior to submitting the application.

## **VI. SALES AND CONTRACTS**

**A. FORMS** – As is consistent with good business practice, all contracts and accompanying documents are to be completed and executed properly. Only FAR/BAR authorized contracts,

addenda, disclosures/disclaimers, etc. will be used. Any exceptions or modifications must have prior approval by the Supervising Broker. This is not to imply that an Associate cannot make written changes to an existing approved form in order to meet the needs of the transaction. Associates have the full responsibility of ensuring that all parties have signed/initialed as needed and that ratified contracts are submitted to their Branch Office within one business day of ratification. Associates should ensure that the signatory always receives an immediate copy of that which was signed/initialed, regardless of the stage of offer / counter offer / ratification. All terms of any agreement or offer must be in writing, and Associates should also properly document the events affecting such offers or agreements. Associates are also instructed to not author Addendums that would be considered the practice of law. In those instances, Associates are directed to consult with the Supervising Broker or refer the client to a Real Estate Attorney who can legally draft an addendum that materially changes the terms of the executed contract.

**B. PRESENTATION OF OFFERS** – As stated earlier, Associates are to comply with all applicable regulations relative to cooperation with other Brokers, timely presentation of offers and counter offers, and the continued presentation of offers until notified otherwise by Seller. Consult your Broker if you have any questions. In the instance of Multiple Offers, Associates will notify the Seller of the existence of all offers, and presentation will be made at one time, individually in the order in which the offers were received/registered, unless otherwise instructed by the Seller.

**C. WITHDRAWING OFFERS** – Withdrawing an offer or counter-offer should be accomplished according to the same delivery and notification methods already specified in the offer to purchase. In the case of withdrawing an offer or counter offer, written notice of withdrawal must be properly delivered prior to the withdrawing party's receipt of a written full acceptance of terms, also according to the delivery instructions specified in the offer to purchase. It is usually equally prudent to give immediate verbal notification to the licensee working with the other party, but should you have any reservations please contact your Broker immediately. Regardless of verbal notification, written notification must be given. Earnest money checks may not be released without the authorization of your Broker even if you are certain that you have a legally binding withdrawal.

**D. RATIFICATION** – An agreement to sell/purchase is ratified when all parties have mutually agreed to all terms, have indicated their agreement by hand-written or electronic signature/initial, and copies of the mutual and full agreement have been delivered to all parties in accordance with the delivery instructions contained in the offer to purchase. It is at this point that an Associate must submit the contract, and any accompanying addenda to the office administrator within (1) one business day. In the event the Associate anticipates a delay in receiving a copy of a ratified contract (such as with new homes), Associate should submit completed transaction cover sheet and any casework in his/her possession to the office administrator, making note that "contract to follow."

**E. EARNEST MONEY DEPOSIT (EMD)** – Associates should attempt to obtain the largest deposit possible to ensure the compliance of all parties as well as to sufficiently serve as potential payment/deposit for litigation surrounding escrow disputes. Earnest money must be submitted to the Title Company stipulated in the offer for sale/purchase, except for Short Sales in which case the Short Sale Addendum may specify different instructions, which must be agreed to and signed by both Buyer and Seller. Associate should never accept a check made out to Century 21 Alton Clark as a deposit.

**F. SERVICING A RATIFIED LISTING** – Where permitted by local zoning authority, it is strongly recommended that an "Under Contract" or "Pending" sign rider be added to the property signage at the point of "Contract" status as defined in the MFRMLS regulations, doing so in

accordance with Office procedures. This lets the public know that we are selling homes and makes them more inclined to use us for their real estate needs. Lockboxes should be removed as soon as is practical. Associates are ultimately responsible for ensuring that their MFRMLS listings are accurately updated to reflect the new ratified status.

**G. CANCELING A CONTRACT** – The method by which a written mutual agreement is modified/canceled is by subsequent written, mutual agreement. Use only the authorized Release of Contract form for your jurisdiction. If you have any questions on the proper form consult your Supervising Broker without delay. Earnest money will not be returned without a release that is signed and agreed to by all parties to the transaction. If the parties will not sign or cannot agree, consult your Supervising Broker for the recommended course of action. All Associates involved in a release of contract will act accordingly to ensure swift execution of any releases and not use them as leverage to secure other sales.

**H. PROPERTY ACCESS PRIOR TO SETTLEMENT** – Frequently the buyer will request access to the property prior to settlement for the purpose of measuring rooms, etc. This should be addressed via appointment and approved by the Seller. At no time should the keys be released to the purchaser without supervision. Occasionally the buyer will want entry to a vacant property prior to settlement in order to paint, redecorate, etc. And, there are times when a buyer will request occupancy prior to settlement. If the seller is willing to agree to the request, there should be a written agreement between both parties outlining the terms and conditions for the agreed-to access. All parties must sign the Agreement and a walk-through inspection of the property must be completed before giving the keys to the buyer. The buyer should then become responsible for any damage or breakdown of equipment from the date of the agreement forward. If you have questions, your Broker can indicate the appropriate Purchaser's Pre-Occupancy agreement, for your jurisdiction. These are delicate situations that require detailed adherence to sound business practice, and if presented as an option, should be recommended against. Lastly, at no time should an agent ever give a client access to a lockbox or property and agent should always be present when clients wish to visit properties.

**I. PRE-SETTLEMENT WALK-THROUGH** – In all circumstances Associates are urged to provide for a contractual right for a purchaser to view a property prior to settlement to ascertain whether repair and continuing maintenance obligations have been met. Associates must obtain a written acknowledgment from the Buyer prior to settlement if Buyer elects to waive his/her right to a pre-settlement walkthrough. Discrepancies should be documented and notification delivered to the Seller prior to closing. In the event that agreement cannot be reached on the remedy for any noted items, consult your Broker for the customary courses of action in your jurisdiction.

## **VII. PURCHASE/SALE OF ASSOCIATE'S PROPERTY**

**A. LISTINGS** – In the sale of an Associate's personal property, if that property is located in C21AC's marketing area, it must be listed with C21AC. As with all other transactions, personal transactions must comply fully with all applicable rules and regulations. If the Associate has previously closed **\$30,000** of GCI in the previous 12 months, no company dollar will be taken from the sale of associate's property so long as the agent doesn't receive compensation for listing their home. The Agent must show proof of the property being listed in their name or in the name of a company of which the Agent is a registered manager/member of in state records. Agents listing their own home for sale must also submit a "Royalty Waiver" form to CENTURY 21 in order to avoid paying a franchise fee. The approval of the "Royalty Waiver" is at the sole discretion of CENTURY 21 and must be acquired prior to closing or the fee will be charged. Please see CENTURY 21's policy and procedure manual located in 21Online.com the most up to date rules concerning Royalty



Waivers. It should be noted that the standard "Additional Commission" charged by C21AC is due on all transactions, regardless of whether the agent owns the property.

For Agents who haven't met the required rolling 12 month **\$30,000** GCI threshold, a minimum **2.5%** "**Listing Side Commission**" must be charged for the listing of their property. The Agent will be compensated according to their IC Agreement and for the amount remaining after splits, Agents have the ability to direct their splits/funds to be paid towards their closing costs and pre-pays. All agents are to be aware that CENTURY 21 "Royalty Fees" will be taken on any deals where associate is awarded/receives a commission. All other policies related to marketing of properties applies.

For Agents wishing to list and sell their personally owned properties who haven't completed the required "Listing Transaction" required by the Mentor Program, a "**Listing Side Commission**" of 2.5% must be charged for the listing of their property. The assigned Mentor will be paid as per the current Mentor Agreement and this transaction will count towards one of the required transactions. The Agent is allowed to direct the remaining commission after their company and mentor splits to be paid towards their closing costs and pre-pays. All agents are to be aware that CENTURY 21 "Royalty Fees" will be taken on any deals where associate is awarded/receives a commission.

**B. DISCLOSURE AS LICENSEE** – As mentioned previously, Associates are professionals and must comply fully with all federal, state, local, and association rules and regulations. This includes giving appropriate, timely disclosure regarding Associate's status as a principal to a transaction or offer, or Associate's close business or professional ties to principals in a transaction or offer. Please consult your Broker if you have any question about the disclosure obligations for your situation and jurisdiction. Associates will use authorized forms for all situations and make all proper notifications.

**C. COMMISSION WAIVER** – Associates who have generated a minimum of \$30,000 GCI over the previous 12 months are eligible for waiver of the commission amount that would be due C21AC for two personal transaction sides per calendar year. The Associate's name must appear on the deed for the waived side(s) of the transaction, and full commission is due C21AC for the non-exempt side of a two-sided transaction. Associate pays C21AC the standard "Additional Commission" per waived transaction side plus C21AC costs including (when applicable), but not limited to, CENTURY 21 Royalty Fee, sign installation/removal, photography, videography, 3D Matterport scan, advertising, etc. All marketing expenses incurred with the marketing of an Agent owned property are the sole responsibility of the Agent. Agents are encouraged to contract the services of our in house Multi Media specialist, however, payment for services rendered is due prior to scheduling shoots. Agent approved marketing expenses incurred for their properties will be deducted at time of scheduling from the credit card on file.

**D. INCENTIVES FOR PERSONAL HOME PURCHASE** – During the personal home-buying process, sales Associates and Employees may be eligible for additional incentives as a result of using C21AC-affiliated entities such as loan origination, title and escrow, home inspection, insurance, and more.

**E. C21AC's Risk Management Policy** requires that all the following conditions are met on the sale of residential property by an insured Associate who is the owner of such residential property:

- a.** A seller disclosure form was signed by the Insured and acknowledged in writing by the buyer prior to closing;
- b.** An accredited written home inspection report was issued or waived in writing by the buyer, and...
- c.** A state or local board-approved standard sales contract was utilized.

## VIII. COMMISSIONS, FEES, AND BONUSES

**A. COMMISSION RATES** – The following are the standard rates charged by C21AC:

- Residential Exclusive Right to Sell 6% of Sales Price plus \$395
- Residential Exclusive Right to Represent Buyer 3% of Sales Price plus \$395
- Land Exclusive Right to Sell 10% of Sales Price plus \$395.
- Land Exclusive Right to Represent Buyer 5% of Sales Price plus \$395 or what is offered in the applicable MLS, whichever is greater
- Residential Exclusive Right to Lease One Full Month's Rent
- Residential Exclusive Right to Represent Tenant 25%/50% of One Full Month's Rent or what is offered in the applicable MLS, whichever is greater.

These rates apply to all C21AC transactions and cannot be adjusted, modified or reduced without the prior **written authorization** of the Broker. In the event that a commission is reduced without prior authorization, it is understood that the company will retain its portion of the commission from the company commission rate of **3%** per operative side plus the Company portion of the standard additional commission. Commission credits also require prior written approval from the Branch Leader. If credit is given without the appropriate prior written authorization, the credit will be taken from the Associate's portion of the commission.

**COMPENSATION FOR COOPERATING BROKERS** – For properties on which we have an Exclusive Right to Sell, or Exclusive Right to Lease Agreement, Associate must specify in the listing agreement the amount to be offered to a cooperating broker. Co-op broker commissions are never payable until C21AC has first received good funds. For transactions where we represent a "short sale" Seller, or with any transaction where there is a potential reduction in commission by a third party approver, the cooperating broker shall be offered 2.5% in the MLS. In cases where the approving lender does NOT subsequently reduce the commission, C21AC will have earned 3.5% and the selling broker will have earned 2.5% as offered in the MLS. In such cases, Associates will be paid their established split on the additional commission. In no case is the Associate authorized to agree to pay more commission to the selling broker or accept less commission from the listing broker than the amount listed in the MLS without specific prior written authorization of the Broker.

**B. ADDITIONAL COMMISSIONS** – The C21AC commission rates listed above include a \$395 additional flat rate commission **to be charged to the represented seller/buyer**. Please note that with the exception below, this amount is due to the broker regardless of whether the client was charged. If an agent fails to collect or the client refuses to pay the Additional Commission, the agent will be responsible for a payment of \$295 to be taken from proceeds of the closing. When the agent fails to collect and the Agents net commission, prior to this deduction, is less than \$1,250, the agent only owes \$150.

***It should be noted that agents aren't allowed to charge their clients for the mandatory per transaction side \$35 E&O fee.***

**C. BONUS INCENTIVES** – All bonuses received by the agent are paid as a regular commission and in accordance with their IC agreement. Bonuses will count towards production levels which are used to set commission structures.

**D. RETAINER FEES** – Retainer Fees are to be held by C21AC in accordance with an executed buyer's agreement. If retainers fees are to be made a part of a commission, they will be credited toward Associate GCI and paid at the Associate's split as per their IC agreement.

**E. REFERRAL FEES** – Fees payable to an outside brokerage for referring a transaction side are deducted off-the-top before commissions are disbursed, and are not credited as Associate GCI.

**F. DISBURSEMENT SCHEDULE** – C21AC disburses Associate commissions twice weekly (Monday's & Thursdays), exclusive of holidays or circumstances beyond its control. Checks received by the office before 12pm on scheduled disbursement dates will be processed on that date. Checks received after 12pm on a scheduled disbursement date will be processed on the next scheduled disbursement date. Settlement company checks, money orders or cashier's checks, which are accompanied or preceded by complete casework (to include a final HUD submitted to the transaction team), will result in the disbursement of Associate commissions. Any fees received in the form of a personal check must have cleared prior to any disbursement (deemed to be ten business days from deposit date unless copy of cancelled check is provided). If fees are received prior to the settlement of a property (such as retainer fees), disbursement will occur at settlement. In the instance of retainer fees received for which no property is located or settled, but for which fees are non-refundable, disbursement will occur at expiration of the agreement. Commissions are disbursed against received funds. No disbursements will be issued until all required documents are included in the transaction management file and approved by the Broker.

If an agent wishes to receive "**Table Funding**" where they are to receive their commission at closing, all required paperwork is to be submitted for review (3) days prior to closing. Paperwork submitted for review must be approved and devoid of any errors in order for an Agent to receive table funding. Agent submitting for "**Table Funding**" must ensure that all signatures, initials, and proper paperwork are 100% correct or the closing will be processed following the standard disbursement schedule.

***It should be noted that no checks will be disbursed until all paperwork is properly completed with all required signatures, initials, contracts, disclosures, and required addenda and marked as approved by Compliance, Office Admin, or the Broker. Once all proper paperwork is submitted, checks will be issued in accordance with the disbursement schedule.***

**G. COMMISSION ADVANCES** – Associates desiring an advance on a future commission have the following option:

- C21AC has established a Broker account with eCommission allowing an Associate access to the lesser of 40% of the gross commission or 50% of the Associate's anticipated portion of a given transaction's gross commission. Any Associate who anticipates use of this service should first establish an account by registering online at [www.ecommission.com](http://www.ecommission.com). When registering, an Associate must enter their office's main telephone number when prompted for a broker phone number.

Having registered, an Associate needs only to apply for an advance by accessing his/her eCommission account via [www.ecommission.com](http://www.ecommission.com), and completing all requested information. eCommission will then fax a commission agreement for the Associate's signature, and for signed authorization by the Broker. Once completed, your Broker will forward the commission agreement, along with a copy of the sales contract to the Finance and Accounting Department for Executive Approval. Upon final approval by eCommission, the Associate will be notified and the funds will be disbursed in the manner selected by the Associate (e.g.: electronic funds transfer, overnight courier). Please refer to the eCommission web site, or call 1-877-88-AGENT for questions regarding associated fees and time frames.

**H. RECRUITMENT BONUS SCHEDULE** – Below is a breakdown of the potential bonuses agents can earn for aiding in the recruiting of both New & Veteran Agents.

**\$100 when agent joins/signs with firm\***

**\$100 / 1-5 closings (\$500)\*\***

**\$150 / 6-10 closings (\$750)\*\***

**\$200 / 11-20 closings (\$2000)\*\***

**\$250 / 20 closings and above (unlimited)\***

**20 closings equals \$3,350 in incentives**

All closings must be in the agent's first year of service. In order to be eligible to receive this bonus, referring agent must be present for an interview with the Broker or Recruiter and is responsible to completing the on boarding paperwork with the new agent.

*\*Sign on bonuses will be paid upon first closing*

*\*\*Additional Bonuses will be paid at the time of each closing*

*\*\*Additional Incentives – for agent with 3 million in closings in previous 12 months a \$500 bonus will be paid on their first closing.*

**H. DISCOUNTS/CREDITS** –Discounts/Credits are identified as funds given to the client from the Agent and can only be given in the form of a contribution towards the clients closing costs and pre-paids. All discounts (except *Heroes Initiative*) are taken from Agents portion of their split. No discounts/credits are allowed if there is a referral fee due to another agent or if the client is receiving a contribution as a result of the Heroes Initiative without the express written consent of the Supervising Broker.

**I. HEROES INITIATIVE** – In an effort to acknowledge the service and dedication of our community and countries Heroes, we offer the “Heroes Initiative” which is a 20% rebate of the “Gross Commission” given to the client. This rebate can only be given as a contribution towards their closing costs and pre-paids or in the instance of a seller to reduce the commission paid to C21AC. If a client is unable to receive the full rebate due to receiving other contributions, then the remaining amount that would be due under the Heroes Initiative is voided. No portion of this or any rebate is allowed to be paid outside of closing.

The Heroes Initiative is not allowed to be offered if there is a referral fee due to another agent or agency. The Heroes Initiative is also not allowed to be offered to a client that is a company generated lead. Agents still in the “Mentor Program” are also not allowed to offer the Heroes Initiative to their clients. Errors made by the agent concerning the amount of this rebate or when it can be applied will be taken out of the agents split or future closings if necessary.

The minimum allowable commission on a “Buy Side” transaction for agents to offer the Heroes Initiative is **2.5%**. When listing properties for sale, agents are allowed to offer up to **20%** of the “Standard Listing Commission” as described in Section VIII(A) which is **3%** for the listing side. The maximum allowable contribution to be paid towards a client under the Heroes Initiative is **\$5,000**. Any deviation from this policy is only allowed under the express written permission of the Supervising Broker.

**J. COMPANY GENERATED LEADS** – Company generated leads are defined as those created by the company and can come in the form of sign calls, office calls, online leads, and office walk in's.

a. Walk In's: A client who walks into the office seeking the assistance of a real estate professional is considered a "Walk In". All such "Walk In" leads require a 25% referral fee to be paid to the office.

b. Sign/Office Calls: All brokerage listings where the agent doesn't have an approved custom sign will use the company provided sign with office number. The listing agent in question is suggested to have a 2 line name and phone number rider to encourage clients to call them directly. In the instance where calls for this listing come to the company, one attempt will be made to transfer the lead call to the listing agent. If the listing agent doesn't answer their phone, then the listing lead then becomes the property of C21AC and will be distributed to an on duty team member where the lead can be transferred live in an effort to avoid losing business.

c. Online Leads: All online leads provided to agents via any online platform requires a 25% referral fee to be paid to C21AC unless agent is already on a Schedule 1 Agreement which will supersede this policy.

## **XI. COMMERCIAL REAL ESTATE**

**A. COMMERCIAL DEFINITION** – The definition of what is considered "Commercial Real Estate" is anything that is any non-residential property used for commercial profit-making purposes. **Commercial Real Estate** includes stores, malls, **office** buildings, and industrial parks. Commercial will also include vacant land over 5 acres.

**B. REQUIREMENTS TO SELL** – The business of selling Commercial Real Estate is a complicated one that brings tremendous liability onto a client, agent, and a company. As a result, below are the requirements of agents who are able to sell Commercial Real Estate.

- Must be licensed/active for 1 Year selling residential real estate
- Pass interview with Commercial Director of Assigned Office
- Achieve the ACA Commercial Designation

Agents seeking to work Commercial that have sold commercial in the past must meet the following criteria.

- Have 1 Year of Commercial Real Estate Sales at another brokerage
- Pass interview with Commercial Director Of Assigned Office