

April 1, 2022

To: All Southeastern Residential Agents and Associates

Re: Commission Compensation and Sales Policy and Procedure Manual Amendment.

It is the *mission* of Southeastern Residential to build an environment that attracts and retains a team of quality real estate professionals and assists them in being exceptionally productive and profitable in the Greater Augusta and the CSRA market. This environment is based on a commitment to and responsibility for the highest standards of performance, trust, and customer service. Certain standards of productivity and professional practice should be maintained by persons associated with the Company.

The office policies and procedures are provided to be the standard operating procedures of Southeastern Residential and to be used as a guide in your day-to-day operations as a member of this company. It is the responsibility of each Associate to keep abreast of all policy changes and to understand the policy set forth.

The following amendments have been approved and made a part of the Southeastern Real Estate Group, LLC & Southeastern Residential, LLC Agent Policy and Procedures Manual.

- Agent Commission
- Education
- Advertising and Marketing Policy
- Lead Generation and Relocation
- Agent Personal Real Estate
- Agent's Handling Rental Property
- Termination

If you have any questions, please don't hesitate to discuss with Kelly.

Southeastern Residential, LLC

Residential Real Estate Commissions

NOTE: THE STANDARD COMMISSION SCHEDULE SHALL NOT APPLY TO NEW HOME SITE SALES, LEAD GENERATION REFERRALS AND/OR COMPANY MANAGEMENT REFERRALS. PLEASE SEE SPECIFIC SECTIONS IN THIS MANUAL FOR EACH OF THESE RESPECTIVE COMMISSION / FEE STRUCTURES.

Standard Commission Schedule:

<i>Tier</i>	<i>Agent Net Commission</i>	<i>Agent Split</i>	<i>Company Split</i>
Tier 1:	\$ 0 to \$20,000	50%	50%
Tier 2:	\$20,000 to \$75,000	70%	30%
Tier 3:	\$75,000 and over	80%	20%

This Commission Schedule will be based on the total commissions/compensation paid to the agent for the prior 12-month period. Tiers shall be assessed at the end of each quarter and all commissions paid in the subsequent quarter will be based on the total commissions earned in the trailing four quarters.

- Trailing Four Quarters defined:
 - Jan 1st – Dec 31st, this period determines the tier for the 1st quarter of each year.
 - Apr 1st – Mar 31st, determines tier for the 2nd quarter.
 - July 1st – June 30th, determines tier for the 3rd quarter.
 - Oct 1st – Sept 30th, determines tier for the 4th quarter.
- Commission tiers are adjusted after the month closes in March, June, September, & January.

Company / Management Referrals: Commissions earned from a company or management referral shall be subject to a 50/50 split between the agent and Company, unless otherwise agreed upon in writing with management.

AGENT / COMPANY EXPENSES

- **Board of Realtors Dues**
Paid by the Agent. Board membership is required for all agents. Greater Augusta Association of Realtors dues are payable by January 31 each year.
- **Multiple Listing Service**
Paid for by the agent. The company is billed and will charge the Agent's account monthly.
- **Broker and Salesman's Licenses**
It is the agent's responsibility to pay all fees, maintain all continuing education requirements, and meet all license renewal deadlines.
- **Lead Generation** provided for the Agent.

- **Forms**
The Company policy is to use the GAR forms or forms approved by our legal counsel. Commissions will not be paid until all required forms are completed and submitted to the office staff.
- **Zip Logix/ Docu-Sign/ E-signature** a real estate software, platform, and transaction system to manage and store documents shall be provided to the agent.
- **Education**
Continuing Education is the responsibility of the Agent. Southeastern Residential will pay ½ of the cost for additional certification courses; management approval required.
- **In House Training**
One on one training for all agents shall be provided on an as needed basis. Online training shall also be available to all agents at no cost to the agent.
- **Business Cards**
The company will provide the first set of business cards; all subsequent orders shall be paid for by the agent.
- **Company E-Mail**
All company correspondence will be communicated through our company wide email accounts. Each agent shall receive an email account through Southeastern at no cost to the agent. Company e-mail accounts are to be used for Southeastern related business ONLY, not to advertise personal ventures outside of the real estate industry. E-mails should be checked regularly.
- **Lock Boxes**
The company will pay for lockboxes provided that the lockbox is returned. Each agent is required to return the lockbox to the appropriate office staff when a listing has closed. If you are placing the lockbox on another property, you must notify the office staff with the address and listing number of the new listing. Southeastern will take inventory at the end of each year. The agent shall be responsible for paying for any un-returned or lost lockbox. **The company has the right to withhold commissions until a lockbox is returned or the replacement cost for said lockbox has been paid.** The agent is responsible for individual keypads and e-Keys through the board of Realtors.

Caution: Do NOT lend a multi-list keypad under any circumstances. This is subject to a fine and possible expulsion from the MLS Service/Board.

- **Name Toppers and Signs**
The company will purchase the first set of name toppers for a new agent, all future name toppers ordered will be paid for by the agent. Company for sale signs and lead in signs are paid by the company. Management must approve any special signage. The cost of any special signage shall be paid for by the agent unless approved by Management.
- **Copiers**
Copiers are available for agents to use for real estate business purposes only. Any violation will be billed accordingly based on a per page charge set by management.

- **Office Supplies**
The company provides normal office supplies for the agents use. Only management is authorized to order supplies for which the company is paying.
- **Flyers/ Brochures** are provided to the agents at no charge.
- **Virtual Tours** are to be paid for by the Agent. Company will pay for new home community virtual tours with marketing director/management approval.
- **Realtor Open Houses**
Agents are encouraged to support the company Open Houses offered by their fellow agents during the weekdays. Agents are encouraged to host open houses in their market strategies. Expenses are paid by the listing agent.
- **Post Cards**
Post cards can be designed and printed by the marketing staff. However, the agent will be billed for the cost of the post card and postage; at a cost determined by the marketing department.
- **Postage**
Postage is the responsibility of the agent. Overnight packages are to be sent U.S. Postal Service Priority Mail. All other carriers will be upon management approval.
- **Cell Phones** paid by the Agent.
- **Gifts to Clients/ Entertainment**
The company does not co-op on any gifts to customers or clients and/or entertainment. Southeastern closing folders are available in the office.
- **Photo of Agent**
Southeastern will need a color digital photo of each agent for promotional purposes; See the marketing director for photo options and scheduling.
- **Insurance Auto**
Each agent shall furnish his own automobile and pay all expenses in connection therewith. Each agent shall maintain public liability insurance on his/her automobile in the minimum limits of \$100,000 for each person, \$300,000 for each accident, and personal damage limits of \$100,000. Each agent MUST name Southeastern Residential, LLC as additional insured by proper endorsement to said policy and furnish Southeastern with a copy of the same.
- **E&O/ Risk Management:** Errors & Omissions Insurance will be paid by Southeastern for the agent.

AGENT ACCOUNTS PAYABLE POLICY

Southeastern Residential, as a service to our agents, has an “Agent Account” system to pay for certain recurring agent business expenses with an understanding that agents will reimburse the Company for said expenses in a timely manner through deductions from earned commissions or direct payments.

All agents shall be responsible for paying their account balance to a zero balance in a timely manner. No account charges shall be carried over 90 days; unless the agent meets with a manager to make payment arrangements. Terms will be agreed upon in writing.

The agent fees, such as monthly MLS fees, approved advertising fees, MLS annual keypad insurance, MLS e-key, etc. are paid by the company and debited to the agent's account.

ADVISTISING AND MARKETING POLICY

All advertising by agent and affiliates must be in compliance with Georgia and South Carolina License Law.

All advertising by Southeastern Residential agents must be under the direct supervision and approval of Southeastern Management.

Due to ever increasing advertising media cost and the legal requirements as defined by the Georgia and South Carolina Real Estate Commissions, the Company must maintain certain parameters concerning advertising media with our agents and affiliates.

Southeastern supports the use of varied media advertising as a means of maintaining, increasing, and diversifying client base. The term "media" includes, but is not limited to, print, photographs, broadcast, and the internet, but not limited to, such examples as newspaper, magazines, flyers, business cards, billboards, radio, television, signs (including office, directional, "for sale", "for lease", "sold", or "vehicle signs"), newsletter, voicemail, email, Internet websites, blogs, video blogs, property listing database services, email farming, bulletin boards, special networking/ social media, text messages, multimedia advertising, banner ads, pop-ups, and similar media.

All advertising must include the approved Southeastern Residential logo, the Southeastern Residential web site address (www.southeasternresidential.com), office phone number located prominently in the advertisement. The company logo must appear larger than the agents name, and the office telephone number must be the same size or larger than your mobile number. All advertisements must be approved by Southeastern Marketing Director before publication.

Any agent who advertises property for sale, rent, lease, or exchange on the Internet must remove such advertising immediately after the expiration of the listing.

An agent shall not advertise to sell, buy, or lease property in a manner that indicates or implies such offer is being made by a private party and not as a licensed agent of Southeastern Residential, LLC.

Any agent who advertises any property for sale, rent, or lease must first secure the written permission of the owner. This permission must have a definite date of expiration. Our current Southeastern residential exclusive listing agreement grants Southeastern such authority.

Newspaper

The Marketing Director must approve all newspaper advertising. The Marketing Director submits ads to the newspaper no later than Wednesday before the weekend the ad is to be run. You will receive a proof from the Marketing Director and the agent account will be billed for the ad. The

company pays 100% of the marketing on new home communities approved by the marketing director. All other ads will be paid by the agent.

Top Producers

Each month Southeastern will promote the leading salespeople with a monthly ad on the company Facebook and Instagram page.

For consideration, each agent must achieve the combination of any 3 of the following:

- An exclusive residential or lot listing with a minimum 120-day expiration date.
- A re-list of residential property or lot with a minimum 90-day expiration date and subject to an original listing minimum expiration date of 120 days.
- A completed real estate closing during the month
- Sales for the month of at least \$7500 in gross commission.

Internet/Website

The Company will make available to all agents, internet advertising in a pre-arranged format at no cost to the agent. All agents will be provided a bio page with a link to their listing's website. If an agent has their own independent website, that website can be linked into www.southeasternresidential.com but will not be framed into the site. Any independent website using Southeastern's name and logo must be approved by the Marketing Director before going live.

Any internet or web presence provided by Southeastern will be the property of the Company and will remain as such in the event an associate is no longer affiliated with the company.

Social Media

All agents are encouraged to use all forms of Social Media platforms. However, ALL marketing must follow Georgia and South Carolina License Law. Social media is information that can be copied, stored, obtained, and searched later and it can end up on a multiple of websites. This information can easily be misconstrued or taken out of context. All Social media accounts must be in compliance with real estate laws. Your profile/about section should include the full broker's name: *Southeastern Residential and office phone number*. The following are a few reminders of what *NOT* to do when using social media personally or in your professional real estate activities:

- Don't give advice concerning real estate matters to friends or contacts without establishing a client agency relationship.
- Don't blog by giving your opinion about specific real estate situations, transactions, or properties.
- Don't advertise or tell friends on a social media site about your listed property without meeting ALL advertising Rules and Regulations, such as including the firm name and phone number as it is registered with the Commission in the same or larger size print as your name.

If you contract with someone to design and manage your blog or social media accounts, be sure to review all content. You and your “Broker” are responsible for ensuring everything published is in compliance with Georgia and South Carolina License Law, Rules, and Regulations.

You must be in compliance with regard to your Business and Personal social media pages. We recommend you be aware of the posts and photos on your BUSINESS and PERSONAL sites. Language, misspelling, or inappropriate photos can have a negative impact on your business and Southeastern.

Compliance with Regulation Z- “Truth in Lending”

This regulation was formulated by the Board of Governors of the Federal Reserve System (15USC 1601 et Seq) primarily to develop full disclosure requirements and procedures in consumer credit transactions. It is designed to fully inform the consumer. Additionally, this regulation also encompasses full disclosure in advertising a product for sale where consumers credit is involved, including real estate transactions. It states:

- If you mention any of the terms of credit in your advertisement, then you must disclose all the terms of the credit in the advertising copy. Since full disclosure in advertising would be impractical, **none of the terms of credit will be used in advertising property for sale.** (monthly payments, interest rate, etc.)
- Failure to comply with any of the provisions of this act could result in fines up to \$5000 for each violation and where there is a willful and knowing violation, the maximum penalty could include up to one-year imprisonment. Per 15USC;82 State 146:Pub L.

Do Not Call Registry

Residential and Cellular telephone subscribers may now have their residential and cellular telephone numbers placed in a national database maintained by the Federal Trade Commission. This database, the National Do Not Call Registry contains telephone numbers of residential subscribers who object to receiving telephone solicitation. It is against the law to call any number on the National Registry, unless you have an established business relationship with the consumer whose number is being called, or the consumer has given written agreement to be called. Under this Rule, there are also other items that are prohibited, such as attempting to block Caller ID when making phone solicitations. For more information, you may go to www.donotcall.gov.

The Federal Do Not Call Law is enforced by the FTC, Federal Trade Commission and the FCC, Federal Communications Commission. **Violators will be subject to civil penalties of up to \$11,000 per violation, as well as injunctive remedies and could also face penalties at the state level.**

Southeastern subscribes to the National Do Not Call Registry in an effort to help our agents in compliance with this law.

In the event, a consumer request to be added to a company specific “Do Not Call” list, you must notify management or staff immediately. The “Do Not Call” list will be maintained in the office.

It shall be the policy of Southeastern that all agents MUST be in compliance with the law prior to making any telephone solicitations.

Sales Meetings

Sales meetings are generally held on the 3rd Wednesday of each month and start promptly at 9am and are an important part of each agent's monthly calendar. Each agent is strongly recommended to attend. The meetings provide a structured, yet enjoyable forum for obtaining information about the current market and listings, other critical issues, which effect Southeastern in general. The most successful agents are also the most informed. Sharing information and ideas among other agents in your office is a great tool for success.

Floor Duty

This is not a requirement in our office, however; it is highly recommended among the agents. The "opportunity" is there if you want to participate. Please notify the office staff for scheduling. The calls that come into Southeastern for information will be passed along to the floor agent. There are several things expected of you;

- Be prepared to:
 - Give Information on listings.
 - Aid in setting up appointments.
 - Ask if the person on the phone is working with someone else in your company. If they are, then be helpful, but inform your fellow agent of the call.

If someone wants you to leave to show him or her the property, then GO. Check to see if anyone in the office would like to cover your floor and let the office staff you are leaving and who you are meeting.

- Use this time to:
 - Follow up on BOOMTOWN leads
 - Bring all your files up to date
 - Contact owners of your listings
 - Follow up on Leads
 - Update your client data list
 - Send "Thank you" notes
 - Call and ask past clients for business

Relocation Department Policy

The mission of the Relocation Department is to provide business opportunities to Southeastern Residential agents, so they have the opportunity to engage with a variety of books of business. The business opportunities provided to agents are voluntary and are considered to be incremental business to support their normal book of business.

Responsibilities of Relocation Department:

- Work to develop opportunities for the agents through relationships with the local business community, third-party lead programs, referral brokers, and affinity programs (rebate programs).
- Manage e-commerce leads (Opcity, Boomtown, and etc.)
- Manage Circle of Courage Program
- Manage Corporate Business
- Manage Incoming and Outgoing referrals to referral brokers.

Benefits for Agents:

- Expand agent's sphere and business opportunities by being introduced to business that they otherwise would not have had the opportunity to work.
- Obtain future residual business from the contacts agents meet.
- Have the opportunity to work leads in areas outside of your farming areas, agents become familiar with new areas.
- With experience and production, so will the agent's business opportunities from the Relocation Dept.

Agent Eligibility:

- A perfect Relocation Department agent is motivated and positive and is open to learning new areas, meeting new clients, and growing their business. Agents need to be responsive and complete required follow ups in a timely manner. There is an understanding that this is a LONG GAME, you will need to work the lead, add them to a CRM (Boomtown), and continue to stay in touch with them, possibly for months or years.
- Agent joins the Relocation Team and specifies what books of business they are interested in participating in based on the programs available to them.
- Agent attends the mandatory Relocation Team On-boarding and other mandatory Relocation Training throughout the year in order to be a member of the Relocation Team.
- All referrals are placed with the most qualified agent as defined by the broker/sales manager and the Relocation Department. It is essential to place referral business with qualified agents. Agents are considered qualified by meeting the following criteria:
 - Establishing a history of positive production in areas of both sales and listings.
 - Demonstrating support of the Relocation Department by being enthusiastic regarding accepting leads, following up, and providing updates on the progress of the lead.
 - Participation in Training Programs offered by the company and the Relocation Department.

Agent Experience Criteria

	Boomtown	Opcity	COC	(Non-Agent Generated) Broker-to-Broker	Corporate
Available to New Agents	X	X	X		
Available to 2+ Years' Experience	X	X	X	X	X

Description of Programs

	Referral Fee	Split
Circle of Courage	30%	Normal Agent Split
Boomtown	50%/50% until \$3,000 is paid in company dollars. (Resets Jan. 1st of each year.)	Normal Agent Split after \$3,000 in company dollars is paid.
Opcity	35% for \$150,000 and above 30% for \$150,000 or less	Normal Agent Split
Incoming/Outgoing Referrals	Referral Fee + 5%	Normal Agent Split
Corporate	Dependent on the 3rd Party agreement, ranges normally between 35% and 43%	Normal Agent Split

** Referrals from the Relocation Department cannot, under any circumstances, be re-assigned by the agent. If a referral needs to be reassigned, please just contact the Relocation Department.
 **If a Boomtown lead becomes a Circle of Courage lead. The agent will be compensated based on the Circle of Courage referral fee and split. The agent's Boomtown account will be credited accordingly.

Circle of Courage Program

As a thank you to BUYER AND SELLER clients who have served our country and community, Southeastern Residential is proud to offer the Circle of Courage Program. This rebate program offers a 20% same as cash rebate based on the Southeastern agent's commission, to be used during the transaction.

This program is offered to provide agents with a business development too, this is a program that they can promote at open houses, on social media, and in discussions to promote themselves and Southeastern Residential. The agent will pay a 30% referral fee, 20% goes towards the rebate to the client and 10% is a program fee that funds the advertising and management of all relocation programs.

The Circle of Courage (COC) Program can be offered to Buyers or Sellers and is open to the following client groups:

- Active, Former, Retired, and Immediate Family of Military
- Active Teachers

- Active First Responders
- Active Healthcare

Boomtown

Boomtown is a world-class, lead generation platform, and CRM technology. Boomtown makes it easy to generate leads, understand what your clients are looking for, and bring them to the signing table. The platform provides more opportunities for our agents to interact with customers and create digital marketing campaigns from your phone or computer. The real estate software is packaged to grow with your business and close more deals throughout the year. Boomtown is managed by the Relocation Director. Agents are required to attend meetings, educational requirements, and training to receive company leads. The Company leads are property of Southeastern Residential.

- The Agent will always present and conduct him/herself in a neat and professional manner. Agent will be personal to all leads.
- Agent will attend all Boomtown Meetings via in person or via zoom.
- Lead Active: Response Time – Goal is less than 5 min. Leads should be moved out of the “New” category as soon as you initiate contact with the client.
- At least 10 attempts by phone, 5 texts, and no logins in last month before a lead can be converted to “Archive”
- Active Leads are defined as Qual, New, Hot, Nurt, and Watch.
- Commissions earned from Boomtown shall be subject to a 50/50 split between the agent and the Company. When the Company has earned \$3000.00 in net commissions, the commissions earned on lead generation referrals shall return to the Standard Commission Schedule. Boomtown commissions are reset on January 1st of each year. Net commissions shall be the amount of commission retained by the company after paying the agent and any related expenses or third-party commissions.

Lead Generation Business (Opcity, and etc.)

The Relocation Department charges a fee in accordance with the source of business. A referral fee is paid when a prospect provided to an agent buys and/or sells. If it is a referral and it closes, the fee is paid, no matter how long it takes to close. All real estate transactions involving this client for a period of 24 months will be subject to a referral fee to Opcity. After any referral fees due to other parties are paid, the remaining commission dollars will be paid in accordance with our Relocation commission schedule, above.

Incoming/Outgoing Referrals

Incoming Referrals through the Relocation Department will be placed in accordance with the placement other lead sources. For Outgoing Referrals, the Relocation Department can help place your client with a qualified agent in their destination city as well. Incoming and Outgoing Referrals placed through the Relocation Department will be subject to a 5% referral fee. (For example, if the referring broker asks our brokerage for a 25% referral fee, we will charge the Southeastern Residential Agent a 30% referral fee.) Incoming and outgoing referrals through

Boomtown, will not be subject to the additional 5% referral fee. It is suggested that each residential agent introduce, as part of their listing presentation, the advantages offered through the Relocation Department. If your seller is moving to another area, we can help introduce them to a qualified agent in their new town. All incoming and outgoing referral commissions will be subject to the agent's commission split schedule.

Corporate Business

Corporate referrals will be placed by third party relocation companies with Southeastern Residential. Each third-party company has their own policies that we will adhere to on a case-by-case basis.

First Contact Rule Does Not Apply

Corporate sellers sometimes reach out to an agent prior to fully understanding the relocation benefits being offered to him or her. Once the relocation package is offered to the employee, the 3rd party usually contacts the preferred relocation companies in that area and refers the business for a fee. The Relocation Department accepts the referral and then assigns the most qualified agent, or the agent requested by the seller. Just because the agent may have already been contacted by the corporate seller or buyer first, he or she is not exempt from the referral fee. Corporate business is to be assigned to agents having met all criteria stated above and who have been selected as members of the corporate team.

Relocation Department Responsibility Guidelines:

The Relocation Department will work with sales associates on all listing and sales negotiations, will transfer utilities for and set up necessary routine maintenance for inventory properties and will submit bills for reimbursement. Sales associates will obtain bids for repairs/improvements. Salesperson will be given a listing packet from the Relocation Department and will need to complete Broker's Market Analysis forms and submit to the Relocation Department, prepare required property status reports in accordance with listing packet and submit advertisement on listed properties. It is imperative all reports be submitted to the Relocation Department within the stated corporate guidelines regarding deadlines. Guidelines are presented at the time of referral assignment. The Relocation Department uses e-Relocation software to manage Relocation leads and transactions.

Site Agent Referrals

Leads for buyers in new home communities managed by Southeastern Residential will be offered to the site agents for those communities and no referral fee will be charged. If the client buys in a different neighborhood, the agent will pay a 30% referral fee.

Process and Participation for all Sources of Business

Referral Acceptance

Agents who participate in Relocation are expected to respond to requests for updates and to communicate status updates. When an agent accepts a referral, he or she is also acknowledging

that it has a referral fee attached to it that must be paid when it closes. Acceptance is considered once the agent accepts the referral in the Boomtown system. Referral fees are deducted from the commission and paid to the referring party once it closes. Once the referral fee has been paid, the agent's commission is disbursed according to the Relocation split detailed in the "Description of Programs." Referral fees will range from 30% to as much as 42.5%, and are subject to change, as corporate relocation companies dictate their fees.

Procedure

Once a prospect is assigned, it shall be the agent's responsibility to immediately notify the Relocation Department if there appears to be a duplication of Southeastern agents working with the same prospect or if the prospect is already being prospected by the agent through a different lead generation platform. In the event of duplication, the agent should provide documentation to the Relocation Department of previous communications with the prospect. Failure to notify the Relocation Department shall obligate the Southeastern Residential agent to the respective referral fee. It is also the responsibility of the assigned agent to report any and all activity and information regarding referrals to the Relocation Department in a timely manner.

Residual Business

The client referred to the agent is the client that the referral fee is attached to. If that client refers you additional business, that is your personal business to work and there are no referral fees.

AGENT'S PERSONAL REAL ESTATE

When an agent buys or sells real estate for their own account, the company will charge a \$500.00 administrative fee in lieu of its portion of the appropriate listing or selling commission. The waiver of the commission will only apply to *one side* of the transaction determined by the agent's role. This waiver applies to one personal transaction per year. Any expenses related to the advertising will be at the agent's expense. The waiver of commission does not apply to family members of agents.

It is the agent's responsibility to disclose in writing that they are licensed agents in the state that they are buying, selling or leasing Real Estate. It is also required that all agent's inform management if they are buying, selling or leasing Real Estate for their own account. It must be in compliance with all laws in the License Law and Real Estate Commission Regulations. **Disclose sales contract immediately to Broker.**

AGENT'S HANDLING RENTAL PROPERTY

All Agent's shall be in compliance with the Georgia Real Estate Commission Rule 520-1-08 which authorizes a non-broker agent to open a trust account for the deposit of trust funds received on properties that the non-broker agent owns, provided the Broker has approved such account and receives regular report accounting for the funds in such account. However, the rule further states that the non-broker agent **MUST** own 100% of the property otherwise trust funds must be held by the firm licensed with the commission.

Therefore, any trust funds, security deposits, etc. should be held by the Broker unless the Broker approves for an agent to maintain a trust account for security deposits on properties in which the agent is sole owner. In the event you are sole owner of the property and have opened an escrow account, you MUST provide written notification to the Principal Broker, Matthew Mills, setting forth: name of bank, address of bank, and account number. Said account must be clearly designated as an escrow account. **CAUTION: DO NOT COMMINGLE PERSONAL FUNDS IN THE ACCOUNT. ONLY TRUST FUNDS SHOULD BE DEPOSITED.** You must also provide a quarterly reconciliation statement of the account, as required for auditing purposes. Upon approval of the account by the Principal Broker, he will report the accounts to the Commission as required by law.

The agent should provide the broker with all current rental agreements, this includes when changes are made to leases, there are renewals, or expiration of agreements. It is necessary for the broker to have ANY AND ALL real estate transactions on file, this includes self-managed properties and properties managed by a Property Management Company.

At no time, may a residential agent use Southeastern's sign to offer property for rent.

In no case, will an agent use or give away a printed Southeastern Residential form for personal use or for the use of others. This includes, but is not limited to, sales contracts, rental leases, etc.

The summarize, the following items are to be provided:

- Copies of all leases should be on file
- Quarterly Trust Account reconciliation for personal trust account
- All leases should include a disclosure, "Owner is a licensed real estate agent in the State of Georgia."
- If Southeastern Residential is holding the security deposit, we must have a complete file, including application with copies of tenant ID's, lease, exhibits, move in, renewals, vacating notices, move out, inspections, or any other related documents.

AGENTS WITH UNLICENSED ASSISTANTS:

Realtors may hire unlicensed assistants for administrative work with the Broker's approval, although the company strongly encourages hiring a *licensed assistant* to prevent violations of real estate laws and regulations. The unlicensed assistant may be paid a salary or by the hour; they may *not* be paid on a transactional basis (not even as a bonus). Unlicensed Assistants are not required to pay Board dues, MLS fees, or any other related realtor fees. The Unlicensed Assistant must accept and acknowledge the company policy set forth and documentation kept on file with management. The unlicensed assistant must follow Commission guidelines regarding the types of activities they may perform:

Unlicensed Assistant **CANNOT** do any of the following:

- Suggest in any manner, orally or in writing, as to their being licensed or affiliated with Southeastern as an agent.

- Show Property or Host Open Houses
- Make cold calls by phone, email, or in person, or contact the public for the purpose of securing a prospect.
- Discuss with the owner of real property, the terms and conditions of the real property offered for sale.
- Collect or hold deposit money received from the owner or prospective buyer.
- Provide owners or prospective purchasers with any advice, recommendations, or suggestions as to the sale, purchase, exchange, or leasing of real property that is listed, or currently available for sale or lease.
- Answer any questions regarding a listing except for information on price and amenities expressly authorized in writing by the agent.
- Answer any questions on financing, closings (other than date/time or place), and title.
- Discuss or explain a contract, listing, or other real estate document with anyone outside the company.
- Negotiate or agree to any commission, commission split, management fee, or referral fee on behalf of the agent.
- Discuss the attributes or amenities of a property, under any circumstances, with a prospective purchaser.
- Prepare ads, flyers, or promotional material without the approval of the Marketing Director.

AGENTS WITH LICENSED ASSISTANTS

An agent may hire one or more licensed assistants to help provide better service to clients. Upon approval by the broker/management the licensed assistant is required to place his/her license with Southeastern and abide by all firm policies and guidelines, with proper documentation on file. A Licensed Assistant Agreement is required. The agent may pay the licensed assistant by salary or hour and the agent needs to supply the Broker with documentation of how licensed assistant is to be paid, ensuring IRS guidelines are met. If the licensed assistant is paid on transaction basis, the licensed assistant must be paid through Southeastern.

All advertising and solicitation of business shall be done for the agent, not the assistant. A licensed assistant should not be acting as the agent of record in transactions. If the assistant is acting as an agent by regularly and routinely showing property, doing listing presentations, hosting open houses, or acting in other capacities as an agent, then the relationship should be as partners or a team, not agent and licensed assistant.

A licensed assistant is required to pay Board dues and MLS fees (if showing property).

TEAM OVERVIEW

A team is defined as two or more agents who regularly and routinely work with buyers and sellers, with the intention of combining units and volume for the benefit of a Team Leader.

For recognition purposes, all volume and gross commission will appear under the Team Leader.

A written team agreement with team leader and team members is to be provided and approved by Broker/Management and kept on file. Commissions earned are divided in a manner agreeable and in writing to the team and company, approved by the Broker. Items to be detailed in the written agreement should include: commission split, referral fees, any incentives, payment of dues, MLS fees, advertising, and any other miscellaneous expenses, and a confidentiality clause. The written agreement should also include an exit plan in the event of a team member departure or retirement. The exit plan should include details on how expenses, current pending's, active listings, buyer and seller leads, and any outstanding commission should be handled. The team may employ assistants following company guidelines and with Broker approval. All team members must adhere to all company policies and guidelines.

All marketing will be in the name of the Team Leader or the Team name and MUST comply with all Marketing Rules and Regulations. The Team Leader is liable for all team business expenses owed to Southeastern and understand the company is allowed to offset future commissions earned by amounts due from any team members.

In the event a team member leaves the team to become an individual associate, his/her commission tier will be determined on the 12-month rolling scale as defined in the Commission Schedule.

PARTNERSHIPS

A partnership is defined as two or more agents who regularly and routinely work with buyers and sellers and who choose to share or split gross commission or volume. Commissions earned are divided in a manner agreeable and in writing to the partnership and company, approved by the Broker. The partnership may employ assistants following company guidelines and with Broker approval. A written partnership agreement must be on file with the company. Items to be detailed in the written agreement: commission split, referral fees, any incentives, payment of dues, MLS fees, advertising, and any other miscellaneous expenses, and a confidentiality clause. The written agreement should also include an exit plan in the effect of retirement or dissolution of the partnership. The exit plan should provide details on how expenses, current pending, active listings, buyer and seller leads, and any outstanding commission should be handled.

Commission tier will be based on individual earnings not on combined commissions. All agents in a partnership must adhere to all company policies and regulations. All advertising MUST comply with Real Estate Marketing Rules and Regulations. All partners agree to jointly and severally liable for all Partnership business expenses owed to Southeastern and understand the company is allowed to offset future commissions earned by amounts due from any partners.

TERMINATION PROCESS

It is necessary under law for a salesperson to obtain an authorized release and transfer of his/her license of the office before he/she can join another broker. This transaction should take place the same day of termination and the salesperson is expected to have their office cleared by the next day.

The departing agent must comply with Substantive Regulation 43-40-19 – Change of place of business, transfer of salesperson or associate broker and Regulations 520-1-11.

- When an agent leaves Southeastern; he/she will forfeit all listing commission on property not under contract but listed with the office and placed in the MLS. The agent's listings will become office listings and when necessary, will be assigned to another agent to service. All listings are the property of Southeastern Residential. If a listing is released, Southeastern will be paid whatever portion they would have received as if the listing were still with us. This applies only during the terms of the Listing agreement.
- When an agent leaves Southeastern, any company procured leads (i.e., Boomtown paid leads), will remain the property of Southeastern.
- When an agent leaves Southeastern, a written list of all pending transactions with compensation to the departing agent will be furnished to both the agent and Southeastern management.
- For property under contract, where the departing agent is the selling agent; if no further action is required other than closing of the sale, the departing agent will be paid at a commission split of 50/ 50; unless agreed in writing by management. The same procedure applies where a listing procured by the departee is under contract at the time of departure.
- Contracts which require further action to bring property to a closing condition, will be assigned another agent in the company to complete the transaction. The agent and management will work out an agreement at that time, on the condition that the amount of work to be completed by the assigned agent is equal to the percentage of the salesperson's part of the commission each will receive.
- When a licensee becomes deceased during the term of employment, commission earned will be paid to the estate of the deceased. Whenever possible where action has to be completed on a transaction, those details will be completed by management in order that the estate may receive maximum benefits from efforts of the deceased.

COMPANY SALES POLICY

Appointments

It is proper for an agent to keep in touch with the office regularly so that his/her prospects and clients can be properly instructed as to when the agent will be checking in. To protect you and your client, we suggest having them fill out an identification form and make a copy of their driver's license if they will be accompanying you on showings. Make sure the office has your vehicle and emergency contact information.

Earnest Money

All earnest money received **MUST** be turned in to the broker as soon as possible after receipt and should always be submitted within the time limit specified on the contract.

- The wiring of earnest money to Southeastern is discouraged. In the event earnest money has to be wired, have the closing attorney hold the earnest money.

- Earnest money received in cash during office hours will be turned in to the corporate office the same day it is received. Cash received after hours will be turned in the next morning. Cash received is the salesperson's responsibility until turned in for receipt.
- **Refunded or Disbursed-** earnest money received with purchase offer that are not accepted will be returned to the Buyer upon Broker receiving written request from the Agent. If deposited, funds will be returned to Buyer after verification that the deposit has cleared the escrow account. In the event after an executed contract that fails to close, the agent must have the Buyer and Seller sign a GAR termination and Release Form. This form shall show who is to receive the earnest money deposit. Disposition of earnest money is up to management in accordance with State Law.
- Earnest money will not be held out of the trust account deposit unless there is a stipulation to that effect in the contract agreed upon by all parties. When this occurs authority to hold from deposit is vested in the broker and not the salesperson. The salesperson must turn in the earnest money in accordance with the time schedule contained in paragraph above.

Open Houses

"Open Houses" are held in communities both developed and marketed by Southeastern as well as individual listings. The "Open House" is a critical part of the marketing process for builders investing in our communities and for individual sellers. The "Open House" not only provides much visibility for the listing, subdivision, or builder but also provides outstanding opportunities for the agent to meet new buyers and obtain leads.

The agent should start each "Open House" with adequate information about the home, the subdivision (lot and home pricing), amenities, surrounding community, etc. Each agent should also provide a visitor registration sheet, geared to obtain as much information as possible about the prospect (name, address, telephone #'s, email address, work info, what price range they are looking in, how did they hear about the home, what sources do they use to obtain information about real estate, etc.). Agent should keep a record of prospect comments (good & bad) about the "Open House" and provide the comments to their manager, listing agent, or seller as needed. All Open House signage should be removed at the end of the Open House duty and returned to the office.

All Open Houses are promoted on company social media accounts and website.

Settlement of Disputes

Dispute between agents will be submitted to the Sales management ONLY after agents have discussed it with each other and cannot agree. The Sales Manager will not make any decision until he/she has heard both sides of the story. As a final resort, a panel will hear both sides and make a final ruling.

Handling of Prospects

Below are some thoughts on how certain situations should be handled regarding prospects, in order to avoid misunderstanding and conflicts among our sales force

- An agent does not own a prospect. The prospect must want to buy from you. Your goal in this connection should be to give such outstanding service that your prospect would not think of doing business with anyone else.
- Generally speaking, an agent should not feel that he/she is due any commission unless he/she is procuring cause of the sale. In most or all cases, an agent cannot claim a commission unless he/she (1) shows the house (2) follows up on a regular basis.
- The above comments do not give you the right to solicit another agent's prospect. If the prospect tells you that he has been working with another agent in our company, you should advise him to continue dealing with the original agent. If the original agent is not available, you should assist your fellow associates in any way possible. Also, special consideration would be given in a situation where a prospect did not get along with the original agent and dismissed or did not want to do business with him or her.
- If a prospect calls or comes to our office asking for a specific agent that is not in, the prospect will be referred to that person. If the prospect insists upon seeing properties immediately and the original agent cannot be contacted, you should assist the prospect and work out a fair arrangement with the original agent. The agent that was the cause of the prospect calling into the office will receive a portion of the commission.
- Although it is a moral responsibility to protect your fellow associates, it must be noted that any agent who merely takes floor calls and asks the prospects to ride by and look at the house is not only using a bad business practice but cannot complain if the prospect contacts someone else in the company or a competing company. The same is true with meeting a prospect at an open house. It is the salesperson's responsibility to personally show whenever possible and stay in contact with a prospect. In general, there is no definite claim to a prospect unless you physically show him the property and follow up.
- If an agent turns over a bona fide prospect to another salesperson in the office, a clear agreement should be made at the time the prospect is turned over. The agreement should define how the commission is to be divided. This decision will be between the two agents involved and not by management. We suggest this agreement should be in writing.

Leaving A Card at Premises

Any agent using a key to enter an existing home MUST leave their business card in a place so that the owner shall know that the agent has been there to show the property. Do not leave cards on exterior of the home.

LISTINGS

Each Agent shall turn in with the listing agreement the seller's name, address, email, and phone number so that it can be kept on file with the company. This is so we can reach your seller in the event that you are out of touch.

Listing documents and at least an exterior photo should be turned in as soon as it is signed by the Seller(s). Paperwork should include the fully signed listing agreement, an MLS input form, and completed and signed seller's disclosure, a completed signed Lead Base Paint Exhibit if applicable

and any other supporting documents such as a plat or survey. HOA info, etc. Listings should be entered into the MLS within 48 hours of the time the listing is obtained.

In the event you enter the listing into the MLS yourself, the office staff should be notified, and a copy of the MLS form should be turned in for approval. This is to ensure compliance with current Board rules and regulations. Any changes made to the listing should also be submitted to the proper staff member. Please be aware that listings must be entered within 48-hours of obtaining the listing and/or placing a sign in the yard. (Excludes weekends and federal holidays). You will receive notice from the Board for listings entered outside that 48-hour window and repeated offenses can result in the agent being fined.

Pictures should be submitted and uploaded at the time the listing is entered into the MLS. Main photo must be an exterior front of the property and the "For Sale" sign should not be visible. Main photos should be in a landscape orientation to prevent distortion. Failure to have a photo uploaded within 5 days will result in your listing being removed temporarily from MLS. This causes your property to be removed from the MLS feed Southeastern sends to various websites, including Southeastern's sites, Trulia, Zillow, and Realtor.com.

Listings cannot be withdrawn and then re-entered as a new listing with a new MLS number for a period of 30 days in the Augusta MLS. *Any changes to supporting documents such as property disclosures should be uploaded immediately.*

Signs

It is the agent's responsibility to place a Southeastern Residential "For Sale" sign with their name topper on each property they list. The agent MUST use the sign provided by the Company for all listings. When the property is put under contract, the agent has the option of placing a "Sale Pending" notice on the sign. You must have written permission from the owner to place a sign on the property. This permission is granted when the seller signs the standard exclusive listing agreement.

Seller Property Disclosure Statements

Seller Property Disclosure Statements (required by South Carolina Law) are a detailed statement by the seller of his/her knowledge of the condition and features of the property. It is in the best interest of the seller to complete a disclosure statement because it can avoid future misunderstandings with a buyer as to what the seller's knowledge of the condition of the property was at the time of listing. In addition, it is a valuable risk reduction tool for this company and assists the company in complying with its obligation to disclose adverse material facts.

After the Contract is Obtained

- Listing agent obtains contract- agent responsible for following through on all conditions that have to be met to consummate the sale.
- Both the listing and the selling agent are responsible for ensuring all terms and conditions are completed. The listing agent is to be the only agent in contract with the seller unless

the listing agent has given different instruction after being contacted by selling agent. In all cases, the listing and selling agents are to work together in harmony.

- Acceptance date and time are required on all contracts. The date and time occur at the moment all terms and conditions for the sale are agreed upon by all parties.
- License number of Brokerage Firm and Agents are required on all Georgia contracts.

No company listing will be taken off the market or reported under contract without a contract accepted by all parties.

AGENT'S LISTING OR SELLING TOGETHER

Where it is of mutual benefit to all concerned, agents are encouraged to work together as one unit. Commissions earned, as a result of their teamwork, will be disbursed in accordance with published commission schedule as though they are one.

Salesperson may agree between themselves to share the salesman portion of a commission in any way they so desire, as long as the company's share in the published schedule is not reduced.

OFFERS

Presenting the Offer

Never try to make a decision for the owner before an offer is presented to him. **If is your duty to present any and all written and oral offers to a seller.** The listing agent should be notified of any offers or contracts so the listing agent can present the offer, unless the listing agent gives permission for the selling agent to present offer. The listing agent should be kept informed at all times and should assist in any required repairs or stipulations regarding the approval of the home. No reduction in commission or any financial participation in the sale by the company will be acceptable to the company or listing agent unless the company and listing agent have agreed prior to the final acceptance of the contract. If the selling or listing agent agree to any participation by the company without the company's consent, the agent agreeing to such terms may be held accountable to absorb all the reduction in the commission.

YOU AND FAIR HOUSING LAWS

Southeastern complies with all fair housing laws and regulations. This compliance embraces the spirit as well as the letter of the regulations. Southeastern requires all its employees and agents to abide by these laws and to conduct the company's business in strict conformity with them. *Any deviation from compliance will be grounds of termination.* In keeping with this stated policy, the following illustrates some of the overt and covert techniques used to attempt circumvention of these regulatory devices, all of which are unlawful. These and like devices designed to thwart full compliance will not be tolerated by anyone associated with this company.

Reference and review the Company Agent Policies and Procedures Manual

ANTI TRUST LAWS

Southeastern complies with ALL anti-trust laws, does not engage in any act, nor condone others whose acts would restrict free trade. These laws were codified to prevent acts which were in

violation of public trust or contrary to public interest, or an act which restricts free trade. These laws are designed primarily to prevent formation of business monopolies or cartels, or trust designed to restrict free trade. While it is a recognized basic principle of business practice that an owner of a company, or organization can unilaterally prescribe fees charged for that company's services and define the scope of operation for his company's operation, he cannot join with others for the purpose of restricting free trade.

Anti-Trust Compliance Policy

- The commission rates of *Southeastern* are based upon the cost of the services we provide, the value of these services to our clients and competitive market conditions. Our commission rates are not determined by agreement with, or recommendation of suggestion from, any person that is not a party to a listing agreement with our firm.
- Agent's affiliated with our company shall not participate in any discussion with any person affiliated with or employed by any other real estate firm concerning the commissions rates charged by this firm, or any other real estate firm in our community.
- When soliciting a listing, or negotiating a listing agreement, no salesperson affiliated with this company shall make any reference to a prevailing" commission level in the community, the "going rate", or any other words or phrases that suggest commission rates are uniform or "standard" within our marketing area.
- The amount of sub-agency compensation, or "commission split", offered by the company to cooperating brokers is determined by the level of service we can expect a cooperating office to perform, and the amount of compensation necessary to induce cooperation under prevailing market conditions. Sub-agency compensation, or commission splits, are not intended, and may not be used, to induce or compel any other real estate firm in our marketing area to raise or lower the commission they charge to their client.
- When soliciting or negotiating a listing agreement, no agent affiliated with this company shall disparage the business practices of any other real estate firm, nor suggest that this office will not cooperate with any other real estate firm. *Listing presentations shall focus exclusively upon the level of service and professionalism provided by this company, the results we have achieved for other client, and the value the client can expect to receive for fees we charge.* Potential clients should be invited, and encouraged, to compare the value of our services to those of any other real estate firm in our marketing area.
- Whenever an agent is unsure about the proper way to respond to the concerns of an actual or potential client or customer, or whenever a salesperson has been present during an unauthorized discussion of fees or commissions, he/she should contact the principal broker or management immediately. If necessary, our management will consult our company's attorney.

RESPA POLICY

Associates are required to comply with Real Estate Settlement Procedures Act requirements at all times. The area of referral fees is specifically addressed in the company policy manual in order to explain the requirements of the federal law and to emphasize the importance of compliance.

**Prohibition against Kickbacks and Unearned Fee
Key Referral Fee Reminders
Disclosure of Commissions, Fees, Rebates, or Other Valuable Consideration**

Reference and review company policy and procedure manual; additional information on RESPA law can be obtained from the Georgia or South Carolina Association of Realtors websites.

****As of January 2017, all Agents are required to have the Code of Ethics training every other year ****

GEORGIA AGENCY LAW

BRRETA – Brokerage Relationships in Real Estate Transaction Act

SELLER REPRESENTATION:

A contractual agreement to legally represent a property owner in the brokering and sale of their property. **(State Law requires the Exclusive Right to Sell be a written agreement.)**

OBJECTIVE:

To offer our expertise and knowledge of real estate brokerage to ensure a successful transaction, exceeding our client’s expectations.

DUTIES INCLUDE BUT ARE NOT LIMITED TO:

- To prepare, present and implement a marketing plan that will allow maximum exposure, attracting the greatest number of prospective buyers.
- Advise and assist in professionally preparing the home for sale.
- Communicate to the Seller all pertinent buyer information (not withstanding confidentially).
- Present and negotiate all offers to purchase.
- Prepare any necessary amendments and exhibits to the sale.
- Coordinate and facilitate home inspections, appraisals, etc.
- Coordinate and facilitate loan processing and final settlement of sale.

BUYER REPRESENTATION:

A contractual agreement to legally represent a buyer in a real estate transaction to purchase property. **(State Law requires a written Buyer/ Brokerage Contract).**

OBJECTIVE:

To offer our expertise and knowledge of real estate in assisting our buyer clients in making an informed decision in purchasing property.

DUTIES INCLUDE BUT NOT LIMITED TO:

- Qualify the customer and client needs and objectives.
- Identify suitable properties for the client.
- Schedule and accompany on all client appointments.

- Obtain all pertinent information on said properties, i.e., Sellers Disclosures, Plats, Covenants, etc.
- Identify reputable, competitive mortgage lenders, home inspectors, pest control companies, etc.
- Draft purchase and sales agreement, all exhibits and amendments on behalf of our “Buyer Client”.
- Present and negotiate offers on behalf of our “Buyer Client”.
- Assist in scheduling and coordinating home inspections, appraisals, etc.
- Draft and present all contract amendments and exhibits.
- Coordinate loan processing and final settlement of sale.

REPRESENTING BOTH BUYERS AND SELLERS:

Southeastern maintains a policy promoting discussion of agency at the first practical opportunity with a customer or a client.

If your client or customer chooses to purchase a property that you have listed or one that is a Southeastern Residential listing, you may proceed with your current representation where a relationship of trust and confidence exists. Your contract will then reflect one of these options:

- Single Agent/ Dual Agent
- Designated Agent

Should your client have any questions or concerns about the agency relationship to the seller, our company/broker will provide additional information to insure confidentiality and complete satisfaction.

A. SINGLE AGENT/ DUAL AGENT:

A Realtor at Southeastern Residential, who through a contractual agreement is representing a “Buyer Client” facilitates the sale of a property, where the same Realtor has an existing contractual agreement to represent the “Seller Client” of said property. ***(All parties must agree in writing prior to drafting a purchase and sales agreement)***

OBJECTIVE: To communicate and negotiate the objectives of both clients, keeping all matters that each deems confidential, to ensure a successful sale.

DUTIES INCLUDE BUT ARE NOT LIMITED TO:

- Same as Buyer and Seller Representation

B. DESIGNATED AGENCY:

The Broker of Southeastern Residential at the request of the client, may appoint a designated agent of the company to represent the Seller Client in a transaction and a designated agent of the company to represent as the Buyer Client in a transaction.

It is our company policy that when the listing and selling agents are both with the company the designated agency relationship exists.

OBJECTIVE: To maintain an existing client agent relationship or an alternative to a Single Agent/Dual Agency relationship.

DUTIES INCLUDE BUT ARE NOT LIMITED TO:

- Same as Buyer and Seller Representation

TRANSACTION BROKERAGE:

Under certain circumstances a client relationship may not be appropriate. Transaction Brokerage allows Southeastern to facilitate the transaction with no legal representation to the party they are assisting. This is often used when working with a For Sale by Owner.

OBJECTIVE: To offer the services by a professional Realtor to facilitate a transaction without representation.

DUTIES INCLUDE BUT ARE NOT LIMITED TO:

- Identify properties that meet the customer's needs.
- Schedule and accompany appointments.
- Prepare the purchase and sales agreement per the customers instructions.
- Share reputable and competitive lenders, home inspectors, pest control companies, etc.
- You may facilitate the scheduling of the inspections, appraisers, etc.
- You may facilitate the transition from loan processing to final settlement.

An agent may not research, advise, or negotiate for the party with whom they are engaged in a Transaction Brokerage agency relationship.

SOUTH CAROLINA AGENCY LAW

Agency Disclosure Policy

Southeastern maintains a policy promoting discussion of agency relationships at the first practical opportunity with a customer or a client.

South Carolina law requires use of the Agency Disclosure Form as prescribed by the South Carolina Real Estate Commission. The Agency Disclosure Form must be given to any person who has not entered into an agreement to be represented. This includes prospective sellers and buyers in residential and commercial transactions. The form must be given at the first practical opportunity to all buyer and sellers with whom the agent has substantive contact as defined by law.

The Rules and Regulations require the agent to give disclosure of his/her agency relationship on the following terms:

- A meaningful explanation of agency relationships in real estate transactions that are offered by that brokerage.
- An agency disclosure form prescribed by the commission.

Buyer's Agent:

An agent who becomes a seller's agent shall provide an agency disclosure form to the seller at the time the listing is obtained and signed. Acknowledgment of receipt of the form must be obtained in the listing agreement.

Dual Agent:

An agent who becomes a disclosed dual agent shall provide to both buyer and seller an agent disclosure form after the buyer has completed and signed a buyer agency agreement and seller has completed and signed a listing agreement. Acknowledgment of receipt of the form by buyer and seller must be contained in their separate agency agreements. An agent may act as a disclosed dual agent only with prior informed and written consent of all parties. The Dual Agency Agreement, provided by the South Carolina Real Estate Commission must be signed by the buyer before writing an offer and by the seller before signing the sales contract. The agreement must specify the transaction in which an agent is serving as dual agent and must state that:

- a) In acting as a dual agent, an agent represents clients whose interests may be adverse and that agency duties are limited.
- b) The dual agent may disclose information gained from one party to another party if the information is relevant to the transaction, except if information concerns:
 - 1.) the willingness or ability of a seller to accept less than the asking price;
 - 2.) the willingness or ability of a buyer to pay more than an offered price;
 - 3.) confidential negotiating strategy not disclosed in an offer as terms of sale; or
 - 4.) the motivation of a seller for selling property or the motivation of a buyer for buying property.
- c.) the clients may choose to consent to disclosed dual agency or may reject it; and
- d.) the clients have read and understood the agency agreement and the agency disclosure form and acknowledge that their consent to dual agency is voluntary.

Designated Agency:

In designated agency, a manager may designate individual associated agents to act solely on behalf of each client. Designated agents are not limited by the Company's agency relationship with the other client, but instead have a duty to promote the best interest of their client including negotiating a price. The manager remains a disclosed dual agent for both clients, and ensures the assigned agents fulfill their duties to their prospective clients.

Customer:

An agent who has substantive contact with a potential buyer or seller shall provide to the potential buyer or seller an agency disclosure form at the first substantive contact. At the time of contact, it is presumed that the potential buyer or seller is to be a customer of the agent and that the agent shall offer services to a customer as defined by SC License Law.

Delivery of Disclosure Forms:

If the first contact occurs over the phone or other electronic means, including the Internet and electronic mail, an agent shall provide a buyer with the agency disclosure form at the first contact, or a copy of the form may be sent by electronic means (email / e-signature).

Disclosure of previous agency relationship:

If an agent with an existing or prior agency agreement with either a customer or a client enters a new agency agreement with the customer or client, the agent shall timely disclose and the new agency relationship to all agents, customers, or clients involved in the contemplated real estate transaction.

Agency Disclosure rules do not apply if:

- I. the transaction is regarding the rental or lease of residential or commercial property;
- II. the communication from the agent is a solicitation of business; or
- III. the transaction is regarding the sale of property by auction.

Southeastern prefers and urges that each agent discuss agency relationships with customers and clients at the earliest possible time in the relationship to avoid later misunderstanding. Written agency's agreements are to be sent to the broker.

Mandatory Buyer Agent Events

It is the policy of the company that any agent working in the following circumstances **MUST** act as a buyer's agent and may not act as a subagent of the seller.

- a) If the agent is buying property for their own account. The agent must reveal their status as an agent in the personal transaction (includes the purchase, sale, exchange, rental, lease, or auction of real estate). The agent meets this requirement by disclosing in UNDERLINED CAPITAL LETTERS on the first page of the contract his status as a real estate agent. Monies received in a personal rental transaction must be deposited in the agent's personal trust account and must not be deposited in the broker's trust account, unless the broker's company manages the real property.
- b) If the agent is working with the agent's immediate family, that is, mother, father, brother, sister, children, any of their spouses or any business owned fully or partially by any of these persons.

Strongly Recommended Buyer Agency Events

It is the policy of this company that any agent working in any of the following circumstances is strongly urged to work as buyer's agent.

- a) If the agent is working with any relative by blood or marriage not in the agent's immediate family as defined above.
- b) If the agent is working with a close friend, business associate or long term past customer or client.
- c) If the agent is working with a seller of a currently or previously listed property to find property to buy. The agent may be concurrently working with the seller to sell the property and working to buy a new property. This event also applies to a seller whose property is under contract or closed and is working to buy a new property.

AGENT AND CONFIDENTIALITY

One of the most important duties of an agent is to maintain the confidentiality of the client, whether buyer and seller. South Carolina statute defines confidential information. It includes information made confidential by written instruction from the client and information made confidential by the statute. An agent should treat confidential information provided by the client that may reasonably be expected to have a negative impact on the client's real estate activity. The agent should pay attention not to make unauthorized or offhand comments about a client situation or a client's property in a way that consider a violation of duty of confidentiality. In particular, four areas are considered of particular importance;

- The lowest price a seller is willing to accept.
- The highest price a buyer is willing to pay.
- The motivation of either party to enter the transaction.
- Confidential negotiating strategy not disclosed in an offer as terms of the sale.

In offering disclosed dual agency or designated agency, the company and all its associates must be sensitive to confidential information with the office and among the associates of the company. The following procedures and policies are intended to protect the confidentiality of the company's clients;

- Associates should not discuss confidential information of the client between or among themselves.
- Comments at sales meetings should not reveal confidential information of the client without the client's permission.
- Office files of listings and pending sales are confidential and may not be assessed except for authorized staff and the agent involved in the listing or transaction.
- Fax transmissions/ telephones messages with confidential information should be distributed in an envelope.
- Contracts, offers, counteroffers, or other transactional documents should be delivered to the person addressed in envelopes.

**ACKNOWLEDGEMENT OF RECEIPT
(Effective April 1, 2022)**

The undersigned hereby acknowledges receipt of the following amendments that have been approved and made a part of the Sales Policy and Procedure Manual for Southeastern Residential, LLC. The undersigned further acknowledges that he/she has read and understands these documents in their entirety and agrees to comply with them.

The undersigned understands that all independent contractors of the company must hold a REALTOR status and must be a member of the local, state, and national real estate association. In addition, all Company associates are bound by the National Code of Ethics and all other codes established by local, state, and federal law. The undersigned agrees to abide by such laws at all times.

The undersigned acknowledges that he/she may become financially obligated to the company for the payment of certain sums, either in accordance with the terms of the Policy Manual or other contracts or agreements.

Signature

License #

Print Name

Date