



Policy and Procedure Manual

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1. About Addicted Realty LLC

1.1 Introduction

1.1.1 Welcome

Welcome to Addicted Realty! We are excited to be part of this chapter of your real estate career. We have set our goals high and hope the opportunities we will create together will be long lasting and beneficial for your career growth and personal development. Addicted Realty started from the very idea that Real Estate should be FUN! So much so, we want you to get “Addicted” to real estate and the Addicted Way. It is through outstanding customer service, a continual focus on training, ongoing education, leveraging technology and embracing teamwork that we are of the belief that...

Together **Everyone Achieves More!!**
Again, welcome to the Addicted Team!
BUY. SELL. REPEAT.

1.1.2 Mission Statement

Addicted Realty is a full service residential and commercial real estate brokerage and property management firm. We are committed to providing transformational service to our employees, agents, customers, clients and the community while making real estate rewarding, profitable and fun.

1.1.3 Core Values - The Addicted Way

It is through the implementation of the our core values that the individuals at Addicted Realty are able to succeed and rise above the competition. All persons associated with or licensed under Addicted Realty are expected to hold these core values as strongly held beliefs and implement them in all aspects of their duties and responsibilities with the Company.

These five (5) core values make up “The Addicted Way.”

- **Attitude:** We are passionate about real estate and love what we do. We choose success and to maintain a positive attitude.
- **Mindset:** Everyone wins or there is no deal.
- **Service:** We facilitate the process, surpass expectations and provide transformational service.
- **Accountability:** We are accountable to ourselves, our colleagues, and our clients.
- **Growth:** We embrace innovation, value education, and evolve.

We work the **WOW**. Seek the **SIZZLE**. Encourage the **EPIC**.

1.2 Addicted Appreciates

The Company recognizes the establishment of (“Addicted Appreciates”), a Non-profit Corporation, whose purpose is to help meet the needs of the Addicted Family when tragedy or disaster occurs. The Company acknowledges Addicted Appreciates is a separate entity and all charitable donations belong to Addicted Appreciates. All disbursements for support and related transactions as authorized by the governing body of Addicted Appreciates shall adhere to the organization’s policies and standard operating procedures.

1.3 Office Hours of Operation and Location

1.3.1 Office Hours of Operation

The office is staffed during the following times:

Monday - Friday	10:00am - 6:00pm
Weekends	By Appointment

Agents have access to the office 24 hours a day, 365 days a year.

1.3.2 Office Location

1.3.2.1 Physical Address

The office is located at:

3320 North Buffalo Dr., Suite 207
Las Vegas, NV 89143

1.3.2.2 Mailing Address

All mail to the Company should be sent to the following:

Addicted Realty
PO Box 33443
Las Vegas, NV 89133

1.3.3 Office Safety

1.3.3.1 Personal Safety

Be aware of your surroundings. When at the office after normal business hours, keep the front door locked. Keep the front doors closed when unlocked to enable the door chime to alert you if someone enters the building. Immediately call 911 in the event of an emergency. The Company is not responsible for lost, stolen or damaged items while on Company property or in vehicles parked at Company locations.

1.3.3.2 Video Surveillance

Company locations are under 24 hour video surveillance and recording. This includes the exterior of the building as well as the entry and interior of the office.

2. Policy and Procedures - General

2.1 Introduction

We have attempted to provide detailed guidelines and direction in this manual; however, there will be times when matters will need to be determined by management decision. Please be advised that these decisions will be guided by fairness, integrity, good communication and based on the Addicted Realty, LLC core values and philosophies.

As this is a living document, we will occasionally add to it and make changes when appropriate. When changes are made, you will be advised in the next sales/staff meeting, as well as electronically through email. All changes will be effective based on the date of revision and a current and updated electronic version of the manual will be available in your employee portal at all times.

This section of the manual applies to all individuals associated with the company regardless of classification.

2.1.1 Policy and Procedure Manual - Purpose

This Policy and Procedures Manual ("Manual") is designed to summarize certain personnel policies and benefits of Addicted Realty, LLC (the "Company"), of Las Vegas, Nevada, and to acquaint individuals with many of the operating procedures and rules concerning independent contractors, employees and consultants with the Company. This Manual applies to all independent contractors, employees and consultants. Compliance with the Company's policies and procedures is a condition of employment (for individuals classified as employees) or contract acceptance (for individuals classified as independent contractors). This Manual is also designed to provide guidance for those activities covered by NRS 645 and NAC 645. This Manual supersedes all previous employment policies, written and oral, express and implied. The Company reserves the right to modify, rescind, delete, or add to the provisions of this Manual from time to time in its sole and absolute discretion. This Policy and Procedure Manual is not a binding contract between the Company and its employees/agents/independent contractors' nor is it intended to alter the at-will employment relationship between the Company and its employees. The Company reserves the right to interpret the policies in this Handbook and to deviate from them when, in its discretion, it determines it is appropriate.

2.1.2 Changes to the Policy and Procedure Manual

Since our business is constantly changing, the Company expressly reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment as described below. No oral statements or representations can in any way alter the provisions of this Manual. Nothing in this Policy or Procedures Manual or in any other document, including benefit plan descriptions, creates or is intended to create a

promise or representation of continued employment for any employee or continued relationship/affiliation with any independent contractor. Any changes to your at-will employment status or contract status, described below, must be in writing and must be signed by the Company.

If you are uncertain about any policy or procedure, please check with your manager or Broker.

2.2 Classifications

2.2.1 Employee Classifications

2.2.1.1 Introduction

Each individual will be advised of his or her status at the time of hire/engagement and upon any change in status. Regardless of the individual's status, the individual is employed at-will and the employment relationship can be terminated by the Company or the employee at any time, with or without cause and with or without notice.

2.2.1.2 Definitions

The terms below are used to describe individuals, employees and their employment status. With the exception of an Independent Contractor / Consultant, an individual may belong to more than one (1) classification.

2.2.1.2.1 Exempt Employees

Employees whose positions meet specific tests established by the Federal Labor Standards Act ("FLSA") and Nevada state law. In general, exempt employees are those engaged in executive, managerial, high-level administrative and professional jobs who are paid a fixed salary and perform certain duties. In addition, certain commissioned sales employees and highly paid computer professionals are exempt. Exempt employees are not subject to the minimum wage and overtime laws.

2.2.1.2.2 Nonexempt Employees

Employees whose positions do not meet specific tests established by the FLSA and Nevada state law. All employees who are covered by the federal or state minimum wage and overtime laws are considered nonexempt. Employees working in nonexempt jobs are entitled to be paid at least the minimum wage per hour and a premium for overtime.

2.2.1.2.3 Full-Time Employees

Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work a schedule of 40 hours per week.

2.2.1.2.4 Part-Time Employees

Employees who are not temporary employees, independent contractors, or independent consultants and who are regularly scheduled to work less than 40 hours per week.

2.2.1.2.5 Temporary Employees

Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project. Employment assignments in this category are of limited duration and the temporary employee can be let go before the end of the defined period. Short term assignments generally are periods of three (3) months or less, however, such assignments may be extended. All Temporary employees are at-will regardless of the anticipated duration of the assignment (see Employment-at-Will Policy). Temporary employees retain that status unless and until notified in writing of a change.

2.2.1.2.6 Independent Contractor or Consultant

These individuals are not employees of the Company and are self-employed. An independent contractor or consultant is engaged to perform a task according to his/her own methods and is subject to control and direction only as to the results to be accomplished, except as required by NAC 645.600. Independent contractors or consultants are not entitled to benefits. An individual engaged in activities described in NRS 645 and/or licensed as either a Real Estate Salesperson or Real Estate Broker-Salesperson, shall be classified as an Independent Contractor and shall be under the supervision of the Broker(s) of the Company as required by NAC 645.600.

2.2.2 Independent Contractor Classification

2.2.2.1 Association

Individuals designated as an Independent Contractor will be associated with Addicted Realty, LLC only as an independent contractor. It is understood that there is no employee-employer relationship with Addicted Realty, LLC.

2.2.2.2 Taxation

An Independent Contractor will be considered such for tax purposes and will receive a 1099 Miscellaneous income form at the end of the year or other form

so designated by the Internal Revenue Service ("IRS"). Please be advised that Addicted Realty, LLC will not withhold any income taxes, social security taxes, or self-employment taxes from your compensation. The Company does not provide tax or legal advice and all individuals are encouraged to seek appropriate advice from competent professionals regarding any tax or legal matter concerning the provision of services as an independent contractor. It is understood that the payment of any and all taxes shall be the responsibility of the independent contractor. For purposes of both State and Federal Unemployment Insurance, an individual in this classification shall be considered an Independent Contractor.

2.2.2.3 Termination

A Real Estate Salesperson or Broker-Salesperson licensee acting as an independent contractor to the Company may have their association with the Company terminated at any time, with or without cause, and with or without notice. The Company shall comply with NRS 645.580, NAC 645.305 and NAC 645.310 with regards to documentation of any such termination. At the sole discretion of the Company, a licensee may or may not be permitted to personally deliver ("hand carry") their original license and the original notice of termination to the Real Estate Division. For the purposes of this Manual, the term license shall include any type of Real Estate License or Permit issued by the responsible State agency.

2.2.2.4 Workers' Compensation

For purposes of Nevada's workers' compensation law, "independent contractor" means any person who renders service for a specified amount of compensation for a specified result, under the control of the employer as to the result of his work only and not as to the means by which such result is accomplished (*NV Rev. Stat. Sec. 616A.255*).

2.3 Company Facilities

2.3.1 Access

The Company physical office is currently available for employee and agent use 24 hours per day, 365 days per year. Keys are provided for access and remain the property of the Company and must be returned upon request or termination. There is a \$100 charge for each lost or unreturned key. The Company shall recover any key fees from any funds due an employee or contractor upon separation.

2.3.2 Beverages

The Company may, at its discretion, make beverages available for visitors, clients, guests, agents, and employees. The beverage selection may vary, but typically includes water, coffee, tea, and soda. The beverages are primarily available to provide to clients, but agents and employees may use them as well. Please be kind to the environment and

think twice before using disposable cups and water bottles when you will be in the office all day.

2.3.3 Common Areas

2.3.3.1 Kitchen

The Company provides access to a fully equipped kitchen facility at the Buffalo location. Kindly clean up after yourself. The refrigerator will be cleaned out periodically.

2.3.3.2 Lobby

The Company provides a lobby “living room” area where guests and clients may wait for an appointment. There is also a “quick sign” table which may be used when someone needs to “pop in” to sign a document.

2.3.3.3 Media Room

The Company provides a media room with various backdrops and lighting boxes for photography and video recording sessions. Reservations may be made through the Administration office.

2.3.4 Conference Rooms

2.3.4.1 Access and Use

Agents and employees are provided complimentary access to Company Conference Rooms at the discretion of the Company. Agents and employees are required to leave any Company Conference Room in a neat and tidy condition.

2.3.4.2 Equipment

Agents and employees are permitted to access the multimedia equipment in company conference rooms. The Company may make available various connection methods such as Apple TV, Chromecast and/or HDMI cables. Check with the Company prior to making any other type of connection to company electronics.

2.3.4.3 Permitted Use

Conference rooms are to be used to conduct meetings with clients, vendors, other agents, team members, and service providers.

2.3.4.4 Prohibited Use

Agents and employees are not permitted to utilize any company conference room as a private office.

2.3.4.5 Reservations

Agents and employees are required to reserve the use of company conference rooms using the current method as determined by the Company. Agents may contact the Administration office to reserve a conference room. Should the Company implement online scheduling of any Company Conference Room facility, Agents shall be notified of such system via email and will be required to process reservation requests using such system.

Reservations will be processed on a first-come-first-serve basis. The Company reserves all rights to approve or deny any reservation request and may modify this policy at any time.

2.3.5 Print / Copy Access

The Company provides access printing and copying equipment at the Company locations. The Company may implement access control for both copy machine and printer access. Agents are encouraged to keep their copy access code private as they are personally liable for any activity on that number.

Agents shall be provide a reasonable number of black and white copies/prints per month at no charge. If usage is excessive, the agent will be notified. If excessive usage continues or reoccurs, the agent will be liable for \$0.03 per black and white page for any copies or prints beyond 500 in a month. The "month" cycle shall be determined by the equipment vendor and shall refer to the period of approximately 30 days between meter readings. Agents shall be provided 20 color copies per month at no cost. Any color prints or copies exceeding 20 in a monthly cycle shall be billed to the agent at \$0.10 per color copy/print.

Please ensure the default settings are configured on your computers, tablets, and phones to ensure you are only printing in color when you intend to print in color.

The Company reserves the right to modify this policy at anytime. If no access control system is in effect, agents shall not be charged for copy/printer usage.

2.3.6 Rental Offices

The Company may make available private offices for rent at any Company facility. The rent varies by office space and will be disclosed in writing. Office rent is due and payable, in advance, on the first day of each month unless other arrangements have been made with the Company.

2.4 Employment

2.4.1 At-Will Work Status

Employment with the Company is on an at-will basis, unless otherwise specified in a written employment agreement. Individuals are free to resign at any time, for any reason, with or without notice. Similarly, the Company is free to conclude the employment relationship at any time, for any lawful reason, with or without cause, and with or without notice.

Nothing in this Manual will limit the right of either party to terminate an at-will employment. No section of this Manual is meant to be construed, nor should be construed, as establishing anything other than an employment-at-will relationship. This Manual does not limit management's discretion to make personnel decisions such as reassignment, change of wages and benefits, demotion, etc. No person other than a Managing Member of Addicted Realty LLC, has the authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment other than at-will terms.

2.4.2 Confidentiality

In the course of employment with the Company, employees may have access to "Confidential Information" regarding the Company, which may include its business strategy, future plans, financial information, contracts, suppliers, customers, personal information or other information that the Company considers proprietary and confidential. Maintaining the confidentiality of this information is vital to the Company's competitive position in the industry and, ultimately, to its ability to achieve financial success and stability. Employees must protect this information by safeguarding it when in use, using it only for the business of the Company and disclosing it only when authorized to do so and to those who have a legitimate business need to know about it. This duty of confidentiality applies whether the employee is on or off the Company's premises, and during and even after the end of the employee's employment with the Company. This duty of confidentiality also applies to communications transmitted by the Company's electronic communications. See also Internet, Email and Computer Use policy, herein.

As a condition of employment with the Company, all employees must sign a Non-Disclosure Agreement.

2.4.3 Employment of Minors

The Federal Labor Standards Act ("FLSA") child labor provisions, which the Company strictly adheres to, are designed to protect the educational opportunities of youth and prohibit their employment in jobs that are detrimental to their health and safety. Generally speaking, the FLSA sets the minimum age for employment (14 years for non-agricultural jobs), restricts the hours youth under the age of 16 may work, and prohibits youth under the age of 18 from being employed in hazardous occupations. In addition, the FLSA

establishes subminimum wage standards for certain employees who are less than 20 years of age, full-time students, student learners, apprentices, and workers with disabilities. Employers generally must have authorization from the U.S. Department of Labor's Wage and Hour Division (WHD) in order to pay sub-minimum wage rates.

2.4.4 Employment of Relatives

The Company recognizes that the employment of relatives in certain circumstances, such as when they will work in the same department, supervise or manage the other, or have access to confidential or sensitive information regarding the other, can cause problems related to supervision, safety, security or morale, or create conflicts of interest that materially and substantially disrupt the Company's operations. When the Company determines any of these problems will be present, it will decline to hire an individual to work in the same department as a relative. Relatives subject to this policy include: father, mother, sister, brother, current spouse or domestic partner, child (natural, foster, or adopted), current mother-in-law, current father-in-law, grandparent, or grandchild.

If present employees become relatives during employment, the Company should be notified so that we may determine whether a problem involving supervision, safety, security or morale, or a conflict of interest that would materially and substantially disrupt the Company's operations exists. If the Company determines that such a problem exists, the Company will take appropriate steps to resolve the problem, which may include reassignment of one relative (if feasible) or asking for the resignation of one of the relatives.

2.4.5 Equal Employment Opportunity & Americans with Disabilities Act

It is the policy of the Company to provide equal employment opportunities to all employees and employment applicants without regard to unlawful considerations of race, religion, creed, color, national origin, sex, pregnancy, sexual orientation, gender identity, age, ancestry, physical or mental disability, genetic information, marital status or any other classification protected by applicable local, state or federal laws. This policy prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. This policy applies to all aspects of employment, including, but not limited to, hiring, job assignment, working conditions, compensation, promotion, benefits, scheduling, training, discipline and termination.

The Company expects all employees to support our equal employment opportunity policy, and to take all steps necessary to maintain a workplace free from unlawful discrimination and harassment and to accommodate others in line with this policy to the fullest extent required by law. For example, the Company will make reasonable accommodations for employees' observance of religious holidays and practices unless the accommodation would cause an undue hardship on the Company's operations. If you desire a religious accommodation, you are required to make the request in writing to your manager as far in advance as possible. You are expected to strive to find co-workers who

can assist in the accommodation (e.g. trade shifts) and cooperate with the Company in seeking and evaluating alternatives.

Moreover, in compliance with the Americans with Disabilities Act (ADA), the Company provides reasonable accommodations to qualified individuals with disabilities to the fullest extent required by law. The Company may require medical certification of both the disability and the need for accommodation. Keep in mind that the Company can only seek to accommodate the known physical or mental limitations of an otherwise qualified individual. Therefore, it is your responsibility to come forward if you are in need of an accommodation. The Company will engage in an interactive process with the employee to identify possible accommodations, if any will help the applicant or employee perform the job.

2.4.6 Personnel Records and Employee References

The Company maintains a personnel file and payroll records for each employee as required by law. Personnel files and payroll records are the property of the Company and may not be removed from Company premises without written authorization. Because personnel files and payroll records are confidential, access to the records is restricted. Generally, only those who have a legitimate reason to review information in an employee's file are allowed to do so. Disclosure of personal information to outside sources will be limited. However, the Company will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

Employees may contact a Broker or Human Resources representative to request a time to review their payroll records and/or personnel file. With reasonable advance notice, an employee may review his or her own records in the Company's offices during regular business hours and in the presence of an individual appointed by the Company to maintain the records. You also have the right to obtain a copy of your personnel files, but you may be required to pay for any such copies. You may add your comments to any disputed item in the file.

By policy, the Company will provide only the former or present employee's dates of employment and position(s) held with the Company. Compensation information may also be verified if written authorization is provided by the employee.

2.4.7 Political Position

Maintenance of individual freedom and our political institutions necessitates broad scale participation by citizens concerning the selection, nomination and election of our public office holders. The Company will not discriminate against any employee because of identification with and support of any lawful political activity. Company employees are entitled to their own personal political position. The Company will not discriminate against employees based on their lawful political activity engaged in outside of work. If you are engaging in political activity, however, you should always make it clear that your actions and opinions are your own and not necessarily those of the Company, and that you are not representing the Company.

2.5 Standards of Conduct

2.5.1 Anti Harassment and Discrimination

The Company is committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Harassment or unlawful discrimination against individuals on the basis of race, religion, creed, color, national origin, sex, pregnancy, sexual orientation, gender identity, age, ancestry, physical or mental disability, genetic information, marital status or any other classification protected by local, state or federal laws is illegal and prohibited by Company policy. Such conduct by or towards any employee, contract worker, customer, vendor or anyone else who does business with the Company will not be tolerated. Any employee or contract worker who violates this policy will be subject to disciplinary action, up to and including termination of his or her employment or engagement. To the extent a customer, vendor or other person with whom the Company does business engages in unlawful harassment or discrimination, the Company will take appropriate corrective action.

2.5.2 Cell Phone Policy

The use of personal cell phones at work is discouraged because it can interfere with work and be disruptive to others. Therefore, employees/agent/contract workers who bring personal cell phones to work are required to keep the ringer shut off or placed on vibrate mode when they are in the office, and to keep cell phone use confined to breaks and meal periods. Conversations should be had away from areas where other employees are working. When cell phone use interferes with the satisfactory performance of an employee's duties or disturbs others, the privilege of using a personal cell phone at work may be taken away and other disciplinary action, up to and including termination, may be imposed.

The Company may provide cell phone allowances to employees/agent/contract workers in certain positions in an effort to improve efficiency and effectiveness. When cell phones are used for Company business, employees/agent/contract workers must comply with all Company policies governing conduct, including our policies prohibiting discrimination, harassment, and violence in the workplace. When using the cell phone in a public place, please remember to maintain the confidentiality of any private or confidential business information. As a courtesy to others, please shut cell phones off or place on vibrate mode during all company meetings.

The Company requires all individuals conducting Company business, including agents, to comply with all local, state and federal regulations regarding cell phone use. In Nevada, it is unlawful for the driver of a motor vehicle to use a cell phone while behind the wheel.

2.5.3 Communication

All communication is to be professional and courteous at all times.

2.5.3.1 Emails

Emails should be returned as soon as practically possible. In addition, all email signatures should include the Brokerage name.

2.5.3.2 Phone Calls

Phone calls should be returned as soon as practically possible. In addition, any phone call that is directly connected to a transaction should be followed up with an email documenting the call.

2.5.3.3 Text Messages

Text messaging between family and friends is fine, but you should never depend on text messaging when dealing with real estate transactions or business related activities. All licensees and employees must use email as their primary communication and keep copies of anything relating to a real estate transaction. Text messages should be used for short and informal communication. Anything of relevance to a transaction sent or received via text message should be followed up via email. It is difficult to maintain adequate records of text messages and should transaction related documentation be requested by the Real Estate Division or Association of Realtors®, obtaining the records may prove difficult. NRS requires brokerages to retain all transaction related documentation, which includes communication records, for a period of 5 years after the last activity on a file. If a cell phone is lost or damaged, you risk losing all text message records.

2.5.4 Complaint Procedure

Employees, agents, or contract workers who feel that they have been harassed or discriminated against, or who witness any harassment or discrimination by an employee, contract worker, customer, vendor or anyone else who does business with the Company, should immediately report such conduct to their Broker, supervisor or any other member of management.

Do not allow an inappropriate situation to continue by not reporting it, regardless of who is creating the situation. No employee, contract worker, customer, vendor or other person who does business with this organization is exempt from the prohibitions in this policy. In response to every complaint, the Company will conduct an investigation which may involve interviewing witnesses if warranted and, if improper conduct is found, take appropriate corrective action. To the extent that an employee or contract worker is not satisfied with the Company's handling of a harassment or discrimination complaint, he or she may also contact the appropriate state or federal enforcement agency for legal relief.

2.5.5 Conflict Resolution

2.5.5.1 De-escalation

The core values of the Company encourages all employees, agents, and other associates to be cognisant of their “Attitude” and “Mindset” in all engagements. It is easier to de-escalate a conflict before it becomes a situation. All parties should strive to “rise above” and attempt to avoid conflict and disputes. Our focus is on serving our clients and if we are engaged in disputes with ourselves or third parties, it has the potential to distract us from that focus.

The Company utilizes the **LAST** method for conflict resolution and service recovery.

- L** - Listen
- A** - Apologize
- S** - Solve
- T** - Thank

2.5.5.2 Training

The Company, at its sole discretion, may require employees and/or independent contractors, to participate in training and/or classes related to anger management, conflict resolution, customer service, ethics, interpersonal communication, professional behavior, professional conduct, team building, or other subject matter deemed relevant by the Company.

For independent contractors, any mandated training or classes shall be considered supervision of real estate activities and not control.

2.5.5.3 Third Party Disputes

Notify your Broker and/or supervisor immediately of any disputes or claims involving you, another agent in the office, the office itself, the Company, and a third party, including brokers and associates of other brokerages. The Company will make all reasonable effort to resolve the conflict informally. Any resolution secured by the Company will be binding on the agents involved in the dispute or claim.

2.5.6 Discipline

As an at-will employer, the Company may impose discipline whenever it determines it is necessary or appropriate. Discipline may take various forms, including verbal counseling, written warnings, suspension, demotion, transfer, reassignment or termination. The discipline imposed will depend on the circumstances of each case; therefore, discipline will not necessarily be imposed in any particular sequence. Moreover, at any time the Company determines it is appropriate, an employee may be terminated immediately.

Every organization must have certain standards of conduct to guide the behavior of employees. Although there is no possible way to identify every rule of conduct, the following is an illustrative list (not intended to be comprehensive or to limit the Company's right to impose discipline for any other conduct it deems inappropriate). Keep in mind that these standards of conduct apply to all employees whenever they are on Company property and/or conducting Company business (on or off Company property). Engaging in any conduct the Company deems inappropriate may result in disciplinary action, up to and including termination.

1. Dishonesty
2. Falsification of Company Records
3. Unauthorized use or possession of property that belongs to the Company, a coworker, or the public
4. Possession or control of illegal drugs, weapons explosives, or other dangerous or unauthorized materials
5. Fighting, engaging in threats of violence or violence, use of vulgar or abusive language, horseplay, practical jokes or other disorderly conduct that may endanger others or damage property
6. Insubordination, failure to perform assigned duties or failure to comply with the Company's health, safety or other rules.
7. Unauthorized or careless use of the Company's materials. Equipment or property
8. Unauthorized and/or excessive absenteeism or tardiness
9. Lack of teamwork, poor communication, unsatisfactory performance, unprofessional conduct, or conduct improper for the workplace
10. Sexual or other illegal harassment or discrimination
11. Unauthorized use or disclosure of the Company's confidential information
12. Violation of any Company policy

2.5.7 Dress Code

What we wear to work is a reflection of the pride we have in our Company, in what we do, and in ourselves. Although dress code requirements will vary according to job responsibilities, we ask that your appearance at all times is appropriate for the safe performance of your job.

2.5.8 Internet, Email and Computer Use Policy

The Company uses various forms of electronic communication including, but not limited to: computers, email, telephones, voicemail, instant message, text message, Internet, cell phones and smartphones (hereafter referred to as "electronic communications"). The electronic communications, including all software, databases, hardware, and digital files, remain the sole property of the Company and are to be used only for Company business and not for personal use.

The following rules apply to all forms of electronic communications and media that are: (1) accessed on or from Company premises; (2) accessed using the Company computer or telecommunications equipment, or via Company-paid access methods; and/or (3) used

in a manner which identifies the Company. The following list is not exhaustive and the Company may implement additional rules from time to time.

a. Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against Company policy, or not in the best interest of the Company. Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline, up to and including termination. Employees may not install personal software on Company computer systems.

b. Employee's own electronic media may only be used during breaks. All other company policies, including the Company's no tolerance for discrimination, harassment, or retaliation in the workplace apply.

c. All electronic information created by any employee on Company premises or transmitted to Company property using any means of electronic communication is the property of the Company and remains the property of the Company. You should not assume that any electronic communications are private or confidential and should transmit personal sensitive information in other ways. Personal passwords may be used for purposes of security, but the use of a personal password does not affect the Company's ownership of the electronic information. The Company will override all personal passwords if necessary for any reason.

d. The Company reserves the right to access and review electronic files, messages, internet use, blogs, "tweets", instant messages, text messages, email, voice mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of Company policy or any law occurs. All such information may be used and/or disclosed to others, in accordance with business needs and the law. The Company reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. All online advertising must be in compliance with NAC 645.610, NAC 645.611, NAC 645.613 and NRS 645.315.

f. Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines, and voice mail communications are required to use these methods in strict compliance with the Confidentiality section of this Manual. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

g. Access to the Internet, websites, and other types of Company-paid computer access are to be used for Company-related business only. Any information about Addicted Realty, LLC, its products or services, or other types of information that will appear in the electronic media about the Company must be approved before the information is placed on any electronic information resource that is accessible to others.

2.5.9 Meetings

- The Company reserves the right to hold various meetings with licensees/staff members/management teams at the discretion of the Company..
- The frequency and content of the meetings may vary and may be informational, educational, or supervisory in nature.
- Meetings may be one-on-one, small group, or company wide.
- Meetings may be optional or mandatory. The Company shall make every effort to provide advance notice to any mandatory meeting.
- Attendees are expected to be punctual for any scheduled company meeting and update Broker/Supervisor/Instructor if running late.

2.5.10 Privacy Policy

2.5.10.1 Introduction

Protecting your private information is our priority. This Statement of Privacy applies to the www.addictedrealty.com and Addicted Realty, LLC and governs data collection and usage. For the purposes of this Privacy Policy, unless otherwise noted, all references to Addicted Realty, LLC include www.addictedrealty.com. The Addicted Realty, LLC website is a Sales and management site. By using the Addicted Realty, LLC website, you consent to the data practices described in this statement.

2.5.10.2 Collection of your Personal Information

Addicted Realty, LLC may collect personally identifiable information, such as your name. Addicted Realty, LLC may also collect anonymous demographic information, which is not unique to you, such as your age and gender. We may gather additional personal or non-personal information in the future.

Information about your computer hardware and software may be automatically collected by Addicted Realty, LLC. This information can include: your IP address, browser type, domain names, access times and referring website addresses. This information is used for the operation of the service, to maintain quality of the service, and to provide general statistics regarding use of the Addicted Realty, LLC website.

Please keep in mind that if you directly disclose personally identifiable information or personally sensitive data through Addicted Realty, LLC's public message boards, this information may be collected and used by others.

Addicted Realty, LLC encourages you to review the privacy statements of websites you choose to link to from Addicted Realty, LLC so that you can understand how those websites collect, use and share your information. Addicted

Realty, LLC is not responsible for the privacy statements or other content on websites outside of the Addicted Realty, LLC website.

2.5.10.3 Use of your Personal Information

Addicted Realty, LLC collects and uses your personal information to operate its website(s) and deliver the services of employment you have requested.

Addicted Realty, LLC may also use your personally identifiable information to inform you of other products or services available from Addicted Realty, LLC and its affiliates. Addicted Realty, LLC may also contact you via surveys to conduct research about your opinion of current services or of potential new services that may be offered. Addicted Realty LLC may also use this information to streamline employee/agent portals and/or transaction services.

Addicted Realty, LLC does not sell, rent or lease its customer/employee/agents/independent contractor lists to third parties.

Addicted Realty, LLC may, from time to time, contact you on behalf of external business partners about a particular offering that may be of interest to you. In those cases, your unique personally identifiable information (e-mail, name, address, telephone number) is transferred to the third party. Addicted Realty, LLC may share data with trusted partners to help perform statistical analysis, send you email or postal mail, provide customer support or feedback, or arrange for deliveries. All such third parties are prohibited from using your personal information except to provide these services to Addicted Realty, LLC, and they are required to maintain the confidentiality of your information.

Addicted Realty, LLC may keep track of the websites and pages our users visit within Addicted Realty, LLC, in order to determine what Addicted Realty, LLC services are the most popular. This data is used to deliver customized content and advertising within Addicted Realty, LLC to customers whose behavior indicates that they are interested in a particular subject area.

Addicted Realty, LLC will disclose your personal information, without notice, only if required to do so by law or in the good faith belief that such action is necessary to: (a) conform to the edicts of the law or comply with legal process served on Addicted Realty, LLC or the site; (b) protect and defend the rights or property of Addicted Realty, LLC; and, (c) act under exigent circumstances to protect the personal safety of users of Addicted Realty, LLC, or the public.

2.5.10.4 Security of your Personal Information

Addicted Realty, LLC secures your personal information from unauthorized access, use or disclosure.

2.5.10.5 Children Under Thirteen

Addicted Realty, LLC does not knowingly collect personally identifiable information from children under the age of thirteen. If you are under the age of thirteen, you must ask your parent or guardian for permission to use the Addicted Realty, LLC website.

2.5.10.6 Opt-Out & Unsubscribe

We respect your privacy and give you an opportunity to opt-out of receiving announcements of certain information. Users may opt-out of receiving any or all communications from Addicted Realty, LLC by contacting us here:

- Web page: www.addictedrealty.com
- Email: info@addictedrealty.com
- Phone: 702 843-6733

2.5.10.7 Changes to this Statement

Addicted Realty, LLC will occasionally update this Statement of Privacy. Addicted Realty, LLC encourages you to periodically review this Statement to be informed of how Addicted Realty, LLC is protecting your information.

2.5.11 Prohibited Conduct

Prohibited harassment or discrimination includes any verbal, physical or visual conduct based on sex, race, age, national origin, sexual orientation, gender identity, disability or any other legally protected basis if:

- a. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or engagement;
- b. Submission to or rejection of such conduct by an individual is used as a basis for decisions concerning that individual's employment or engagement; or
- c. It creates a hostile or offensive work environment

Prohibited harassment includes (but is not limited to) unwelcome sexual advances, requests for sexual favors and lewd, vulgar or obscene remarks, jokes, posters or cartoons, and any unwelcome touching, pinching or other physical contact. Other forms of unlawful harassment or discrimination may include racial epithets, slurs and derogatory remarks, stereotypes, jokes, posters or cartoons based on race, national origin, age, disability, marital status or other legally protected categories. Prohibited harassment might also be transmitted using the Company's electronic communications system, or through other online conduct.

2.5.12 Safety

The Company is committed to providing a safe workplace. Accordingly, the Company emphasizes "safety first." It is the employee/contract worker's responsibility to take steps to promote safety in the workplace and work in a safe manner. By remaining safety conscious, employee/contract workers can protect themselves and their coworkers. Employees/contract workers are expected to promptly report all unsafe working conditions, accidents and injuries, regardless of how minor so that any potential hazards can be corrected.

2.5.13 Smoking Policy

No smoking or other use of tobacco products (including, but not limited to, cigarettes, pipes, cigars, snuff, or chewing tobacco) is permitted in any part of the building or in vehicles owned, leased, or rented by the Company. Employees/Agents may smoke outside in designated areas.

2.5.14 Social Media Policy

Addicted Realty, LLC is committed to utilizing social media to enhance its profile and reputation, to listen and respond to customer opinions and feedback, and to drive revenue, loyalty and advocacy. We encourage employees/agents and contract workers to support our activities through their personal social networking channels while adhering to the guidelines outlined in this section.

For the purpose of this section, social media and networking refers to the use of web-based and mobile applications for social interaction and the exchange of user-generated content. Social media channels can include, but are not limited to: Facebook, Twitter, LinkedIn, YouTube, blogs, review sites, forums, online communities and any similar online platforms.

Employees/agents/contract workers are expected to conduct themselves in a professional manner and to respect the views and opinions of others. The Company and its employees are committed to conducting ourselves in accordance with best industry practices in social networking, to being responsible citizens and community members, to listening and responding to feedback, and to communicating in a courteous and professional manner. Behavior and content that may be deemed disrespectful, dishonest, offensive, harassing or damaging to the company's interests or reputation are not permitted. The use of social media channels on company time for personal purposes is not allowed.

Any social media contacts, including "followers" or "friends," that are acquired through accounts (including but not limited to email addresses, blogs, Twitter, Facebook, YouTube, LinkedIn, or other social media networks) created on behalf of the Company will be the property of the Company.

Employees/agents/contract workers must not disclose private or confidential information about the Company, its employees, clients, suppliers or customers on social networks. Employees must respect trademarks, copyrights, intellectual property and proprietary information. No third-party content should be published without prior permission from the owner.

The Company maintains the right to monitor company-related employee/agent/contract worker activity in social networks. Violation of policy guidelines or NAC 645.610, NAC 645.611, NAC 645.613 and NRS 645.315, is grounds for discipline, up to and including termination.

2.5.15 Substance Use and Abuse

The Company is committed to providing its employees/agents/contract workers with a safe and productive work environment. In keeping with this commitment, it maintains a strict policy against the use of alcohol and the unlawful use of drugs in the workplace. Consequently, no employees/agents/contract workers may consume or possess alcohol, or use, possess, sell, purchase or transfer illegal drugs at any time while on the Company's premises or while using the Company vehicles or equipment, or at any location during work time.

No employees/agents/contract workers may report to work with illegal drugs (or their metabolites) or alcohol in his or her bodily system. The only exception to this rule is that employees may engage in moderate consumption of alcohol that may be served and/or consumed as part of an authorized Company social or business event. "Illegal drug" means any drug that is not legally obtainable or that is legally obtainable but has not been legally obtained. It includes prescription drugs not being used for prescribed purposes or by the person to whom it is prescribed or in prescribed amounts. It also includes any substance a person holds out to another as an illegal drug.

Any violation of this policy will result in disciplinary action, up to and including termination.

Any employees/agents/contract worker who feels he or she has developed an addiction to, dependence upon, or problem with alcohol or drugs, legal or illegal, is strongly encouraged to seek assistance before a violation of this policy occurs. Any employee who requests time off to participate in a rehabilitation program will be reasonably accommodated. However, employees may not avoid disciplinary action, up to and including termination, by entering a rehabilitation program after a violation of this policy is suspected or discovered.

2.5.16 Workplace Searches

All offices, desks, file drawers, cabinets, lockers, Company vehicles, and other Company equipment (including but not limited to computers, email and voicemail) and facilities or any area on Company premises are the property of the Company ("Company Property"), and are intended for business use. Employees/agents/contract workers should have no expectation of privacy with respect to Company property and/or items stored within

Company Property or on Company premises. Inspection may be conducted at any time, without notice, at the discretion of the Company.

In addition, when the Company deems appropriate, employees may be required to submit to searches of their personal vehicles, parcels, purses, handbags, backpacks, briefcases, lunchboxes or any other possessions or articles brought on to the Company's premises.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy may not be permitted to enter the premises. All employees/agents/contract workers must cooperate in an inspection; failure to do so is insubordination and will result in disciplinary action, up to and including termination.

3. Policy and Procedures - Employees

3.1 Introduction

We have attempted to provide detailed guidelines and direction in this manual; however, there will be times when matters will need to be determined by management decision. Please be advised that these decisions will be guided by fairness, integrity, good communication and based on the Addicted Realty, LLC core values and philosophies.

As this is a living document, we will occasionally add to it and make changes when appropriate. When changes are made, you will be advised in the next staff meeting, as well as electronically through email. All changes will be effective based on the date of revision and a current and updated electronic version of the manual will be available in your employee portal at all times.

This section of the manual applies to all individuals **employed** by the company.

3.2 Attendance

Punctuality and regular attendance are essential to the successful operation of the Company's business. If an employee is unable to report to work (or to report to work on time) for any reason, the employee must notify his or her supervisor before his or her starting time. If an employee desires to leave work for any reason during the workday, the employee must obtain the approval of his or her supervisor prior to leaving. In the event that the employee fails to call his or her supervisor or report for work for 2 consecutive workdays, the employee will be deemed to have voluntarily resigned from his or her employment with the Company and will be removed from the payroll. Excessive absenteeism or tardiness may subject the employee to disciplinary action, up to and including termination. New employees will be expected to be at work every business day for the first 90 days of employment without exception, unless the time away has been pre-approved by a Broker or Supervisor at time of initial employment.

3.3 Compensation

3.3.1 Payroll

3.3.1.1 Direct Deposit

All employees are encouraged, but not required, to use direct deposit and have their paychecks deposited into a bank account of an accredited participating bank or credit union. There shall be no charge for direct deposit. All employees requesting direct deposit shall complete the current Company ACH Authorization form and include a pre-printed check or other official documentation from the financial institution confirming the account and routing numbers. Employee

agrees to provide updates to the Company should their banking information change. Changes may take 1-2 pay periods to take effect.

3.3.1.2 Overtime

Nonexempt employees will be paid in accordance with federal and Nevada state law.

In Nevada, the standard week for employees should not exceed 8 hours in a day, if the employee's regular rate of pay is less than one and one-half times the minimum wage; or 40 hours in a week, for all employees. Should the Company find it necessary to employ an employee in excess of this standard, overtime hours shall be compensated at the rate of one and one-half times the regular rate of pay.

All overtime work by nonexempt employees must be authorized in advance by their manager. Only hours actually worked will be used to calculate overtime pay.

3.3.1.3 Pay Dates

Employees are paid on a bi-weekly basis and shall receive 26 paychecks per calendar year. Pay dates shall be published on the company pay calendar. If the regular payday falls on a Company holiday, employees will be paid on the last business day preceding the holiday. Each pay date shall cover the pay period ending the week prior to the pay date.

3.3.1.4 Pay Periods

Pay periods shall be two (2) calendar weeks in length. Pay periods begin on Monday and end on Sunday.

3.3.1.5 Record Keeping

All nonexempt employees shall keep an accurate record of all start and stop times for any work periods. The format of record keeping shall be determined by the Company and may change from time-to-time. Employees shall submit their record of time to their manager for approval within one (1) business day of the conclusion of a pay period. The manager shall submit approved records to the Accounting department for processing.

Should an employee fail to submit their record of start and stop times to their manager, or should Accounting not receive such records prior to the processing of the current pay cycle, the Company shall process the employees pay for such pay period based on an estimate of time worked. If appropriate, the Company shall use an average of time worked over the preceding six (6) pay periods and incorporate any adjustments based on credible information obtained from the employee's manager or other sources.

If an estimate of time worked is used for any payroll processing, the company shall make any over/under payment adjustments on the following pay date. If the employee was underpaid the value of more than 5 hours, the company shall make every reasonable effort to issue an off-cycle pay check as soon as practicable. Should an employee receive an overpayment, the employee authorized the company to deduct any overpayment on the following pay date. The Company reserves the right to enter into a repayment agreement with the employee at the discretion of the Company. The Company reserves the right to seek any equitable relief to correct any overpayment to an employee.

3.3.1.6 Wage and Tax Statement

At the start of each calendar year, you will be supplied with your Wage and Tax Statement (W-2) form for the prior year. This statement summarizes your income and deductions for the year.

3.3.1.7 Wage Garnishment

A garnishment is a court order requiring an employer to remit part of an employee's wages to a third party to satisfy a just debt. Once the Company receives the legal papers ordering a garnishment, we are required by law to continue making deductions from your check until we have withheld the full amount or until we receive legal papers from the court to stop the garnishment. Even if you have already paid the debt, we still need the legal papers to stop the garnishment.

3.3.1.8 Withholding and Deductions

Various payroll deductions are made each payday to comply with federal and state laws pertaining to taxes and insurance.

Deductions will be made for the following: Federal and State Income Tax Withholding, Social Security, Medicare, State Disability Insurance & Family Temporary Disability Insurance, and other items designated by you or required by law (including a valid court order). Deduction types may vary based on jurisdiction of employment.

You can adjust your federal and state income tax withholding by completing the proper federal or state form and submitting it to Accounting. Please allow 1-2 pay periods for changes to take effect.

3.3.2 Rest and Meal Periods

3.3.2.1 Meal Periods

All meal periods will be in accordance with Nevada state law. Nonexempt employees scheduled to work a continuous eight hour period will be provided a 60-minute unpaid meal period. The employee shall not be suffered to work during this period nor shall the employee be required to remain on company property.

3.3.2.2 Rest Periods

All rest periods will be in accordance with Nevada state law.

Nonexempt employees will be provided a 10-minute rest break for every four hour period, or major fraction of, worked. This time is counted and paid as time worked.

3.4 Employee Benefits

3.4.1 Introduction

The Company provides insurance programs as mandated by state and federal regulations for all employees, agents, and/or contract workers. From time to time, benefits may be added or deleted from the benefits package. The Company reserves the right to make such changes.

This Manual does not contain the complete terms and/or conditions of any of the Company's current benefit plans. It is intended only to provide general explanations. For information regarding employees/agent/contract benefits and services, please contact your manager.

3.4.2 Social Security Benefits (FICA)

During your employment, you and the Company both contribute funds to the Federal government to support the Social Security Program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

3.4.3 Unemployment Insurance

The company pays a state and federal tax to provide employees with unemployment insurance coverage in the event they become unemployed through no fault of their own or due to circumstances described by law. This insurance is administered by applicable state agencies, who determine eligibility for benefits, the amount of benefits (if any), and duration of benefits.

3.4.4 Worker's Compensation Insurance

All states have Workers' Compensation laws whose purpose is to promote the general welfare of people by providing compensation for accidental injuries or death suffered in the course of employment. These laws are designed to provide protection to workers suffering occupational disabilities through accidents arising out of, and in the course of employment. Addicted Realty, LLC carries Workers' Compensation Insurance for all employees and pays the entire cost of the insurance program. An employee who suffers an injury or illness in connection with the job is usually eligible to receive payment through the insurance company for lost wages. In addition to disability payments, necessary hospital, medical and surgical expenses are covered under Workers' Compensation, with payments being made directly to the hospital or physician. Workers'

Compensation benefits to injured workers also include assistance to help qualified injured employees return to suitable employment.

3.5 Employee Leaves of Absence and Time Off

3.5.1 Introduction

While regular attendance is crucial to maintain business operations, the Company recognizes that, for a variety of reasons, employees may need time off from work. The Company has available a number of types of leaves of absence. Some are governed by law and others are discretionary. For all planned leaves, however, employees must submit a request at least 14 days in advance; in case of emergencies, employees should submit the request as soon as they become aware of the need for leave. All leaves must have the approval of Company management. If, during a leave, an employee accepts another job, engages in other employment or consulting outside of the Company, or applies for unemployment insurance benefits, the employee may be considered to have voluntarily resigned from employment with the Company.

All requests for a leave of absence will be considered in light of their effect on the Company and its work requirements, as determined by Company management, which reserves the right to approve or deny such requests in its sole discretion, unless otherwise required by law. For disability-related leave requests, the Company will engage in an interactive process with the employee to determine if a leave is the most appropriate accommodation. The employee must provide a certification from his or her healthcare provider to the Company to support a leave for medical reasons. Failure to provide the required certification to the Company in a timely manner will result in delay or denial of leave. If an employee requires an extension of leave, the employee must request such extension and have it approved before the expiration of the currently approved leave.

While the Company will make a reasonable effort to return the employee to his or her former position or a comparable position following an approved leave of absence, there is no guarantee that the employee will be reinstated to his or her position, or any position, except as required by law.

3.5.2 Family and Medical Leave

Because of the Company's small size, we are not required to comply with the Federal Family and Medical Leave Act ("FMLA"). However, we recognize that our employees may occasionally need to take unpaid leave to care for a new child, to care for a seriously ill family member, to handle an employee's own serious medical issues, or to handle issues relating to a family member's military service, possibly including caring for a family member who is injured while serving in the military.

If you anticipate that you might need time off to deal with family and medical issues, please speak with a Broker. Each request will be confidentially considered on a case-by-case basis.

3.5.3 Holidays

The Company provides employees with the following Company Holidays free from work. If a Company Holiday occurs on a weekday, the office shall be closed. If a Company Holiday falls on a regularly scheduled workday for the employee, the employee shall be compensated for their regularly scheduled work shift. If a company holiday falls on a Saturday, the holiday shall be observed on the preceding Friday. If the company holiday falls on a Sunday, the holiday shall be observed on the following Monday. The employee must work the day before, and the day after the scheduled holiday to be compensated for holiday pay.

The current Company Holidays are as follows:

- a. New Year's Day
- b. Martin Luther King Jr. Day
- c. President's Day
- d. Memorial Day
- e. July 4th
- f. Labor Day
- g. Veterans Day
- h. Thanksgiving Day
- i. Day after Thanksgiving
- j. Christmas Eve
- k. Christmas Day*

*If December 26th is a Friday, the administrative staff will not be in the office on that day and it shall be a paid company holiday.

3.5.4 Jury Duty

U.S. citizens have a civic obligation to provide jury duty service when called. By state law, an employee cannot be required to use paid leave for a jury duty absence. The employee must bring in the jury duty notice as soon as it is received so that appropriate arrangements can be made to cover his or her duties. Employees are required to call in or report for work on those days or parts of days when their presence in court is not required.

3.5.5 Voting Day

Employees who are registered voters and who lack sufficient non work hours when polls are open to vote in any local, state, and/or national election may take the following time off from work, with pay, to cast their vote.

- One (1) hour off if work is two (2) miles or less from the polling place
- Two (2) hours off if work is two (2) to ten (10) miles from the polling place

- Three (3) hours off if work is more than ten (10) miles from the polling place.

Employees should provide notice prior to election day when time off is required.

3.5.6 Workers Compensation Leave

Any employee who is unable to work due to a work related injury or illness and who is eligible for Workers' Compensation benefits will be provided an unpaid leave for the period required. The first 12 weeks will be treated concurrently as a family and medical leave under the federal Family Medical Leave Act ("FMLA") for employees eligible for FMLA leave.

3.6 Performance Review / Assessment

3.6.1 Annual Performance Review

Each employee will participate in an annual performance review. The primary goal of the performance review is to provide an equitable measurement of the employees contribution to the workforce. For more information regarding the performance review process speak to a Broker or Supervisor.

3.6.2 DISC Assessment

This is a business behavioral assessment tool. All employees will be required to take the test and sit with a Broker/Supervisor to review. Test results are used strictly for the employees benefit and will be confidential. Addicted Realty, LLC utilizes the Tony Robbins assessment. There is no cost for the assessment. The assessment is available at www.tonyrobbins.com/disc/

4. Policy and Procedures - Licensee

4.1 Introduction

We have attempted to provide detailed guidelines and direction in this manual; however, there will be times when matters will need to be determined by management decision. Please be advised that these decisions will be guided by fairness, integrity, good communication and based on the Addicted Realty, LLC core values and philosophies.

As this is a living document, we will occasionally add to it and make changes when appropriate. When changes are made, you will be advised in the next sales/staff meeting, as well as electronically through email. All changes will be effective based on the date of revision and a current and updated electronic version of the manual will be available in your employee portal at all times.

This section applies to **Independent Contractors of the Company** who hold a current and valid **Real Estate License** in their jurisdiction. For Nevada, this includes those individuals holding a **Salesperson or Broker-Salesperson license**. Licensees shall also be referred to as “**Agents**.”

4.2 Accelerator Lead Program

The Addicted Accelerator Lead Program (“AALP”) offers agents the use of the advanced CRM (Customer Relationship Manager) Infusionsoft, coupled with company provided leads, to accelerate their real estate career. Commission splits for the Accelerator Program (AALP) vary depending on the lead source and the readiness of the lead.

Participant agents are required to follow program guidelines regarding CRM usage.

Participant agents are required to attend two (2) Accelerator sales meetings per month to remain in the program. Additional program terms and condition apply. Participates will be required to sign an additional program agreement inclusive of the program requirements and compensation split.

4.3 Advertising Policy and Guidelines

4.3.1 Advertising Types

Advertising includes, but is not limited to, the following:

- display advertising
- classified advertising with any publication including newspapers and magazines all mass mailing and faxes emails
- Internet postings - Blogs, Craigslist, etc
- Social media postings

- Television programs or ads
- Flyers / postcards
- Newsletters
- “For Sale” / “For Rent” Signs and Riders
- Billboards
- Business cards

4.3.2 Broker Approval

All advertising must be approved by the Company before placement, publication or use. Agents are required to submit a copy of any and all advertising to the Company via email to broker@addictedrealty.com.

4.3.3 Client Funds

Agents are required to submit any client funds in their possession to the broker.

4.3.4 General Advertising Guidelines

- When advertising a specific property, a licensee may only advertise property actually listed for sale or lease by Addicted Realty, LLC.
- If a licensee wishes to advertise the listing of another broker, prior written permission must be obtained by the listing broker (not just the listing agent) and provided to the Company.
- The brokerage name must be prominently displayed on all advertising.
- Anytime you advertise property you must include the term “Broker,” “Agent,” “Licensee” or “REALTOR®.”
- If the licensee has an ownership interest in the property, the words “owner licensee” must be included in all advertising.
- Licensees are prohibited from advertising properties as “For Sale By Owner.”
- Advertising must comply with all State and Federal regulations and the NAR Code of Ethics
- Licensees must be truthful when advertising properties or services and may not make false or misleading claims or statements.
- The Company may immediately revoke any advertising which violates Company policy.
- All advertising words and content are and shall remain the property of the Company whether created by you, the Company, or both.
- A licensee may be held liable for fraud, intentional misrepresentation, or negligent misrepresentation if they make material false statements or material omissions in an advertisement.
- **All advertising must be in compliance with NAC 645.610, NAC 645.611, NAC 645.613 and NRS 645.315.**

4.3.5 Company Name and Logo

The Company’s name and logo must be included in all advertising and conform to the Company’s strict graphic standards regarding the style, colors and uses of the name and

logo. The company logo is available for all types of media. Please contact marketing@addictedrealty.com

4.4 Agency Disclosure Forms

4.4.1 Introduction

These forms are prepared and distributed by the Real Estate Division and reflect not only the requirements of statute (NRS 645.252 (1)) but also of the real estate administrative code (NAC 645.637) Each form must be fully filled in, signed and kept in the broker's transaction file for five years.

4.4.2 Duties Owed by a Nevada Real Estate Licensee

Outlines the licensee's duties to all parties in the transaction and those duties specific to the licensee's representation of the client. This is always the very first from that a licensee presents to a customer/client. After reviewing the duties listed on the form and presenting a copy to the client/customer, the licensee shall have the client/customer initial the "May" or "May Not" section regarding acting for both parties (only 1 choice is permitted), sign at the bottom, and enter the date and time.

4.4.3 Consent to Act Form

Should at any point during a transaction it be deemed that the licensee is representing more than one party in the transaction, the licensee broker must provide both parties with a "Consent to Act" form. The consent and signature of all parties must be obtained before the licensee is permitted to represent more than one side.

4.5 Agency Policy

Issues involving agency relationships are governed by NRS 645.0045 "Agency" Defined. Addicted Realty, LLC recognizes General Agency as our general business practice; however, Special Agency and Dual Agency may be allowed on a case by case basis, with the advance written consent of Broker and in full compliance with NRS 645.251, NRS 645.252, NRS 645.253

4.6 Agent Availability

4.6.1 Agent Office Hours

Each agent may set their own business hours and availability. Addicted Realty, LLC recommends that you make every effort to be available to your client whenever necessary; therefore, we make the office accessible 24 hrs a day 7 days a week 365 days a year. Each agent will be given a key to enter the office whenever necessary.

4.6.2 Agent Absence

If at anytime an agent has an open escrow or an active listing and the agent is out of town or unavailable for more than 48 hours, the agent must designate a licensed contact person who can monitor their business.

If the agent is out of town or unavailable for more than 7 days, the agent must designate a licensed contact person who can monitor their business and must notify the Broker in writing of the absence and the name and contact information for the designated licensee. The agent shall send an email to broker@addictedrealty with the necessary information prior to the commencement of the absence.

As Agents control their own schedule, Agents are expected to attend any and all scheduled appointments they have booked with their clients. In the event an agent is unable to make a committed appointment due to extenuating circumstances they must use all reasonable resources to find a licensed replacement, and/or provide adequate notice to the client to reschedule. If the agent is unable to find a licensed replacement, the agent should contact the broker for assistance as soon as practicable.

4.7 Broker Availability

In-person Broker support is available on normal business days, Monday - Friday from 10:00am - 6:00pm. Appointments are recommended and may be booked online at www.addictedrealty.com in your agent portal. Broker support is also available on Company Holidays, weekends and after hours via phone, text and/or email. Email may be sent to broker@addictedrealty.com.

George Anderson

Voice - 702-843-6733 Ext 700

Text - 702-843-6733

Ken Calder

Voice - 702-843-6733 Ext 701

Text - 702-843-6733

4.8 Broker File Review and Form Submission

4.8.1 Document Submission Timeline

In compliance with NAC 645.600 and NAC 645.650, Agents are required to submit to the broker any and all transaction related documents. While NAC 645.650 requires Agents to submit paperwork to the Broker within 5 calendar day after the paperwork is executed by all parties, the Company requires a licensed salesperson or broker-salesperson to provide to the Broker any document signed by any party within 48 hours of obtaining such document or obtaining such signatures. By utilizing technology, there is no additional burden or hardship placed on the Agent by reducing the allowable submission timeline from 5 calendar days to 48 hours.

4.8.2 Documents - Method of Submission

4.8.2.1 Introduction

With the exception of those documents listed at the end of this section, all transaction related forms, disclosures, communications, call logs, escrow provided documents, lender provided documents, property profiles, comparable market analysis reports, and agent notes shall be uploaded to the Transaction Desk transaction record for each transaction.

Outlined below are the specific instructions for the submission of Commission Instructions, Escrow Closing Packages, Exclusive Agency Listing Agreements, Exclusive Buyer's Brokerage Agreements, Exclusive Right To Sell or Lease Listing Agreements, Referral Fee Agreements, and Property Management Agreements.

For seller / property owner representation, all parties listed on the deed recorded with the appropriate county recorder office shall be required to sign the agreement. If the deed lists non-individual entities such as a trust or LLC, the agent shall submit to the broker the appropriate documentation to demonstrate the person(s) signing the agreement are authorized to sign on behalf of the respective entity. The current county tax record and any supporting documentation (trust certification or LLC operating agreement) shall be submitted with the document sent to the broker for signature.

4.8.2.2 Commission Instructions

Commission Instructions to be signed by the broker shall be submitted to the Broker for processing using the website submission form found at <http://www.addictedrealty.com/transaction>. The agent shall provide the information requested on the website submission form regarding the transaction and shall upload the Commission Instructions to be signed by the Broker. The Administration department shall obtain the broker's signature and transmit the signed Commission Instructions to the escrow office along with instructions regarding commission payment and delivery instructions for the closing package.

4.8.2.3 Earnest Money Deposits (EMD)

Addicted Realty, LLC does not accept, manage or disburse earnest money deposits (EMD). All earnest money must be sent directly to the appropriate escrow company for processing. It is the agent's responsibility to follow up and verify delivery of the earnest money.

4.8.2.4 Escrow Closing Package

Settlement agents at escrow companies are provided instructions to deliver the brokerage closing packet electronically to the Company via email

(broker@addictedrealty.com) following the successful closing of a transaction. The brokerage closing package typically includes a certified copy of the Final Settlement Statement, Escrow Instructions signed by our client, and Commission Instructions signed by the Seller. Paper packets sent via courier, USPS, or other delivery method are not accepted. Closing packets should not be sent directly from the settlement agent to the Agent. The Administration department is responsible for uploading the items received in the closing package to the appropriate Transaction Desk transaction. The Agent may download the items from Transaction Desk for their own personal records.

4.8.2.5 Exclusive Agency Listing Agreements

Any Exclusive Agency Listing Agreement, shall be sent directly to the Broker for electronic signature by the Agent. The Broker will review the document for compliance with applicable NRS, NAC, and company policy. If acceptable in form, the Broker will sign the document. The document is not valid, in effect, or binding until all parties have signed said document.

4.8.2.6 Exclusive Buyer's Brokerage Agreements

Any Exclusive Buyer's Brokerage Agreement, shall be sent directly to the Broker for electronic signature by the Agent. The Broker will review the document for compliance with applicable NRS, NAC, and company policy. If acceptable in form, the Broker will sign the document. The document is not valid, in effect, or binding until all parties have signed said document.

4.8.2.7 Exclusive Right to Sell or Lease Listing Agreements

Any Exclusive Right to Sell or Lease Listing Agreement, shall be sent directly to the Broker for electronic signature by the Agent. The Broker will review the document for compliance with applicable NRS, NAC, and company policy. If acceptable in form, the Broker will sign the document. The document is not valid, in effect, or binding until all parties have signed said document.

4.8.2.8 Referral Fee Agreement

Any Referral Fee Agreement shall be sent directly to the Broker for electronic signature by the Agent. The Broker will review the document for compliance with applicable NRS, NAC, and company policy. If acceptable in form, the Broker will sign the document. The document is not valid, in effect, or binding until all parties have signed said document. Various forms of this document will be accepted. Those forms provided by the licensing authority or local REALTOR® association of the referral jurisdiction are preferred. Forms generated by the referral source shall be considered on a case-by-case basis. The decision to sign or not sign a referral fee agreement shall be at the sole discretion of the Company.

4.8.2.9 Property Management Agreement

Any Property Management Agreement, shall be sent directly to the Broker for electronic signature by the Agent. The Agent must hold a current Property

Management Permit and be authorized by the Company to engage in Property Management services. The Broker will review the document for compliance with applicable NRS, NAC, and company policy. If acceptable in form, the Broker will sign the document. The document is not valid, in effect, or binding until all parties have signed said document. For those Agents operating in Southern Nevada, only the current Property Management Agreement published by the Greater Las Vegas Association of Realtors® ("GLVAR") shall be accepted.

4.9 Close of Escrow / Client Signing Policy

4.9.1 Client Signing Attendance

Agents are encouraged to attend buyer and/or seller signings.

4.9.2 Document Review

Agents are required to review the Estimated Settlement Statement as prepared by the settlement agents / escrow officer, as soon as practicable. As the agent is familiar with the negotiated terms of the purchase agreement, they are best suited to identify and correct any errors on the settlement statement. Time is of the essence. Once received, the Estimated Settlement Statement shall be uploaded to the transaction folder in Transaction Desk.

Agents are expected to request an Estimated Settlement Statement from the settlement agent far enough in advance to allow for corrections, should they be required, and not create a delay in closing due to the lender being required to reissue their Closing Disclosure.

4.10 Commissions

4.10.1 Introduction

There is no "standard" real estate commission. All Company real estate commission policies are in accordance with the Sherman Antitrust Act of 1890 and the Clayton Antitrust Act of 1914. The commission in a real estate transaction is paid by the seller to the listing brokerage. Any commission paid to the selling broker (buyer side) is considered a co-operative commission and is paid only from listing broker to selling broker. The principles in the transaction have no involvement in the commission between brokers. The settlement agent may be instructed to withhold from the listing broker commission, any co-operative commission due to the selling broker.

Licensees are only allowed to accept commission payments from their associated broker. The Company is only allowed to issue commission payments to associated licensees.

The amount and source of any real estate commission as well as any other compensation must be with the full disclosure and consent of all parties in the transaction pursuant to NRS 645.252.

4.10.2 Commission Payouts and Timelines

Commission payments to agents will be processed once the transaction file is complete and has been reviewed by compliance and approved by a broker. The Compliance Department will submit the commission request to the Accounting Department upon file approval. Funds must be received from escrow and must be available in the company bank account prior to the agent commission payment being originated. The Accounting Department processing cut-off time is 3:00pm on normal office working days. If the Accounting Department received the commission request and the receipt of escrow funds are confirmed by the processing cut-off time, the agent commission payment will be initiated that day. If the items are received after the cut-off time, the payment will be initiated the following business day. We prefer to pay agents via outgoing ACH. Payments will be received by the agent within one (1) banking day of the commission being originated by our accounting department. Any commission originated by the broker after the cut-off time may not be transmitted by the broker's bank until the following banking day and credited by the agent's bank account one (1) banking day after that. Agents will receive an email confirmation when our accounting system transmits the ACH payment to our bank.

4.10.3 Buyer Side Commission

4.10.3.1 Definition

Commissions offered by the listing broker, which may be either the Company or a cooperating brokerage, for the procurement of a buyer in a real estate transaction.

4.10.3.2 Rate

The commission offered for the procurement of a buyer shall be determined in advance, by the listing broker. The rate may be a flat amount, a percentage of the total sales price, a percentage of the base sales price (in the case of new construction), or some other amount.

When an Agent of the Company is acting as the Listing Agent, the co-operative commission amount offered a selling agent must be approved by the Broker. Any change in commission must be approved by the broker in writing in advance.

4.10.4 Seller Side Commission

4.10.4.1 Definition

The real estate commission paid by the seller to the listing broker in for services rendered in conjunction with a real estate transaction, which is retained by the

selling broker and not paid as a cooperating commission to the selling broker for procuring a buyer.

4.10.4.2 Rate

The commission rate to be paid by the seller shall be determined in advance and must be recorded in writing on the listing agreement, accepted and signed by the seller and both the listing agent and listing broker. The rate may be a flat amount, a percentage of the total sales price, a percentage of the base sales price (in the case of new construction). It is against Company policy for the seller to receive a "net amount" and the listing broker to receive the excess of the net amount and the sales price.

When an Agent of the Company is acting as the Listing Agent, the co-operative commission amount offered a selling agent must be approved by the Broker. Any change in commission must be approved by the broker in writing in advance.

4.10.5 Showing / Leasing Commission

4.10.5.1 Definition

The real estate commission paid by a landlord/property manager to a cooperating real estate licensee for "showing" a property listed for rent/lease which results in a lease agreement.

4.10.5.2 Rate

The rental commission offered to a showing agent may vary by property, property management company, and/or property owner. The rate shall be disclosed, in writing, in advance of the showing, by publishing the rate in the MLS listing. Showing a rental property and collecting a showing fee does not create an agency relationship with the applicant/tenant.

4.11 Conference Rooms

4.11.1 Access and Use

Agents are provided complimentary access to Company Conference Rooms at the discretion of the Company. Agents are required to leave any Company Conference Room in a neat and tidy condition.

4.11.2 Equipment

Agents are permitted to access the multimedia equipment in company conference rooms. The Company may make available various connection methods such as Apple TV, Chromecast and/or HDMI cables. Check with the Company prior to making any other type of connection to company electronics.

4.11.3 Permitted Use

Conference rooms are to be used to conduct meetings with clients, vendors, other agents, team members, and service providers.

4.11.4 Prohibited Use

Agents are not permitted to utilize any company conference room as a private office.

4.11.5 Reservations

Agents are required to reserve the use of company conference rooms using the current method as determined by the Company. Agents may contact the Administration office to reserve a conference room. Should the Company implement online scheduling of any Company Conference Room facility, Agents shall be notified of such system via email and will be required to process reservation requests using such system.

Reservations will be processed on a first-come-first-serve basis. The Company reserves all rights to approve or deny any reservation request and may modify this policy at any time.

4.12 Cooperation with other Brokers, Agents and Coworkers

We believe that cooperation with other Brokers, REALTORS®, service providers, vendors, and professionals is the key to a successful transaction. It is Company policy to share information with other brokerages and practice total cooperation. Of course, this does not mean we should share anything confidential, or any matters of that nature, but should focus on fair and above-board negotiations with every transaction. Agents are expected to comply with the requirements of the Duties Owed by a Nevada Licensee and the NAR Code of Ethics

4.13 Contracts

4.13.1 General

4.13.1.1 Authorized Forms

All necessary documents for a successful transaction are located in Transaction Desk under "Forms". You will be provided with access to the forms upon joining the Greater Las Vegas Association of Realtors® (GLVAR).

4.13.1.2 Client Copies

Agents are required to provide their client with a copy of any document signed by either party as soon as practicable.

4.13.2 Document Preparation

When preparing forms for a transaction, please make sure of the following:

- Any written language can be clearly understood by someone who is not familiar with the discussions you may have had with your client. Do not draft contractual language on your client's behalf.
- Refrain from crossing out items on any of the GLVAR provided forms as this risks invalidating sections of the form, or the form in its entirety. Any additions or deletions to the contract should be written in the "Additional Terms" section of the contract.
- Review each document for clarity and be sure it reflects your client's wishes prior to asking them to sign.
- As with all contracts, you must obtain all parties' signatures. If a party signs on behalf of another, you must have evidence of that person's authority to do so in writing.
- Do not engage in the practice of law.

4.13.3 Presentation of Offers

4.13.3.1 Representing the Buyer

Offers should be presented as soon as possible and should be thoroughly discussed with the client. This includes all offer responses, counter offers and addenda. When presenting a counter offer to a buyer client, it is advisable to prepare a "net sheet" to be able to present the bottom line number with regards to the change from the buyer's original offer or previous counter offer.

4.13.3.2 Representing the Seller

Offers should be presented as soon as possible and should be thoroughly discussed with the client.

When presenting an offer to a seller client, it is advisable to prepare a "net sheet" to be able to present the bottom line number to the seller as well as the relative strengths and weakness of an individual offer or multiple offers. The agent shall present all offers, counter offers, and addenda to the seller client as soon as practicable unless waived in writing by the Seller. Sellers may indicate in writing that they waive the requirement to present all offers. In the event a seller provides this written waiver, the Broker must be notified immediately.

4.13.4 Multiple Offers

When a licensee is representing a seller, a seller may instruct the licensee to disclose or not disclose the existence of multiple offers. This instruction must be in writing and signed by the seller. Licensees are forbidden from disclosing the amount of any offer received to anyone other than the seller and the Broker.

4.13.5 Notification of Offer / Counter-Offer Status

Licensees are required to obtain their client's signature on any offer or counter offer presented. Responses must be in writing and must include the client's signature. The client shall indicate if they accept, reject, or counter each offer / counter offer received. The licensee shall provide the client signed notification to the other side's agent in a reasonable amount of time.

4.14 Electronic Signatures

The Company encourages Agents to utilize technology in all aspects of their real estate business. Whenever possible, Agents are encouraged to utilize electronic signatures for transaction related documents. Agents are permitted to utilize the services of any established and reputable electronic signature provider. Agents are welcome to utilize the service of any electronic signature vendor included with their membership in a local, state or national REALTOR® Association. The Agent shall be responsible for any cost associated with the collection of electronic signatures. Electronic signatures must comply with any Federal or State law concerning such signature method. An Agent must receive the consent of their client as well as all parties in a transaction in order to utilize electronic signatures. The standard GLVAR forms include such consent language.

Utilizing electronic signatures assists in satisfying the requirement of various statutes and administrative code sections including, NRS 645.300.

4.15 Errors and Omissions Insurance (E&O)

Agents affiliated with the Company are covered under the companies errors and omissions insurance policy when conducting real estate activity within the scope of the license so affiliated with the Company.

If an agent no longer carries a professional designation previously reported to broker, the agent agrees to notify broker in writing immediately. Professional designation information is shared with the insurance carrier and changes must be reported immediately.

4.16 Licensing

4.16.1 Real Estate License - Nevada

4.16.1.1 Introduction

All agents are required to have and maintain a valid Broker-Salesperson or Salesperson license issued by the Nevada Real Estate Division, and remain in good standing while associated with the Company.

4.16.1.2 Initial License Requirements

For Information on initial licensing requirements and education please see:
http://red.nv.gov/Content/Real_Estate/Salesperson/Initial_License_Requirements
/

4.16.1.3 License Expiration

If your license expires, you are not permitted to engage in any real estate activities of any kind and must immediately notify the Broker of your current standing. The Broker, at his/her discretion may designate another company salesperson to handle your business during anytime your license is inactive, and allocate reasonable compensation to that salesperson for their performance. You are expected to cooperate with the Broker's assistants in the handling of any of your business during your inactive status.

4.16.1.4 License Fees

The Agent shall be responsible for all costs associated with obtaining, maintaining, reinstating, and/or renewing any and all licenses issued by the Nevada Real Estate Division

4.16.1.5 License Renewal

It is your responsibility to maintain current on any and all changes to industry practices and take advantage of education and training programs to maintain your license. It is also the responsibility of the individual agent to obtain any and all continuing education courses, within the designated time frames, to avoid any lapses in your license. Close attention should be paid to the requirement of "live instruction" continuing education versus "online/correspondent" format courses.

4.16.2 Real Estate License - Other Jurisdictions

The agent shall notify the Company immediately if they obtain a real estate license in any jurisdiction other than Nevada. This includes both domestic and international locations. The agent shall provide the Company with the details and a copy of any such license, including the licensing authority, license type, associated brokerage, license number, issuance date, and expiration date.

Should the status of any such additional license change, the Agent shall immediately notify the Company.

4.16.3 Realtor® Association / Multiple Listing Service Affiliation

4.16.3.1 Association Membership

All licensees associated with Company are required to be a member in good standing with their local Realtor® Association, the State Realtor® Association and the National Association of Realtors®.

4.16.3.1.1 Las Vegas Office Locations

Agents licensed out of the Buffalo location are required to be a member of the Greater Las Vegas Association of Realtors® (“GLVAR”) and the Nevada Association of Realtors® (“NAR”).

4.16.3.1.2 Reno Office Locations

Any agents licensed out of office locations in the Reno area are required to be a member of the Reno/Sparks Association of Realtors® (“RSAR”) and the Nevada Association of Realtors® (“NAR”).

4.16.3.2 IDX Service

If provided by an association or multiple listing service to which the agent is a member, the Broker shall permit the agent to utilize such IDX services on the agent’s personal website or other advertising platform. The agent is responsible for all costs associated with utilizing the IDX service. The agent agrees to maintain compliance with all applicable rules and regulations concerning IDX data usage.

4.16.3.3 Membership Fees and Fines

Agents are responsible for all costs associated with any association or multiple listing service membership and are responsible for any fines imposed upon themselves or the Company issued by any association or multiple listing service.

4.16.3.4 Multiple Listing Service (“MLS”) Membership

4.16.3.4.1 MLS Membership Requirement

Depending on the jurisdiction in which the agent is licensed, membership in one or more Multiple Listing Services (“MLS”) may or may not be required.

4.16.3.4.1.1 Las Vegas Office Locations

Agents licensed out of the Buffalo location are automatically members of the MLS provided by Greater Las Vegas Association of Realtors®.

4.16.3.4.1.2 Reno Office Locations

Any agents licensed out of office locations in the Reno area are able to join the Northern Nevada Multiple Listing Service (“NNRMLS”) at their own expense.

4.16.4 State Business License

4.16.4.1 License Requirements

The Agent is responsible for maintaining a valid state business license, for each state in which they hold a real estate license, at their own expense. The Agent is responsible for ensuring the Company has a copy of the current, unexpired license on file at all times. The name on the business license must match the name on the real estate license.

Agents who are licensed at the Buffalo office location are required to have a State of Nevada business license.

4.16.4.2 Penalties, Fees, and Fines

The Agent shall be responsible for all fees associated with obtaining and maintaining a valid State business license.

Should the Brokerage be subject to any fines for the agent’s non-compliance with State business license regulations, the agent shall be responsible for the full cost of any such fine.

The Company is authorized to withhold any unpaid fines from any monies due the agent. If the Company does not anticipate receiving funds due to the agent in the immediate future, the Company may seek other relief to recover any sum due the Company.

4.16.5 Local Business License

4.16.5.1 License Requirements

If required by the local jurisdiction in which the agent’s license is hung, the agent shall maintain a valid local business at their own expense. Agent is to ensure the Company has a copy of the current, unexpired license on file at all times. The name on the business license must match the name on the real estate license.

Agents who are licensed at the Buffalo location are required to have a City of Las Vegas business license.

To obtain a City of Las Vegas business license, you will be required to register for a Consumer Use Permit with the Department of Taxation.

4.16.5.2 Penalties, Fees, and Fines

The Agent shall be responsible for all fees associated with obtaining and maintaining a valid Local business license.

Should the Brokerage be subject to any fines for the agent's non-compliance with State business license regulations, the agent shall be responsible for the full cost of any such fine.

The Company is authorized to withhold any unpaid fines from any monies due the agent. If the Company does not anticipate receiving funds due to the agent in the immediate future, the Company may seek other relief to recover any sum due the Company.

4.16.6 Reasonable Skill and Care

4.16.6.1 Area of Competency

Agents are required to exercise reasonable skill and care in all matters for which a real estate license is required. It is Company policy that agents only act within their area of competency. Agents shall not provide advice regarding taxes, law, or construction unless that is within their area of competency.

At no time shall Agents practice law, unless they are currently admitted to do so in the local jurisdiction. Agents may explain pre-printed forms prepared by the Real Estate Division, Realtor Association, or Brokerage. Agents may not provide advice on any other document or disclosure.

4.17 Litigation and Claims

4.17.1 Notification

Promptly notify your Broker of any claims or potential claims made against you and/or the Company, including any demand received by you for money or services alleging negligence or omission; any notification of the commencement of a lawsuit, arbitration or mediation. Additionally, any written or verbal notices that anyone intends to hold you and/or the Company responsible for a perceived wrongdoing must be disclosed to the Broker.

4.17.2 Responsibility of Agent/Licensee

Agent agrees to fully cooperate with the Company, the Errors and Omissions Insurance Carrier, and company legal counsel. Agent shall promptly submit any requested documentation, records, and statements.

4.17.3 Legal Defense and Costs

When a claim is made, lawsuit filed or other action against you or the Company by a third party which alleges any negligence, error or omission and/or a breach of your performance while performing your job and the claim is covered by the Company's Errors and Omissions Policy of Insurance, then the company will defend the claim. The company has the full right to make all decisions concerning the defense of the claim, including choice of counsel. Should you at any time disagree with the Company's position, you may obtain your own counsel/attorney at your own expense. Should you decide to retain your own counsel/attorney you would not be relieved of your obligations to pay your cost of the claim defended by the company.

4.17.4 Allocation of Defense Costs

All costs associated with the defense of a claim, or to protect or defend you or the Company against a possible claim where you or the company are involved. Including attorney's fees, administrative fees, court costs and/or settlements or judgements (collectively the "Defense Costs"), shall be the responsibility of the Agent.

You are responsible for all costs of a claim, if you fail to follow any law, regulation or Company policy as set forth in this Policy and Procedure Manual, and that failure results in a judgement based on that failure.

You shall be solely responsible, and shall reimburse the Company, for all the Company's Defense Costs if a judgement or other final adjudication on any claims adverse to the company and/or you:

- Establishes dishonest, criminal, errors or omissions, or fraudulent intent was committed.
- You discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, disability, national origin or familial status.

The Broker may withhold closing funds, referral fees, cooperative commissions, listing commission, management fees, or any other funds due Agent, in part or in whole until such disputes are resolved and Company is paid back in full.

4.17.5 Escrow Disputes

If a dispute arises between the seller, buyer, the cooperating broker and/or the Company during escrow which cannot be resolved by negotiations between the parties. The Company reserves the right to decide whether it's in the best interest of the Company to resolve the matter during escrow rather than risk a potential lawsuit or claim after close of escrow.

In this event, the Company has the right to negotiate a resolution of the dispute, which may involve a reduction in the commission or credit given to one of the parties. Regardless of actual Company or agent liability, the Company and agent will participate in the commission reduction and/or credit.

4.18 Non-Compete Clause

Upon termination of association with the Company, the Agent shall not solicit any listings or clients, which are the property of the Company or other agents of the Company. In addition, the agent shall not solicit other contacts which he or she has made through the course of his or her association with the Broker, with the exception that the agent may notify these persons of his or her termination of association with the broker.

4.19 Tools of the Trade

4.19.1 Business Cards and Company Branding Items

The Company will provide agents with the initial order of business cards at no cost to the agent. Subsequent orders will be at the agent's expense. All agents are required to have a supply of cards at the office for display in the lobby. All business cards on display will be of uniform design. Any deviation of the approved design templates must be pre-approved by the Broker.

Company branding items, including the logo, font, and approved colors, will be provided to agents in electronic format of various sizes and options. The agent is authorized to use Company branding across all media, subject to the advertising guidelines in this Manual.

4.19.2 Lockboxes

In general, agents should provide their own tools of the trade. A limited number of mechanical and/or Electronic Senti-Lock Lockboxes may be available to borrow from the company; subject to availability. Agents may purchase electronic lockboxes from GLVAR at their own expense.

4.19.3 Lost or Damaged Company Property

Please be aware that you are responsible for any Company items loaned to you. You will be billed for any lost or damaged items, up to the full replacement cost.

4.19.4 Other Tools of the Trade

Agents are required to provide, at their own expense, any tool of the trade necessary to perform the essential job functions of a licensee. This may include, but is not limited to the following items:

- Computer
- Tablet
- Cell Phone
- Internet Access
- Private Vehicle
- Office Supplies (paper, pens, envelopes, stamps, staples, stapler, folders)
- Printer

- Other technology / software (CRM, website, etc)

4.19.5 Signs

In general, agents should provide their own tools of the trade. For Sale signs and Open House signs may be available to borrow from the Company at no cost, subject to availability. Agents may have signs printed at their own expense. All printed signs must meet Company signage guidelines for brand consistency. Written Broker approval is required for any deviation from the approved design templates. It is the agent's responsibility to verify HOA guidelines and city/county ordinances regarding the size and placement of For Sale and/or Open House signs. Many HOA's do not allow the use of For Sale signs, so it is always a good idea to verify the rules before placement.

4.20 Termination of Association

4.20.1 Transfer Upon Termination - Exclusive Agreements

Upon termination of an Agent's association with the Company, the Broker, at their sole discretion, may or may not transfer any Exclusive Agency Listing Agreement(s), Exclusive Buyer's Brokerage Agreement(s), Exclusive Right to Sell or Lease Listing Agreement(s), to the Agent's new Broker.

The Company's primary goal during any transfer is the continuity of service to the client and to the public.

Any Exclusive Agency Listing, Exclusive Buyer's Brokerage, or Exclusive Right to Sell or Lease Listing Agreement involving a client obtained by a Company provided lead source, will not be transferred without first obtaining a Referral Fee Agreement with the new brokerage. In addition to any referral commission due the Company, the current transaction fee shall also be due the Company.

4.20.2 Transfer Upon Termination - Transactions in Escrow

Upon termination of an Agent's association with the Company, the Broker, at their sole discretion, may or may not transfer any transaction(s) currently in escrow, to the Agent's new Broker.

The Company's primary goal during any transfer is the continuity of service to the client and to the public.

Any transaction currently in escrow involving a client obtained by a Company provided lead source, will not be transferred without first obtaining a Referral Fee Agreement with the new brokerage. In addition to any referral commission due the Company, the current transaction fee shall also be due the Company.

4.20.3 Assigned Agency

Upon termination of an Agent's association with the Company, the Broker, at their sole discretion, may or may not reassign another licensee to the agency relationship in effect for any Exclusive Agency Listing Agreement(s), Exclusive Buyer's Brokerage Agreement(s), Exclusive Right to Sell or Lease Listing Agreement(s), or Property Management Agreement(s).

4.20.4 Funds Due The Company Upon Termination

Upon termination of an Agent's association with the Company, the Broker, at their sole discretion, may or may not seek any available form of equitable relief for any outstanding balance due the Company. At its sole discretion, the Company may withhold any outstanding balance for any pending commission payments to the agent.

4.21 RESPA Compliance

The Agent is required to conduct business in a manner consistent with the provisions of the Real Estate Settlement Procedures Act (RESPA).

4.22 Transaction Coordinator / Assistants

4.22.1 Definition

4.22.1.1 Unlicensed Assistant

Someone who performs **administrative** tasks indirectly related to real estate transactions. Although many of the activities which take place in a real estate brokerage office require a license, common sense dictates that many administrative support activities can be legally conducted in a real estate brokerage office that do not require licensure. There may sometimes exist only a thin line between activities that require licensure and those that do not.

Administrative tasks are activities which are indirectly related to activities performed by a real estate licensee. Unlicensed assistants may perform **administrative support activities**. - Nevada Real Estate Division

4.22.1.2 Virtual Assistant

A virtual assistant is an independent person who offers business support services in a virtual environment. With the growth of the internet, changing demographics, corporate downsizing, and the evolution of telecommuting relationships, the concept of virtual assistants has flourished. - Nevada Real Estate Division

4.22.1.3 Transaction Coordinator

A transaction coordinator is someone who supports agents with form completion, form submission, timeline coordination, and the escrow process. Like the unlicensed and virtual assistant, a transaction coordinator must be identified to the company. At this time, the Company does not allow an agents to utilize a transaction coordinator who holds a Nevada Real Estate License which is hung with another brokerage.

4.22.2 Notification

If you choose to retain the services of either an Unlicensed Assistant, Virtual Assistant or Transaction Coordinator you must complete the ***Transaction Coordinator/Assistant Information Form*** available through the administration office or online through your agent portal.

For more information regarding the tasks that either an Unlicensed Assistant, Virtual Assistant or Transaction Coordinator can complete please see the following link for the latest update from the Nevada Real Estate Division:

<http://red.nv.gov/uploadedFiles/rednvgov/Content/Publications/Bulletins/ib10-unlicensedassistants.pdf>

4.23 Work Space

Addicted Realty, LLC provides office space for meeting with clients, working on transaction paperwork, or making sales calls. However, please remember as an independent contractor you are allowed to work from home, your own office or in the field. Please be advised that no matter where you choose to work, the Broker is required to supervise your real estate activities.

It is the agent's responsibility to ensure that all files and documents submitted according to company current policy. You are required to be available to the Company via phone or email and shall return all messages within 24 hours.

The Company, at its discretion, may make shared work space available to agents. No personal items or files may be left in the shared work space areas. The office is "self-cleaning" meaning everyone must clean up after themselves.

The following shared work spaces are available on a first come / first serve basis at our physical office location:

- Agent Walk-In Desk Space - No Charge
- Lobby Quick Signing Table - No Charge
- Media Room - No Charge
- Work Center - Copy Room

5. Policy and Procedures - Property Management

5.1 Introduction

We have attempted to provide detailed guidelines and direction in this manual; however, there will be times when matters will need to be determined by management decision. Please be advised that these decisions will be guided by fairness, integrity, good communication and based on the Addicted Realty, LLC core values and philosophies.

As this is a living document, we will occasionally add to it and make changes when appropriate. When changes are made, you will be advised in the next sales/staff meeting, as well as electronically through email. All changes will be effective based on the date of revision and a current and updated electronic version of the manual will be available in your employee portal at all times.

This section applies to agents authorized by the Company to conduct **Property Management Activities**. In Nevada, all individuals permitted to conduct Property Management are required to hold a valid **real estate salesperson or broker-salesperson license**. As such, the policies of **Section 4** shall apply to individuals covered under this section with only those differences noted herein.

5.2 Accounting

5.2.1 Data Entry Responsibilities

5.2.1.1 Bank Account Entry

Property managers are required to select the correct bank account for any transaction type they are entering into the Appfolio system. For long term rentals, rent (owner) funds are always attributed to the GL account 1150 and deposit (tenant) funds are always attributed to GL account 1160. For short term vacation rentals, rent (owner) funds are always attributed to GL account 1150.

5.2.1.2 Bill / Expense Entry

The property manager is responsible for accurately entering all bills and other expenses to be paid into Appfolio. This includes both one time payments and recurring payments (HOA dues, taxes, insurance, etc.).

Supporting documentation is required for EVERY bill. There must be an attachment showing who we are paying, the amount due, and the service completed.

If the invoice/receipt has a unique transaction number, please enter this in the “reference” field of the Bill.

Attachments to bills must be in PDF format. Please convert any JPG, GIF, or PNG files to PDF before uploading. Other file formats are not included in the monthly owner statements.

5.2.1.3 Fee Entry

5.2.1.3.1 Late Fee

The property manager is responsible for accessing late fees on their group of properties. Care should be used to ensure the assessment of late fees is consistent across the various segments of properties. For example, late fees may be assessed on all properties, all properties owned by the same owner, or all single family homes.

5.2.1.3.2 Leasing Fee

If the property manager charges a leasing fee to the property owner when creating a new lease, the fee must be entered on the Property page in Appfolio as either a flat fee amount or a percentage of monthly rent. Appfolio will automatically apply the fee when a new tenant is moved-in.

No documentation is required to be attached to a leasing fee bill that is automatically created.

5.2.1.3.3 NSF Fee

The Company Accounting department will enter any NSF fees to be charged to the tenant. NSF fees apply anytime a payment initiated by the tenant is returned as unpaid, for any reason. This includes payments made online using the Tenant Portal or payments made by check, cashier's check, or money order. All NSF Fees shall be retained by the Company.

5.2.1.3.4 Renewal Fee

If the property manager charges a leasing fee to the property owner when creating a new lease, the fee must be entered on the Property page in Appfolio as either a flat fee amount or a percentage of monthly rent. Appfolio will automatically apply the fee when a new tenant is moved-in.

No documentation is required to be attached to a leasing fee bill that is automatically created.

5.2.1.3.5 Set-Up Fee

If the property manager charges a setup fee for onboarding new management properties, this fee must be entered as a bill as soon as possible to ensure funds are withheld from the initial owner payment. The property manager is responsible for entering this bill.

The payee will be Addicted Realty.

No additional documentation / attachments are required for this entry.

5.2.1.3.6 Showing Fee / Cooperative Commission

If a showing fee / cooperative commission is due for a new lease, the property manager is responsible for entering the charge in Appfolio as a Bill.

This charge should be entered as soon as the lease has been signed to ensure funds are withheld from the initial owner payment.

The payee is always the real estate brokerage and is never the actual showing agent (unless the agent is a licensed Nevada real estate broker).

If the showing fee is due to the property manager, the payee will be Addicted Realty.

The memo field should include the MLS number, property address, and showing agent's first and last name.

A W9 for the payee (brokerage) is required. Make sure the brokerage name, address, taxpayer name and tax ID are entered on the Vendor page. No showing fee payments will be issued if the W9 information has not been entered and the form has not been added to the Vendor page.

5.2.1.4 GL Account Usage

The property manager is responsible for ensuring each line item on a bill or receipt is attributed to the proper GL account. For long term rentals, please do not use any GL account which contains "STR" in the account name. Refer to the current Property Management Chart of Accounts in Appfolio for a list of accounts. Consult the Accounting department with any questions.

5.2.1.5 Move-In Processing

The property manager is responsible for converting an applicant to a tenant using the Move-In workflow within Appfolio. All initial charges due from the tenant and recurring charges are to be entered. The lease agreement is to be generated by Appfolio. Prior to initiating the lease agreement, the property manager should

review and modify any addenda in Appfolio. Once the lease has been generated and signed by the tenant(s) and the property manager, the property manager must immediately return to Appfolio and complete the Move-In workflow. The initial charges to the tenants account will not post until the Move-In workflow is completed. The tenant must be instructed to wait to make the initial payments until notified by the property manager. If the tenant makes a payment prior to the charges being posted, all the tenant funds are treated as prepaid rent. This creates additional duties for the Accounting department.

The Company reserves the right to access additional processing fees to the property manager if the correct procedure is repeatedly not followed.

5.2.1.6 Move Out Processing

The property manager is responsible for initiating and completing the move out process within 20 calendar days of the tenant's departure. The property manager shall enter the notice date, move out date, unit available date, the tenant's forwarding address and any charges or credits in connection with the unit.

The Company shall send any refund due the tenant as well as the security deposit disposition letter. The letter is sent using certificate of mailing and the property is charged for the postage.

The property manager shall coordinate with the Broker regarding any unique situations include early lease terminations, unit abandonment, or evictions.

5.2.1.7 Owner Set-Up

5.2.1.7.1 Data Entry

The Property Manager is responsible for entering in all information for a new owner with the exception of banking details. The Accounting Department shall enter in Owner banking information upon receipt of a completed ACH Authorization Form and Voided Check.

5.2.1.7.2 Report Setup

To ensure property owners receive the monthly account statement and copies of all bills, please make sure all the boxes are checked in the Owner Packet section of the Owner Page. Should the owner request additional reports, the property manager may select additional reports under the "Included Reports" field. Common additional reports include *Income Statement - 12 Month* and *Balance Sheet*.

A valid email address is required for the owner.

Owner Packet[edit](#)

Send via Email?

Yes

Include Paid Work Orders

Yes

Include Paid Work Orders Attachments

Yes

Include Paid Bills Attachments

Yes [?](#)

Included Reports

Owner Statement

5.2.1.8 Property Set-Up

5.2.1.8.1 Data Entry

The property manager is responsible for entering in any data for a new management property. The data entered should accurately reflect the terms of the property management agreement.

5.2.1.8.2 Fees

The Fees section should be completed to ensure accurate accounting. The property manager shall indicate what portion of the fee is retained by the Company and if the fee should be suppressed from the Owner's Statement. If these fees are not entered on the property page, the system will not capture the portion due to the Company and they will be paid out to the Owner. The common fees included are:

- Application Fee
- NSF Fee
- Appfolio Insurance
- Late Fee

5.2.1.8.3 Property Group

The property should be added to all appropriate Property Groups. Each property manager has their own group. If a property is typically rented for periods of one (1) year or longer, please also add the property to the group "Long Term Rentals."

5.2.1.9 Vendor Entry

The property manager is responsible for entering in the details for any new vendor to be paid. The more details, the better. The minimum requirements for any vendor are contact name, company name, mailing address, and phone number.

A W9 for the payee (vendor) is required. Make sure the tax payer name, phone number, address, and tax ID are entered on the Vendor page.

If ACH information is provided for direct deposit, the property manager may enter it, provided the software permits such entry, or they may request the Accounting department update the vendor record. The ACH Authorization Form and a Voided check must be uploaded to the Vendor page prior to the creation of any outgoing ACH.

5.2.2 Payments - Incoming (Receivables)

5.2.2.1 Owners

Should it be necessary for the Owner to submit funds to the Company, the Owner shall make a payment online using the Owner Portal. Online payments may be made with a checking or savings account with no processing fee or may be made with a credit or debit card for a small credit card processing fee.

5.2.2.2 Tenants

5.2.2.2.1 Deposits

The property manager shall follow all applicable local, state, and federal guidelines concerning deposits charged to tenants. The tenant shall be charged deposits totaling of no more than 3 times the periodic rent. The following types of deposits are accepted:

- Holding Deposit
- Security Deposit - Regular
- Security Deposit - Supplemental
- Cleaning Deposit
- Key Deposit
- Pet Deposit

5.2.2.2.2 Methods of Payment Accepted

Tenants are required to make all payments for initial rent, deposits, one-time charges, and recurring charges online using the Tenant Portal or in person at any 7-Eleven location.

Online payments may be made with a checking or savings account with no processing fee or may be made with a credit or debit card for a flat processing fee based on the monthly rent amount. In-person payments may be made in cash at any 7-Eleven location by providing the PaySlip which provides the cashier with a barcode to ensure the correct tenant account is credited.

In certain situations, at the discretion of the Company, cashier's checks or money orders may be accepted. Written approval from the Broker is needed prior to the acceptance of cashier's checks or money orders for the payment of initial rent, deposits, one time charges, or recurring charges. Personal and business checks will not be accepted for initial

rent or deposits. The Company reserves the right to charge a processing fee for any check payment received.

5.2.3 Payments - Outgoing

5.2.3.1 Owners

The Accounting department will process owner payments on the 10th, 12th, 14th, and 20th of each month. If the 10th falls on a day the office is closed (weekend or Company Holiday), the initial owner payment cycle will occur on the last business day prior to the 10th. Only funds collected which have cleared our bank will be disbursed to owners. Property managers should have any bills, expenses or fees entered into Appfolio prior to 3:00pm Pacific Time on the initial payment cycle day (typically the 10th, but may be earlier - see above) each month to ensure the funds are withheld from owner proceeds. The preferred payout method is ACH.

5.2.3.2 Tenant Refunds

The Accounting department will process tenant refunds on Wednesday of each week. Tenant refunds will be issued on a paper check.

5.2.3.3 Security Deposit Disposition Processing

The Accounting department will issue tenant security deposit refund checks once the property manager has completed the moveout processing in Appfolio. Refunds will be issued on a paper check and will typically be processed 22-28 days following the tenant vacating the property.

5.2.3.4 Vendors

The Accounting department will process vendor payments on Wednesday of each week. Bills need to be entered no later than 3:00pm Pacific Time to be included in the pay cycle. Funds must be available for payments to be released. ACH is the preferred payment method.

5.2.4 Payments - Status Inquiries

All owner and vendor outgoing payment inquiries should be directed to the property manager. The property manager has access to Appfolio to see if the payments have been issued.

Under NO circumstances should an owner or vendor be directed to contact the office or the broker to inquire about the status of a payment.

If the property manager is unable to obtain the necessary information from Appfolio, the property manager is to contact the Accounting department to obtain the necessary information.

5.3 Agent Availability - Property Manager

5.3.1 Property Manager Absence Policy

If at anytime a property manager is out of town (more than 60 miles from Las Vegas) or unavailable/unreachable for more than 24 hours, the property manager must designate a licensed contact person who will monitor their business and must notify the Broker in writing of the absence and the name and contact information for the designated licensee. The property manager shall send an email to broker@addictedrealty with the necessary information.

5.4 Applications

5.4.1 Fees

All application fees must be paid online at the end of the application process. Cash, checks, money orders, and cashier's checks are not accepted for the payment of application fees.

The application fee collected from the applicant will be forwarded to the property manager as commission earned less any screening fees incurred. If the Application Fee is not included on the list of fees on the Property page to be retained 100% by the Company, the system will disburse the collected fee to the Owner. The Company will attempt to issue an adjustment as soon as possible for any application fees forwarded to the owner, but is not responsible in the event the funds cannot be recaptured. Refer to the Data Entry section for information regarding responsibilities for entering fee data to a property page.

5.4.2 Method of Application

All rental applications must be submitted online. NO paper applications are to be accepted.

Refer applicants to <http://www.addictedrealty.com/rent> to complete the online application. Applicants are able to upload required documents during the application process. Applications cannot be saved and completed at a later time. Applicants may email additional documents to the PM or to propertymanagement@addictedrealty.com to be added to their online application.

5.4.3 Notification of Denial

The property manager is responsible for notifying the tenant verbally of the denial and documenting the application record in Appfolio.

Following tenant notification, the property manager will send an email notification to adminoffice@addictedrealty.com indicating an applicant is denied. The email will include

the reason for denial, the property, and the applicant's name. The Company will be responsible for mailing a denial letter to the applicant and will charge the property for the cost of postage and certificate of mailing.

5.4.4 Processing Timeline

The property manager is responsible for advising the applicant, in writing, that their application has been received. The applicant notification should list any missing items and a statement that incomplete applications will not be considered or processed. Complete applications shall be processed within 24 hours of being received.

The property manager must provide the applicant with an expected timeline for approval or denial.

5.4.5 Qualification Requirements

The property manager is responsible for obtaining tenant qualification requirements from each property owner. The Company, property manager, and owner are required to follow all local, state, and federal regulations regarding Fair Housing, Fair Credit Reporting, and Equal Opportunity. The HUD guidelines on applicant background screening will be followed.

All approval qualifications shall be applied in a consistent and unbiased manner.

5.4.6 Status Inquiries

All application status inquiries will be directed to the property manager. The office is not processing the application and will not release any information to the applicant or the showing agent.

5.5 Commission - Property Management

5.5.1 Definition

The commission received pursuant to a Property Management Agreement for the management of real property. This includes any compensation or fee retained by the Company including, monthly management fees, application fees, set-up fees, showing fees, leasing fees, re-leasing fees, late fees, holding fees, and additional services fees.

5.5.2 Payment

The Company shall process property management fees each month on the 20th. In the event the 20th falls on a weekend or Company Holiday, processing shall occur on the next business day. The Company shall provide a statement of funds collected, funds disbursed, and uncollected items to the property manager to accompany each payout. Only those funds which the Company is able to collect will be processed. Any uncollected funds will be held over until the next payment attempt.

The Company will attempt to collect those uncollected items on the 30th of the month and again on the 5th of the following month. In the event the 30th and/or 5th falls on a weekend or Company Holiday, processing shall occur on the next business day.

5.5.3 Property Management Permit Required

The Company requires individuals engaged in the provision of property management to hold a current Property Management Permit. Company approval is required to engage in property management services.

5.5.4 Rate - Property Management Fees

Company approval is required when a permitted property manager is establishing the compensation rate and fees to be charged. Rates are negotiated with each property owner. The property management commission rate and any fees to be paid by the seller or retained by the broker when paid by the tenant/applicant, shall be determined in advance and must be recorded in writing on the property management agreement, accepted and signed by the property owner and both the property manager and designated broker.

5.6 Communication

5.6.1 Communication Record

Any communication regarding property management should be logged in Appfolio in the appropriate section (Owner, Property, Tenant, Vendor, Work Order, Vendor, Bill). The more detailed the notes entered, the better protected we all are should there ever be an issue.

5.6.2 Methods of Communication

- Any verbal communication regarding a property, a tenant, an owner, or a maintenance item should be followed up with an email message.
- Email messages should be initiated within Appfolio for accurate record keeping.
- If text messaging is used, property managers shall utilize the text message function of Appfolio to ensure a record of communication is maintained.
- Property managers are prohibited from utilizing a personal cell phone for two-way text message communication regarding property management issues.

5.7 Construction / Renovations

The Company shall follow all applicable local, state and federal regulations regarding construction, repair, and remodeling work. In no case shall the Company or any affiliated property manager oversee work valued at greater than \$10,000 during a six (6) month period. The Company and affiliated Property Managers shall operate within the scope of their respective licenses and shall not provide general contracting services. Should permits be required for any

work to be completed, the Owner shall facilitate obtaining the necessary permits and inspections as the Company shall not be responsible for obtaining permits for any work.

5.8 Customer Service

5.8.1 Introduction

Addicted Realty is committed to providing excellent customer service 100% of the time. We recognize that we have many customers within a transaction (this is not referring to an agency relationship with a client or the legal definition of customer / client). Our property owners, tenants, applicants and the public are all to be treated as our “customers.” Some individuals are current customers and some may be future customers. As such, the following basic customer service principles are to be upheld:

5.8.2 Service Standards

- All phone call and emails should be responded to as soon as practicable, but no later than 24 hrs after receipt.
- All communication shall be conducted in a professional and courteous manner.
- Any communication via SMS or text message MUST be followed up with an email confirmation for clarity and record keeping. Property managers are encouraged to utilize the text message functionality of Appfolio to ensure accurate record keeping of any text message communication.
- All maintenance requests MUST be acknowledged within 24 hours. Communication with the tenants regarding maintenance should provide timelines and set realistic and correct expectations regarding the repair.
- Communicating with the tenant via Appfolio regarding work orders is the preferred method of communication for accurate record keeping.

5.9 Documentation Requirements and Procedures

5.9.1 Introduction

For organization, documents should be attached to the corresponding lowest level page.

For example, lease agreements are NOT to be attached to a PROPERTY page; they should be attached to the TENANT page as they pertain to a specific tenant.

The below sections indicate the general guidelines as to what documents should be stored on what pages. Not all documents are required. A paper trail is always helpful, so more is always better.

5.9.2 Applications - Rentals

The following documents shall be uploaded to the Application page in Appfolio:

- Completed Application

- Photo ID
- Pay stubs
- Employment Verification
- Rental History Verification
- Proof of Funds
- Letters of Recommendation

5.9.3 Contracts

5.9.3.1 Lease Agreements

All lease agreements dated August 19, 2017 or later are to be on the standard Addicted Realty Lease template in Appfolio. GLVAR lease agreements will not be accepted.

5.9.3.2 Property Management Agreements

Property Management Agreements MUST be signed by ALL parties (legal owners, Property Manager , and Broker) PRIOR to a rental listing being made active on the MLS or Appfolio.

To obtain the broker signature, please utilize an electronic signature system such as Authentisign or DocuSign to send the Property Management agreement to george@addictedrealty.com.

5.9.4 Owner Files

5.9.4.1 Documents Required

The following items are required for Owner files.

- ACH Authorization
- Duties Owed
- Entity Documents - if property is held by a trust or corporation
- IRS Determination Letter - if subject to FIRPTA
- Landlord Insurance
- Owner Information
- W9

5.9.4.2 Submission

These documents must be uploaded to the Owner Page in Appfolio. No payments will be issued without the receipt of a W9. ACH payment is preferred but not required.

5.9.5 Property Files

5.9.5.1 Documents Required

The following items are required for Property files.

- Property Management Agreement
- Property Photos
- Homeowners Insurance Binder/Policy
- Home Warranty Policy
- MLS ER Status
- Copies of any Property Specific Advertisements/Posting

5.9.5.2 Submission

These documents must be uploaded to the Property Page in Appfolio.

5.9.6 Tenant Files

5.9.6.1 Documents Required

The following items are required for Tenant Files

- Rental Application
- Photo ID
- Pay stubs / Proof of Income
- Screening Report (Credit and Background)
- Rental History Verification
- Renter's Insurance
- Lease Agreement
- Addenda
- Property Condition Report
- Duties Owed
- Referral Fee Agreement
- MLS L Status page

5.9.6.2 Submission

These documents must be uploaded to the Tenant Page in Appfolio. Items connected with the application process may be uploaded to the Application page in lieu of the Tenant page. Online applications and online lease agreements do not need to be printed and saved to the respective pages as they are already accessible in Appfolio.

5.9.7 Vendor Files

5.9.7.1 Documents Required

The following items are required for Vendor Files

- ACH Authorization
- W9
- Workers Compensation Insurance

5.9.7.2 Submission

These documents must be uploaded to the Vendor Page in Appfolio. No payments will be issued without receipt of a W9.

5.10 Licensing

5.10.1 Property Management Permit - Nevada

5.10.1.1 Introduction

All agent authorized to engage in property management activities are required to have and maintain a valid Property Management Permit issued by the Nevada Real Estate Division, and remain in good standing while associated with the Company.

5.10.1.2 Initial Permit Requirements

For information on initial licensing requirements for the Property Management Permit and education please see:

http://red.nv.gov/Content/Real_Estate/Property_Manager/Initial_Requirements/

5.10.1.3 Permit Expiration

If your permit expires, you are not authorized to engage in any property management activities of any kind and must immediately notify the Broker or Designated Property Manager of your current standing. The Broker, at his/her discretion may designate another company property manager to handle your business during anytime your permit is inactive, and allocate reasonable compensation to that person for their performance. You are expected to cooperate with the Broker's assistants in the handling of any of your business during your inactive status.

5.10.1.4 Permit Fees

The Agent shall be responsible for all costs associated with obtaining, maintaining, reinstating, and/or renewing any and all licenses and/or permits issued by the Nevada Real Estate Division

5.10.1.5 Permit Renewal

It is your responsibility to maintain current on any and all changes to industry practices and take advantage of education and training programs to maintain your license and permit. It is also the responsibility of the individual agent to obtain any and all continuing education courses, within the designated time

frames, to avoid any lapses in your license and/or permit. Close attention should be paid to the requirement of “live instruction” continuing education versus “online/correspondent” format courses. As a reminder, additional continuing education courses are required for licensees holding a property management permit.

5.10.2 Real Estate License - Other Jurisdictions

The agent shall notify the Company immediately if they obtain a property management permit or it's equivalent in any jurisdiction other than Nevada. This includes both domestic and international locations. The agent shall provide the Company with the details and a copy of any such license or permit, including the licensing authority, license type, associated brokerage, license number, issuance date, and expiration date.

Should the status of any such additional license change, the Agent shall immediately notify the Company.

5.11 Mailing Address

For security, any correspondence or parcels should be sent to the Company mailing address found in section 1 of this manual.

5.12 Scope of Property Management

5.12.1 Licensee (without a Property Management Permit)

A real estate licensee may rent, lease or lease option real estate and perform all activities necessary to represent their client, either the owner or the renter, leading to the conclusion of an agreement to rent, lease or option the property involved. These activities include, but are not limited to, advertising a property, preparing the lease, rental or option agreement, having a credit check run on a prospective tenant, checking the tenants references, doing a walk-through inspection with the tenant and negotiating the price and other terms and conditions of the agreement.

A real estate licensee may also accept an initial check for rent and deposits required by the rental, lease or option agreement. The check must be made out the owner, property manager or escrow company. The real estate licensee's fee or commission must be made out to the broker with whom they are associated at the time of the transaction.

A real estate licensee may, during the listing and sale period, arrange for a listed property to have pool or yard maintenance, be cleaned and repaired. An agent may also arrange for and coordinate repairs agreed to during and as a part of the sale negotiations.
(Nevada Real Estate Division)

5.12.2 Licensee (with a Property Management Permit)

Once an agreement to rent, lease or option has been concluded, an unpermitted real estate licensee may not be involved in any aspect of the physical, financial, or administrative management of the real estate which has been rented, leased, or optioned. Issues which arise during the term of a rental, lease or option agreement must be handled by the owner of the property or a permitted Property Manager who has agreed to manage the property. Involvement with payments or collections, during the term of the rental or lease also require a property management permit. An unpermitted real estate licensee is also prohibited from engaging in the management of real estate during periods between rentals, leases or other transactions.

A permitted property manager must enter a written property management agreement with the client pursuant to NRS 645.6056 before commencing the management of any real estate. This agreement must be approved and signed by the permitted broker or designated broker salesman. (Nevada Real Estate Division)