

POLICY & PROCEDURES MANUAL



Revised September 2025

OUR MISSION STATEMENT

Our mission at Lang Realty, Inc. is to provide the highest level of residential real estate services to our clients looking to buy, sell or lease properties. We specialize in luxury communities ranging from country clubs, gated communities, active adult, and waterfront areas throughout South Florida by partnering with the finest real estate agents in the area.

COMPANY HISTORY

Lang Realty is part of Lang Diversified Services which provides a variety of services in property management and maintenance to many of the luxury, gated, and country club communities throughout South Florida. Bill Isaacson, founder of Lang Management, established the Company in 1980.

Scott Agran, Broker for Lang Realty, and Bill Isaacson founded Lang Realty in 1989 with 3 agents. The Company started as a higher-end rental company working in many of the leading country club communities. Due to the restrictive rental policies in some of the Clubs, there were many opportunities to sell these homes and Lang soon changed its business philosophy.

With a small group of agents, Lang quickly learned the importance of agent retention. The first retail location opened in 1996 at 2901 Clint Moore Road in Boca where it remained the hub of the organization. In 2022, Lang Realty purchased a bank building across from the original office, providing a larger more updated corporate business location. This more visible site in the heart of Boca's country club and gated communities garnered the attention of some of the area's top agents. Selective recruiting and an agent-centric plan for growth led to the expansion of the Company from a small, boutique operation to where it is today with over 300 agents and 6 locations from Boca Raton to Port St. Lucie.

PHILOSOPHY OF LANG REALTY, INC.

Lang Realty is dedicated to honesty, integrity and quality in everything we do. We are guided by these principles at all times and they cannot be compromised. The goal of Lang Realty is to operate profitably, increasing the assets and net worth of the Company while maintaining our reputation for excellence. We are committed to cost efficiency and are continually seeking to improve our operations and productivity.

We believe that each person who joins Lang Realty is important as an individual and as a contributor to the success of the Company. We feel an obligation to provide opportunities for professional development for all Lang Associates.

Hiring and advancement of our employees is based on ability, performance and potential, regardless of race, color, religion, national origin, sex, age, marital status or handicap. We are an Affirmative Action, Equal Opportunity Employer. We do not condone harassment of any kind, including racial harassment, sexual harassment or harassment based on any other minority status for all employees as well as our Agents who are Independent Contractors.

WORK HOURS

Our general sales office hours are from 9:00 a.m. to 5:00 p.m., Monday through Sunday, however schedules vary by location. All offices are available after hours via a keypad entry at the front and/or back doors of the office. Your entry code will be given to you at onboarding.

HOLIDAYS

Lang Realty, Inc. observes the following holidays each year:

New Year's Day	Easter Sunday	Memorial Day
July 4 th	Labor Day	Rosh Hashana
Yom Kippur	Thanksgiving	Friday following Thanksgiving
Christmas		

If a holiday occurs on a Saturday or Sunday, another day will be observed, normally the following Monday.

VACATIONS

Since agents are Independent Contractors and receive no vacation pay, they may regulate their own vacations. Prior to going on vacation, agents should arrange for their sales duties and other business to be adequately serviced during their absence. Agents should inform their Key Administrator of any extended absences. The Company requests that these procedures be followed so that the public may be better served. If an agent fails to make arrangements for managing his/her responsibilities, the Key Administrator may notify the respective Sales Manager and another agent may be assigned to handle them, in which event a referral or equivalent fee will be paid to that agent.

AGENT WORK AREA

As a general rule, we have no private desks in the agent work area, however every agent will always have a desk or a comfortable workspace to use while they are in the office. Management has decided that this concept is the most efficient use of limited office space. We have conference rooms equipped with computers or laptop drops for the agents' use when with customers. All stationery, pens, files, etc. are available to the agents to conduct office business. Phones will be available at every station. All paperwork and personal items should be stored when the agent leaves the office. Any paperwork left after 6:00 p.m. will be thrown out by the cleaning crew. We must keep the work areas clean for the next agent to use.

PERSONAL BELONGINGS

Please do not leave money, handbags, personal property or valuables of any kind in unlocked desks or other unsecured places in the office. Although management has taken all reasonable precautions, it must be understood that Lang Realty, Inc. cannot be held responsible for the disappearance of personal belongings.

Please remember that any personal items you keep at the office are kept there at your own risk and are subject to inspection at any time.

PERSONAL PROBLEMS

If you have any problem, either personal or involving your work or working conditions, it is our sincere wish that it be settled quickly and fairly. Please discuss the matter promptly and frankly with your respective Sales Manager. It is part of the job to help resolve these issues.

SEXUAL HARASSMENT

Sexual Harassment is a violation of Company policy. If you feel that you have been harassed, bring the information to the attention of the Broker or Management Team. If you have been harassed by anyone in Management, bring the information to the Lang Management HR Director.

ALCOHOLIC BEVERAGES AND CONTROLLED SUBSTANCES

We expect all Associates to avoid any activities or actions that would reflect unfavorably upon Lang Realty, Inc. Sometimes drinking alcohol or taking drugs limits our ability to portray the desired Lang Realty image and could endanger the life of the Associate and others. We request that you use responsible judgment at Company functions or while attending functions as a representative of Lang Realty, Inc.

Any agent or employee at a Company function who feels they are not able to drive safely must ask management for assistance to secure transportation home. Leaving an office event impaired to drive is not an option. If made aware, Lang Realty will provide safe transportation to your home.

PERIOD OF ASSOCIATION

Lang Realty Agents are carefully selected with the expectation of a mutually beneficial relationship; however, your needs may change or our needs may change. Either the Associate or the Company can end the Independent Contractor Agreement at any time, with or without notice and with or without cause.

If a departing Agent has Active listings, transfer of those listings is at the sole discretion of the Broker with an agreement by the receiving Broker, in writing, for a referral to be paid in perpetuity (for the life of the listing with the new Company).

If you leave the Company, you will receive all commissions due you on fully executed Contracts paid out at a 50% commission rate unless otherwise determined in advance with the Broker.

This policy directly overrides the language of the Independent Contractor Agreement signed by the Associate.

Any fees or charges prepaid by the Company for that year, along with any outstanding balances, will also be deducted. All listings and any residential or lease renewal income remain the property of Lang Realty, Inc. unless otherwise determined in advance with the Broker.

Errors & Omissions Insurance is NON-REFUNDABLE.

All keys, Lang Realty pins/pendants, security cards, club membership cards and Company property must be returned to your Sales Manager before you receive your final commission check.

CONTRACT TERMINATION

We dislike terminating our contracts with Associates. However, there are Company rules which must be complied with, violations of which are cause for termination. For instance - false statements, unbecoming ethics and conduct, unsatisfactory work performance are examples of violations of Company rules, providing grounds for termination.

PERFORMANCE APPRAISAL

The basis of Lang Realty's Commission Payment Program is that increased production deserves a greater return to the Associate. In this way, the Associate can share in the profits that they helped the Company to produce. Conversely, inadequate production not only creates a hardship for the Company, but also for the Associate. It is for this reason that the Broker or Management Team will conduct performance reviews in counseling sessions with each Associate when warranted.

Each agent is encouraged to attend an annual goal setting conference with the Broker. During this session, the Associate's Business Plan for the coming year will be discussed to ensure that it fits with the Company expectations for commission based on production.

AUTOMOBILE LIABILITY INSURANCE

All Associates who use their automobile in the course of business are required to carry an ample amount of insurance protection. **LANG REALTY, INC. MUST BE ADDED TO YOUR POLICY AS ADDITIONAL INSURED.** The minimum limits are as follows:

Bodily injury	\$100,000/\$300,000
Property Damage	\$100,000

BUSINESS EXPENSES

The Associate is responsible for the following fees, charges and costs:

- a. State licensing fees
- b. Dues and other fees to organizations of which Associates are members
- c. Any applicable real estate board fees

- d. Annual E & O Insurance
- e. Fees for attendance at any educational or business meetings, seminars, etc.
- f. All expenses related to the ownership and maintenance of an automobile
- g. All entertainment or other expenses in connection with soliciting prospects, purchasers or listings
- h. Monthly Agent Support & Technology
- i. Advertising Fee (per transaction side)
- j. Postage for mailings
- k. Color Copies: there is no charge for first 50 color copies per month; anything over 50 will be charged at \$0.15 per copy. Excessive usage (over 500 pcs black and white copies per month) will be billed back to the agent.
- l. Employee Holiday Fund (\$5 per month)

CODE OF ETHICS

Lang Realty's goal is to maintain the highest standard of business conduct possible. Essentially, our rules governing business conduct come down to honesty and integrity.

We at Lang Realty feel that our Associates are not only good workers but who, both in their professional and private lives, embrace the higher ethics and morals of our society. We have an expectation of honesty and fair dealing from our Associates in their business practices. We also expect that our Associates realize that the use of Company telephones, office supplies and postage for personal reasons is improper.

The professional in the real estate business lives by the Realtors® Code of Ethics. Honesty, loyalty and dependability are expected when dealing with customers, colleagues and competitors.

CLIENTS

The function of any top-quality real estate office is service to the Client from start to finish. To provide excellent service, you must not only know your product well; you must also know your Client well. Careful, considerate counseling with the prospects in the initial stages will pay big dividends. The information gained and the atmosphere of confidence generated by these counseling sessions contributes immeasurably to the success of the sales force.

There is no need for high pressure in selling real estate. If we are successful in meeting the needs of our Clients, we will show the right homes to the right Buyers, and thus make more sales. The most successful salespeople in this business are the ones who go out of their way to determine the real needs of their Clients.

Our Company goal is to give our Clients excellent service; service beyond what is required; beyond what any other Real Estate Company offers. We want to give the kind of service that will make them remember us, recommend us and call us again. The Client's paramount interest is himself and his objective in consulting a Realtor® is to solve his problem. Lang Realty, Inc. is an organization comprised of people of the highest order of competence and ability. Service to the Client is the key to maintaining that standard.

KEEPING IN CONTACT AFTER THE SALE

It is your job to sell yourself to your Clients so that they will remember you and ask for you when they contact Lang Realty. Individuals who call or come in and do not ask for you will not be considered your Clients.

If a Client comes into the office and asks for you, the receptionist is obligated to make every effort to locate you. If, for some reason, you cannot be reached, the floor person will handle the Client as a courtesy to you. If a sale is made that day, the floor person will be entitled to a portion of the commission.

OFFICE RELATIONSHIPS

What you get out of your relationship with your fellow Associates is in direct proportion to what you give. It is always advisable to put things in writing whenever possible. This holds especially true in respect to referrals. When you have an agreement with another agent to cover your listings or clients while you are away, for example, please be specific and put your agreement in writing. It will avoid problems and misunderstandings that could ruin a good working relationship. Apply the Golden Rule in your relationships with your colleagues. Never try to take a Client away from the original salesperson. If a misunderstanding does occur, sit down with the person involved and lay the cards on the table. In almost all cases, the disagreement can be worked out between the two of you.

In the event of a dispute, the Company believes that Associates involved in a commission controversy can and will settle their differences in an amicable and equitable manner. If this cannot be accomplished, the Associates concerned should consult the Broker or Management Team for assistance in determining whether the issues involved are covered in the Policy Manual or come under the accepted custom. Management reserves the right to settle disputes completely between Associates in any manner which it believes is most equitable to all parties concerned.

DEALING WITH COMPETITORS

Our Company encourages cooperation with other Realtors®. When another real estate firm asks, in any way, for permission to show the property of one of our clients, it is the Associate's duty to give all the necessary information. This is true whether or not that firm willingly cooperates with us on their listings.

Please refer to Article 15 of the Realtors® Code of Ethics for more information.

When soliciting a listing in competition with another Company, be competitive but also ethical. Say nothing derogatory about the other firm. Compete for the listing in positive, professional terms and do not worry about your competition. You have all the tools needed to do the job.

GENERAL OFFICE CONDUCT

Over the years, we have developed certain policies, practices and expectations for Lang Realty Associates. We ask your cooperation in the following areas:

- Maintain high standards of appearance. All Associates are expected to dress in good taste and in a businesslike fashion.
- Keep your office area neat. Take personal responsibility for its appearance and operation. Make sure it reflects your efficiency and professionalism.
- Do not smoke in the Sales Office or listed houses. This not only reflects a respect for the rights of all individuals; it is also in line with legal guidelines on smoking.
- Always be ready to be cooperative and helpful in dealings with your fellow Associates. Remember that you may need the same help and consideration tomorrow.
- Never resort to high pressure tactics in selling real estate. An unhappy Customer who was pressured into a rapid decision can cost you and your Associates thousands of dollars in future commissions. When quoting prices on property, give only the price the Seller has authorized you to quote!
- If, for some reason, you are unable to continue your regular sales duties, you are required to ask one of your fellow Associates to assist you in managing your responsibilities in your absence. Be sure to inform the Key Administrator of your absence and/or alternate plans.
- Agents should refrain from expressing personal opinions in regard to politics on social media and within the office. The use of inappropriate language or voicing strong opinions can be detrimental to the Agent's business and to the Company. Everyone is entitled to a neutral work environment where they can be comfortable and productive.

We encourage agents to protect themselves first and foremost. Posted in the front reception areas of all offices are signs that we require customers to give a copy of their photo ID before being taken to see property by our agents. NEVER agree to meet someone unknown to you at a property. Please use this policy as an added protection, especially if this is the first time working with a particular client.

SUPPORT OF THE FAIR HOUSING LAW

The Fair Housing Law is posted prominently in the office. Lang Realty is committed to upholding all aspects of this law at all times.

A REALTOR is required by law and the NATIONAL ASSOCIATION OF REALTORS code of ethics to treat all parties in a property transaction fairly without regard to race, color, religion, national origin, ancestry, sex, age, marital status, sexual orientation, presence of children, physical or mental handicaps in the following transactions:

- the sale or rental of housing or residential lots
- advertising the sale or rental of housing
- the financing of housing
- the provision of real estate brokerage services

The use of biased or derogatory language by any real estate associate on social media, on company or personal websites, is grounds for immediate dismissal. Realtors must pay special attention to wording that may be construed as a violation of Fair Housing guidelines. A list of words and phrases that are not approved can be found on The HUB, our Lang Realty knowledge base at <https://langbusinesscenter.com/equal-housing-guidance/>

Lang Realty strongly encourage all agents to watch the following videos on Fair Housing:

<https://vimeo.com/633148823>

<https://www.youtube.com/watch?v=y4tTiGgOky8>

There are many subtle nuances in the Fair Housing allowable glossary of marketing terms. It is the responsibility of the Lang Realty agent to be well versed in them and avoid violations.

LEGAL EXPENSE

It is the policy of Lang Realty to avoid litigation wherever possible. Management reserves the right to determine the terms and conditions of any negotiation or settlement and whether or not any litigation or dispute shall be prosecuted, defended, negotiated or settled. Management also determines the terms and conditions of any negotiation or settlement and whether or not legal expenses shall be incurred, with the Associate paying their pro rata portion of his or her commission percentage level.

The Broker, at his sole discretion, has the right to determine the need to use the commission of the Agent and the Company to protect the Company from possible litigation. Each agent at Lang Realty will be responsible for paying an annual E & O insurance fee. Lang Realty will be responsible for the deductible of the policy provided the sales associate did not intentionally misrepresent, mislead or commit fraud. Additionally, Lang Realty will not be responsible for the carelessness or negligence of its agents that could have easily been avoided with reasonable and expected diligence on the agent's part.

The Errors and Omission policy does not protect an agent that has represented himself/herself as a Listing agent or Buyer in a transaction.

If any transaction in which an Associate is involved results in a dispute, litigation or legal expense, the Associate is expected to cooperate fully with the Broker. **If Lang Realty is holding escrowed funds, Management must be notified immediately that a demand by either party has been made for the deposit.**

ADDITIONAL HELP

Time permitting, we try to provide our Associates with as much administrative assistance as possible to help you with your job but not do it for you. However we have no way of predicting when overloads may occur. If the administrator is busy at a time when you have an important presentation or other work that must be done, contact Management. Please note that administrative assistance is a privilege and not a right. Agents are expected to be courteous and respectful of the support staff. Agents should be mindful of the multitude of tasks and demands which are made upon our staff. Agents should prioritize their work so that the important jobs are completed first.

MAINTAINING FILES

Management must have a record of all files and be able to locate them at all times. For this reason, all paperwork must be submitted to our online file management system. We are required to maintain records for every transaction conducted by our agents for a period of five (5) years. Agents are encouraged to keep complete copies of files for their personal records.

If an agent has failed to turn in complete paperwork, the office will notify the agent and put a note to that effect in the file. If the agent has failed to turn in the paperwork prior to closing, their commission may be held until the paperwork is received. This is an overly critical issue and every effort must be made to be in full compliance.

MLS UPDATING

As you obtain additional details about sales and listings, update your records. The listing status must be changed within 24 hours from Active to the appropriate status once a Contract is received. Pertinent materials and documents need to be added promptly so that the files will be complete at all times. If you are notified by staff that documents are missing or incomplete, you are required to update those records as soon as possible so that the Company is in compliance with FREC, Board and MLS rules and regulations. If there are MLS fines levied against the Company or an Agent for compliance issues, the Agent will be held responsible for payment. Accurate information is the Agent's responsibility.

FLOOR TIME

Floor time is extremely profitable to the Associate when it is well managed. It benefits you and it benefits the Company. The floor person is entitled to all Clients who call or walk in and do not ask for a specific Associate. The Company benefits from having a qualified Associate available to respond to Clients. Every qualified Associate may request a share of floor time. The monthly Floor Schedule is

designed by the Key Administrator. As often as possible, the Schedule will allocate the floor time on a rotating basis, with a primary person and one back-up.

If you cannot be available during your assigned floor time, you should arrange for someone to replace you. Please notify the Key Administrator of the change. If an agent fails to show up for floor time consistently and does not make arrangements for a replacement the agent will not be permitted to take floor time.

FLOOR TIME GUIDELINES

1. During your floor time, you should stay in the office and be available to handle any inquiries associated with our sales efforts.
2. Remember, to the person who calls on the telephone or walks into the office, you represent Lang Realty. Answer all inquiries courteously and professionally. When potential Clients walk into the office greet them promptly and cheerfully.
3. Accurately record all floor calls in response to ads, signs and other sources. These records are essential in helping Management to determine prospect sources, the effectiveness of diverse types of advertising and other important information. If it is gathered properly, it can help us to help you.
4. Never give a listing address to a customer over the phone, no matter how urgent the request is. Giving out an address could create two major problems, one for the Seller and one for you:
 - a. The prospective Buyer could decide to make an unannounced visit, upsetting the Seller
 - b. You will receive no commission if the Client views the property unescorted, decides to buy it, and purchases it through someone else.

Any Client should be able to appreciate your position if you say that you have agreed not to give out the address by telephone for the protection of the Seller and you cannot violate that trust.

If you leave the floor during your scheduled floor time, have another Associate cover your time. You are free to make any arrangements you wish with other Associates if you must leave for any reason, business or personal; be sure to inform the front desk of any changes. Should you have to leave, please make a reasonable attempt to find a replacement for your scheduled time.

If you are not able to find a replacement, any leads that come in will be referred to any agent willing to accept that lead on a referral basis at the sole discretion of the Company.

INFORMATION AND MESSAGES

Please check your e-mail or mailboxes daily. We e-mail current information on listings, projects and seminars. The support staff will make every attempt to reach agents with any documents that arrive for

associates. However, it is the agent's responsibility to inform staff if they are expecting important papers. The staff is often busy and cannot always be aware of the importance of certain documents.

IMPORTANCE OF LISTINGS

Any listings other than an exclusive right-of-sale listing must be presented to and approved by the Broker before being accepted.

OPEN LISTINGS

Open listings are not allowed by the Company. In case of questions, check with the Broker.

LISTING PERIOD

All exclusive listings will be listed for a **minimum period of six months**. Exceptions are to be approved by the Broker. All exclusive agreements must be completed and signed by all owners of record. **Early cancellation of a listing must be approved by the Broker or a Sales Manager. Written permission must be included in the file. Agents do not have the authority to include unconditional release language in the Listing Agreement without prior written authorization by Management.**

Please be sure that all information on the MLS form is correct. If there are errors, please submit the changes needed. Verify all information when printed copy is received. Tremendous legal problems can arise over inaccurate information. Avoid that possibility and include a Seller's Property Disclosure as part of our file.

LISTING PROCEDURES

Use the following guidelines in listing a property:

1. Place a FOR SALE sign on the property at the time of the listing. Check local laws and the HOA bylaws for signage rulings.
2. If any Open Houses are planned, schedule them and place the dates on your appointment calendar.
3. Be sure two sets of keys are immediately available and that they all work.
4. Complete and forward prospect referral letters, if applicable.
5. Create a proposed "call-back schedule" to ensure contact at least every 10 days. File a copy of each progress letter.
6. Be sure the file includes a copy of the comparable sales report you used when listing the property.
7. Check FLEXMLS for listing accuracy and make necessary corrections.

8. Place a copy of all ads in the file as it appears in the newspapers or periodicals, so that it is readily available when making your call-backs. This is visual proof that your customer is getting the best service available.
9. A signed status report should be in the file whenever you have changes in your listing information.
10. Always notify Owners before showing property and follow up with a report on the showing.
11. In case of listing cancellation, be sure you have a letter from the Owner to file with the signed change-of-status report. An unconditional release is only issued at the discretion of the Broker.

NEW LISTING INSPECTIONS

It is important to know your product. Associates should preview all listings. First-hand knowledge of the listings is essential in showing the properties and will help you in handling inquiries during your floor time. Listings are your inventory and the more familiar you are with them, the more effective you will be.

SIGNS

FOR SALE signs attract a great deal of interest to the property. You are encouraged to place a FOR SALE sign on all listed property unless signs are prohibited.

When planning an Open House, use as many signs as you can. Make it easy for potential customers to find you. Be sure to observe local signage laws and restrictions and remove all signs at the end of the Open House. Do not leave signs overnight, even if you are planning to continue the Open House the following day.

ALWAYS protect yourself when doing an Open House. Install safety apps on your phone, have a contact person who knows where you are and check in frequently if you are alone. Having a partner there is the best solution.

The purpose of all advertising is simply to make the phone ring and to bring prospects into the office. When the phone rings or a prospect comes through the door, advertising has done its job and it is then up to the Associate to make the sale.

Use your creative ability and develop new applications for existing materials. Always be on the lookout for material and ideas used successfully and bring them to the attention of the Manager.

BROKER AUTHORIZATION

To streamline the listing, sales, and buyer agreement process, the Broker of Record authorizes licensed agents to complete and execute the necessary paperwork related to listings, sales, and buyer agreements, with the following guidelines:

Agent Authorization:

Agents are authorized to complete all required documents associated with listings, sales, and buyer agreements. This includes, but is not limited to listing agreements, purchase contracts, amendments, and disclosures.

Broker Signature Authorization:

For any paperwork that specifically requires the Broker's signature, such documents must be forwarded to one of the designated area Sales Managers who are authorized to sign on behalf of the Broker of Record, Scott Agran:

Exclusions:

The following documents and requests are excluded from the above Agent authorization and require direct Broker or Manager involvement:

- Cancellation of listings
- Ethical complaints
- Mediation or Arbitration Requests
- Approvals for commission cuts
- Referral Agreements
- Items that fall below company's minimum standards

These matters must be submitted directly to the Broker of Record/Manager for review and approval in writing.

Manager Availability:

If any of the Sales Managers are not accessible, please reach out to Danny Katz for assistance in obtaining the necessary approvals.

Compliance:

It is the responsibility of all agents to ensure that all paperwork is completed in accordance with legal and brokerage guidelines. Any violations or discrepancies may result in disciplinary action and possibly loss of commission.

ADVERTISING AND MARKETING

Agents are allowed to create their own card shells and any other marketing materials they want to use at their own expense. All materials used must have the approval of the Broker prior to distribution.

FREC Guidelines for TEAM or GROUP Advertisements - "Team or group advertising" shall mean a name or logo used by one or more real estate licensees who represent themselves to the public as a team or group. The team or group must perform licensed activities under the supervision of the same broker or brokerage.

Each team or group shall file with the broker a designated licensee to be responsible for ensuring that the advertising is in compliance with chapter 475, Florida Statutes, and division 61J2, Florida Administrative Code. At least once monthly, the registered broker must maintain a current written record of each team's or group's members.

Real estate team or group names may include the words "team" or "group" as part of the name. Real estate team or group names shall not include the following words:

(a) Agency (b) Associates (c) Brokerage (d) Brokers (e) Company (f) Corporation (g) Corp. (h) Inc. (i) LLC (j) LP, LLP or Partnership (k) Properties (l) Property (m) Real Estate (n) Realty (o) Or similar words suggesting the team or group is a separate real estate brokerage or company

This rule applies to all advertising both in print and digital format. Advertisements containing the team or group name shall not appear in larger print than the name or logo of the registered brokerage. All advertising must be in a manner in which reasonable people would know they are dealing with a team or group.

COPYRIGHT INFRINGEMENT POLICY

Lang Realty requires all agents to receive indemnification in writing from the photographers they hire regarding the use of photos they purchase for their listings or marketing and advertising. Agents are NOT ALLOWED to use other agents' photos unless they have permission and verification that the photos they are using are not copyrighted to the photographer that took the photos. Serious lawsuits have been filed in violation of copyright cases which are not covered by any insurance and become a direct responsibility of the agent held in violation. Lang Realty will not be responsible and cannot protect you if you are sued in connection with copyright infringement. All agents will sign a disclosure document upon association with the Company.

COMMISSION POLICY

Lang Realty believes in an agent-centric commission policy. As entrepreneurs, agents should have the autonomy to set their fees, provided these fees reflect the high standards of the company and their fellow agents. The one area where the company imposes strict guidelines is the protection of an agent's investment in their farm areas.

For Example: if a Lang Realty agent consistently farms a community with a minimum of 10 mailings a year and has never taken a listing for less than a 3% commission payable to the list side, no other Lang Realty agent can offer a listing commission of less than 3% in that same community. The logic behind

this policy is to protect the integrity of the agent's farm area and the investment the agent has made in it. The only exception is if the farming agent has taken a listing for less than 3% payable to the list side in that area. If this has occurred, another Lang Realty agent may reduce their commission in the farm area to equal what the farming agent has offered. The ultimate goal is not to undermine the commission structure of a fellow Lang Realty agent who is consistently farming an area. For any further clarification, please reach out to your Sales Manager.

While agents may take listings at less than 3% per side (Seller–Buyer side) to accommodate sellers, the company requires that the lowest acceptable commission is 2.5% per side. If an agent feels it is necessary to accept less than 2.5% per side for any reason, it is understood that the company will collect its portion of the commission based on 2.5% per side, and the agent will cover the shortfall. If an agent represents both sides of the transaction, the company will accept no less than a 5% commission unless the agent is willing to make up the shortfall to the company. Transaction fees are due from the seller and/or buyer at closing, and failure to collect them will result in the agent paying the fee.

The company requires that the stated commission according to the executed compensation agreement will dictate the amount owed at closing. **If the agent must reduce their commission for any reason, it is understood that the company will collect its portion of the commission based on the percentage agreed to on the Compensation Agreement, and the agent will make up the shortfall unless prior manager approval has been provided.**

Lang Realty no longer shares commissions with co-brokers. Sellers willing to pay co-brokers will do so directly. Agents are responsible for preparing the proper forms accordingly.

This Commission Policy is designed to give the agent more autonomy in making the deals they deem necessary to conduct business without having to request permission from the broker. It is not intended as a penalty in any way to the agent. The company is giving the agent the ability to make business decisions while maintaining the integrity of the company's commission structure.

AGENT SALE OR PURCHASE OF A PRIMARY HOME

Agents selling or buying their own primary residence will receive one commission per year (12 month period) provided that they have been with the Company 2 years, have closed at least \$120,000 in gross commissions and must complete at least 2 sales (purchase or sale) during the purchasing year to qualify. Agents may choose the higher priced home to be commission free. **The agent must use the affiliate title Company for closing on their personal property when applicable to qualify for commission free sale.**

AGENT SALE, PURCHASE OR RENT OF A PROPERTY OTHER THAN A PRIMARY HOME

Agents selling, buying or renting a property other than their primary home will be subject to paying a commission and Compliance Fee.

COMPLIANCE FEE POLICY

Lang Realty charges a Compliance Fee or Transaction Fee on all Sales and Rentals. This fee is charged to the Seller/Buyer or Landlord/Tenant to facilitate the processing of paperwork administratively and storage for all records for the mandated 5 year term (7 years if a legal process was employed). The following are rules for how Compliance Fees are handled:

Sales - Compliance Fee

The Compliance fee is charged on all regular sales transactions.

The Compliance fee is charged on **all** land transactions, except when the purchase price of the land is equal to or less than \$75,000.

The Compliance fee is charged on **all** Commercial transactions.

The Compliance fee is charged on an agent's family member transactions.

If an agent represents a customer that will also sell or purchase another property within 3 months after completing the initial transaction, then a *Courtesy Discount* in the amount of 50% may be applied to the Compliance fees on the second transaction. The Compliance fee will be due in full on the transaction at closing.

The Compliance fee is waived as a *Courtesy Discount* on an agent's personal home purchase **or** sale (homesteaded property), on one side of the transaction, provided the transaction qualifies per the Agent Sale or Purchase of a Primary Home paragraph above.

Rentals - Compliance Fee

The Compliance fee is charged on all annual and short-term rental transactions.

The Compliance fee is charged when agents rent their investment properties.

The Compliance fee is waived as a *Courtesy Discount* when an agent rents for their own personal use.

The Compliance fee is not charged on any rental renewals (short and long term) as long as it is the same Landlord and same Tenant.

ACCOUNTS RECEIVABLE

Lang Realty bills its agents on a monthly basis in arrears for expenses that agents incur for advertising, marketing, E & O Insurance, etc. These bills are due and payable by the 15th of each month. Agents are required to give credit card information and to sign a Release which allows Lang Realty to charge the card without further notice if the accounts are not kept current. Lang Realty reserves the right to deduct from agent's commission any and all outstanding balances that are 30 days or more overdue. Any agent with accounts receivable overdue by more than 60 days without speaking with a manager will result in a \$50 late fee per month until paid in full.

Lang Realty will provide a Fee deductions and Expenses report to the Agent at the beginning of the calendar year for Income Tax and accounting purposes, upon agent's request.

****Escrow Policy****

We will only hold escrow for our buyers. No Exceptions.

According to FREC rules, all deposit checks MUST be turned into the office with 24 hours of receipt and will be deposited into our escrow account within 48 hours. If you require the funds to be returned, please contact the office for instructions regarding the clearing of funds.

- Forms of Escrow that are accepted:
 - Wire Transfers (No ACHs or Direct Deposits)
 - Personal Checks (No International Checks)
 - Bank Checks and Money Orders
- It is the agent's responsibility to ensure that escrow funds are cleared in time for closing.

AGENT BILL DELINQUENCY

Lang Realty *reserves the right* to recoup all monies owed from any upcoming commission or charge the credit card on file in full to settle the debt.

ADVANCE COMMISSIONS ON NEW CONSTRUCTION

Advance commissions paid to Lang Realty by the developer on new construction will be held until the closing of the property unless the advance has no repayment requirement if the closing does not occur.

SHARING OF COMMISSIONS WITH BUYERS AND SELLERS

The practice of disbursing monies on any transaction differently than what is stated on the Closing Statement is a violation of FREC Rules. Refer to FREC Chapter 475, Part 1, Code Section 61J2-10.028.

Lang Realty will not participate in the sharing of any commission after a closing when it has not been fully disclosed in writing via an addendum to the Contract and disclosed on the Closing Statement.

ERRORS AND OMISSIONS INSURANCE COVERAGE

Lang Realty carries E & O insurance on every agent. The fee to cover the insurance is charged annually. Payment of this fee entitles the agent to representation in the event of a lawsuit against the agent and/or the Company.

There are two circumstances in which an agent would be required to pay the full deductible. First, if it is obvious that fraud, malicious intent, deceptive practices or gross negligence was employed by our agent. The second circumstance is lack of required paperwork. Agents are responsible to ensure that their files are complete with all required documentation. If an agent fails to provide a fully documented file which results in a weakening of our ability to defend the agent or the Company, the agent will be responsible for paying the deductible.

Errors and Omissions policy does not cover any claims arising as a result of an agent representing him/herself as a buyer or seller. In the event that Lang Realty is named in any legal procedure from an agent representing him/herself in a Real Estate transaction, agent will indemnify Lang Realty for all legal expenses and judgements as a result of such legal procedure.

Copyrights - E & O Insurance does not cover copyright infringement. Agents must use a certified photographer from the Board (Broward, West Palm, PSL Board). Otherwise the agent and not Lang Realty will be fully responsible in case of copyright infringement lawsuit.

If an Agent leaves the Company or is terminated for any reason, the E & O Insurance payment made is NOT REFUNDABLE.

LANG REALTY EMPLOYEES WITH A REAL ESTATE LICENSE

If a Lang Realty employee has an Active Real Estate license, and wants to practice Real Estate, all activities pertaining to such practice are to be done after office hours and on weekends. No calls, emails, text messages and/or related activities are allowed during work hours at Lang.

The employee's Real Estate license must be affiliated with Lang Realty.

If the employee decides to list a property, such listing must have the name of another Lang Realty agent as the primary listing agent and the employee's name as secondary listing agent. Arrangements must be done in writing between the employee and the Lang agent regarding referrals and/or the way the commission is to be disbursed once the listing is sold.

All calls during office hours from other agents and the general public regarding the employee's listing must be taken by the primary listing agent. Showings, appointments (i.e. inspections, appraisers, etc.), if done during working hours, are to be taken care of by the primary listing agent.

****Lang Realty reserves the right to change/amend the Policy and Procedures Manual as needed****