

TENNESSEE ADDENDUM TO THE INDEPENDENT CONTRACTOR AGREEMENT

Real Broker, LLC (**Company**), makes this addendum a part of the Independent Contractor's Agreement for agents affiliating with it in the State of Tennessee (**Agent**). This addendum supersedes all previous Tennessee addendums. While every effort is made to keep the contents of this document current, the Company reserves the right to modify, suspend, or discontinue any of the terms, policies, procedures and/or benefits described in this addendum with proper notice.

ACTUAL RULE LANGUAGE

Rather than provide a summarization of applicable Tennessee state laws and rules this addendum shall present the actual language of the laws and rules pertinent to the resulting action Company expects of the Agent. When available the actual citation will accompany the language to facilitate further examination by the Agent. Agent agrees to be both familiar and compliant with all the rules and laws provided in this addendum.

OFFERS TO PURCHASE (TREC Rules of Conduct 1260-02-.08)

A broker or affiliate broker shall promptly tender every written offer to purchase or sell obtained on a property until a contract is signed by all parties. Upon obtaining a proper acceptance of an offer to purchase, or any counteroffer, a broker or affiliate broker shall promptly deliver true executed copies of the same, signed by the seller, to both the purchaser and the seller. Brokers and affiliate brokers shall make certain that all of the terms and conditions of the real estate transaction are included in the contract to purchase. In the event an offer is rejected, the broker or affiliate broker shall request the seller to note the rejection on the offer and return the same to the offeror or the offeror's agent.

PERSONAL INTEREST (TREC Rules of Conduct 1260-02-.11)

(1) No broker or affiliate broker shall, either directly or indirectly through a third party, purchase for himself or attempt to purchase or acquire any interest in or option to purchase property listed with him or with his company, or property regarding which he or his company has been approached by the owner to act as broker, without first making a full disclosure of his true position to the owner of the property or to any prospective purchaser for which he has acted for as a client or customer. After acquiring any such personal interest, either directly or indirectly, the broker or affiliate broker shall make a full disclosure of his true position to prospective purchasers who tender offers to buy the property.

(2) All licensees shall identify themselves as a licensee when buying or selling property for themselves.

ADVERTISING (TREC Rules of Conduct 1260-02-.12)

(1) All advertising, regardless of its nature and the medium in which it appears, which promotes either a licensee or the sale or lease of real property, shall conform to the requirements of this rule. The term “advertising,” for purposes of this rule, in addition to traditional print, radio, and television advertising, also includes, but is not limited to, sources of communication available to the public such as signs, flyers, letterheads, email signatures, websites, social media communications, and video or audio recordings transmitted through internet or broadcast streaming. Advertising does not include promotional materials that advertise a licensee such as hats, pens, notepads, t-shirts, name tags, business cards, and the sponsorship of charitable and community events.

(2) For purposes of this rule, the term “firm name” shall mean either of the following:

- (a)** The entire name of the real estate firm as licensed with the Commission; or
- (b)** The d/b/a name, if applicable, of the real estate firm as licensed with the Commission.

(3) General Principles

(a) No licensee shall advertise to sell, purchase, exchange, rent, or lease property in a manner indicating that the licensee is not engaged in the real estate business.

(b) All advertising shall be under the direct supervision of the principal broker and shall list the firm name and the firm telephone number as listed on file with the Commission. The firm name must appear in letters the same size or larger than those spelling out the name of a licensee or the name of any team, group or similar entity:

(c) Any advertising which refers to an individual licensee must list that individual licensee’s name as licensed with the Commission.

(d) No licensee shall post a sign in any location advertising property for sale, purchase, exchange, rent or lease, without written authorization from the owner of the advertised property or the owner’s agent.

(e) No licensee shall advertise property listed by another licensee without written authorization from the listing agent or listing broker.

(f) No licensee shall advertise in a false, misleading, or deceptive manner. False, misleading, and/or deceptive advertising includes, but is not limited to, the following:

1. Any licensee advertising that includes only the franchise name without including the firm name;
2. Licensees who hold themselves out as a team, group, or similar entity within a firm who advertise themselves utilizing terms such as “Real Estate,” “Real Estate Brokerage,” “Realty,” “Company,” “Corporation,” “LLC,” “Corp.,” “Inc.,” “Associates,” or other similar terms that would lead

the public to believe that those licensees are offering real estate brokerage services independent of the firm and principal broker; or

3. Any webpage that contains a link to an unlicensed entity's website where said entity is engaged or appears to be engaged in activities which require licensure by the Commission.

(5) Internet Advertising: In addition to all other advertising guidelines within this rule, the following requirements shall also apply with respect to internet advertising by licensees:

- (a)** The firm name and the firm telephone number listed on file with the Commission must conspicuously appear on each page of the website.
- (b)** Each page of a website which displays listings from an outside database of available properties must include a statement that some or all of the listings may not belong to the firm whose website is being visited.
- (c)** Listing information must be kept current and accurate. This requirement shall apply to "First Generation" advertising as it is placed by the licensee and does not refer to such advertising that may be syndicated or aggregated advertising of the original by third parties outside of the licensee's control and ability to monitor.

(6) Social Media Advertising

- (a)** For the purpose of this rule, "social media" means internet-based applications or platforms that allow the public to create and share content and information. Examples include, but are not limited to: Facebook, Twitter, Instagram and LinkedIn.
- (b)** With regards to social media advertising by licensees, the firm name and firm telephone number listed on file with the Commission must be no more than one click away from the viewable page.
- (c)** Listing information must be kept current and accurate. This requirement shall apply to "First Generation" advertising as it is placed by the licensee and does not refer to such advertising that may be syndicated or aggregated advertising of the original by third parties outside of the licensee's control and ability to monitor.

(7) Guarantees, Claims and Offers

- (a)** Unsubstantiated selling claims and misleading statements or inferences are strictly prohibited.
- (b)** Any offer, guarantee, warranty or the like, made to induce an individual to enter into an agency relationship or contract, must be made in writing and must disclose all pertinent details on the face of such offer or advertisement.

EXCLUSIVE BUYER REPRESENTATION AGREEMENTS

(TREC Rules of Conduct 1260-02-.36)

An exclusive buyer representation agreement is an agreement in which a licensee is engaged to represent a buyer in the purchase of a property to the exclusion of all other licensees. When entering into any such agreement a licensee must advise and confirm in writing to such buyer the following:

- (1) That the buyer should make all arrangements to view or inspect a property through the licensee and should not directly contact other licensees;
- (2) That the buyer should immediately inform any other licensee the buyer may come into contact with (for example, at an open house) that he or she is represented by the licensee; and
- (3) Whether the buyer will owe a commission in the event the buyer purchases a property without the assistance of the licensee through another licensee or directly from an owner.

SEPTIC SYSTEM INSPECTION LETTERS (TREC Rules of Conduct 1260-02-.37)

A licensee preparing an offer to buy shall provide in the offer and make the buyer aware that, for a fee, a septic system inspection letter is available through the Tennessee Department of Environment and Conservation, Division of Groundwater Protection.

ELECTRONIC RECORDS (TREC Rules of Conduct 1260-02-.40)

(1) Pursuant to T.C.A. § 62-13-312(b)(6), real estate licensees must preserve records relating to any real estate transaction for three (3) years following the consummation of said real estate transaction. Real estate licensees may utilize electronic recordkeeping methods to comply with this requirement, provided that the following conditions are met:

- (a) All documents required to be retained must be readily accessible in an organized format providing ease in document identification within twenty-four (24) hours of any request for inspection by representatives of the Commission.
- (b) In order to ensure proper document retention, the principal broker of all real estate firms that use electronic recordkeeping methods must develop and utilize a retention schedule that safeguards the security, authenticity, and accuracy of the records for the entire required retention period and that also provides for the use of technology and hardware that ensures the accessibility of records in a readable format.

LICENSEES WHO HOLD THEMSELVES OUT AS A TEAM, GROUP, OR SIMILAR ENTITY WITHIN A FIRM (TREC Rules of Conduct 1260-02-.41)

(1) Licensees who hold themselves out as a team, group, or similar entity within a firm must be affiliated with the same licensed firm and **shall not establish a physical location for said team, group, or similar entity within a firm that is separate from the physical location of record of the firm with which they are affiliated.**

(2) No licensees who hold themselves out as a team, group, or similar entity within a firm shall receive compensation from anyone other than their principal broker for the performance of any acts specified in T.C.A. Title 62, Chapter 13.

(3) No licensees who hold themselves out as a team, group, or similar entity within a firm shall represent themselves as a separate entity from the licensed firm.

(4) No licensees who hold themselves out as a team, group, or similar entity within a firm shall designate members as designated firm agents, as this remains a responsibility of the licensed firm's principal broker.

AGENCY:

(1) Real Broker, LLC agents are either:

- a. Designated Agent for the Seller
- b. Designated Agent for the Buyer
- c. Transaction Broker or Facilitator

(2) Real Broker, LLC agents are **NEVER:**

- a. Agent for the Seller
- b. Agent for the Buyer
- c. Disclosed Dual Agent (for both parties)

ALL OFFERS MUST BE IN WRITING

1. Agents are not permitted to present verbal offers to purchase or sell property. Any and all offers **MUST BE IN WRITING**.
2. In the State of Tennessee, verbal understandings are not enforceable.

MONTHLY MEETING

1. Currently monthly meetings are held virtually on the first THURSDAY of each month at 6PM **Eastern** time. The meeting is designed to keep agents informed on ways to better promote their business, risk management, and changes that will affect their real estate business.
2. Agents are expected and encouraged to attend all meetings available as scheduled.

VACATION/PERSONAL TIME

To ensure great service and protect the needs of Real Broker, LLC customers and clients, please arrange to have Real Broker, LLC “buddy agent” in your area available to take your calls, handle particular customers and clients for the time that you are away on vacation or personal time.

CONTACTING THE STATE BROKER

The broker is reachable by phone, text and email.

Email is: TNBroker@therealbrokerage.com

Phone/Text: (Please see the REAL app for your broker’s preferred phone number.)

Note: Files are reviewed and general questions will be addressed during normal business hours. If you submit a file or general question after business hours it will be addressed the next business day.

(If you have a client emergency, please CALL your broker immediately, even after business hours, to help you resolve the issue as soon as possible.)