

EXAMPLE

COMMISSION POLICY

As discussed, and agreed, the following will apply effective immediately:

- Our preferred commission is 7.5%
or if an RNS or PLN or ERL listing $7.5\% + \text{VAT} = 8.62\%$
Every commission that is to be negotiated below 7.5% must have the approval of the RNS listing agent as well as the Principal of Golden Homes.

Sole mandates / open mandates sold by Golden Homes

All sole or open mandates will be split 50/50 provided that the commission is 6% and above.
(Anything under 6% will result in the Company receiving 3% and the balance to the Agent)

Shared mandates / RNS/PLN/ERL (where another agency is the listing agent or selling agent and commission is split 50/50)

50% of the commission is payable to the other listing/selling agency. The remaining 50% will be split on a 50/50 basis with the same terms and conditions as a sole/open mandate.

Commission Splits between listing and selling agents

If an agent sells a sole/RNS/PLN/ERL mandate listed by a colleague, the Agent commission shall be shared between the agents on a 50/50 basis.

If an Agent sells an open mandate listed by a colleague, the commission will be split on a 10/40 basis. 10% to the listing agent and 40% to the selling agent.

Should an agent sell a listing in another franchise zone then the relevant listing split commission with that branch will be deducted first, as well as the franchise fee. The balance shall be split as per Company commission agreement.

Incentive

All “final sales” (sales with a final bond grant and any amendments) in any given month will be remunerated as follows:

First sale	-	50/50 (50% to Company/50% to Agent)
Second sale	-	50/50 (50% to Company/50% to Agent)
Third sale	-	40/60 (40% to Company/60% to Agent)
Forth & subsequent sale	-	30/70 (30% to Company/70% to Agent)

Any sales done with a commission of less than 6% will not qualify towards the incentive sales neither will any listing sold by a 3rd party.

PLEASE ALSO NOTE:

- On signature of an OTP provisional commission earnings are calculated. All estimated commission earnings are subject to final review on registration and adjustments will be made if necessary.



- The company may at any time at its sole and own discretion allow deductions to be made from the commission at the request of either the:
 - Transferring attorney (i.e. in the event of a purchaser or seller shortfall in order to allow the sale to proceed)
 - The Bond Cancellation Attorneys (i.e. in the event of a seller shortfall or the commission rate is cut by the bank)
- Currently the Company is not registered for VAT. If and when we are forced to do so, all commissions will be subject to VAT off the gross amount.
- All franchise fees will be paid by the Company, except sales done in another franchise zone.
- Due to the risk involved, no commission will be paid prior to registration under any circumstances.
- Commissions will only be paid if the agent is
 - Registered with the EAAB and is in possession of a valid fidelity fund certificate
 - Registered with SARS as a provisional tax payer and registered with Charmaine Urwin for income tax submissions.
 - In possession of an active bank account for electronic transfer of money

TERMINATION OF SERVICE AGREEMENT

In the event of an agent leaving Golden Homes with sales in the pipeline, the following will be imposed:

- A further 20% will be deducted from the agent's commission (per deal) as admin fee
- No commission will be payable on any sales that are still awaiting either a bond grant or are subject to the sale of another property
- No commission will be payable if the sales files have either not been handed over or are incomplete – i.e. missing FICA documents, original offers, attorney follow ups, copy of bond grant or any other correspondence

All above conditions have been agreed to by:

Name

Signature

Date

