COMMISSIONS & FEES ADDENDUM

Pivot Real Estate Company

Addendum to the Independent Contractor Agreement & Brokerage Policy Manual

This Commissions & Fees Addendum (the "Addendum") supplements and is incorporated into the Independent Contractor Agreement and the Brokerage Policies, Procedures & Compliance Manual between Pivot Real Estate Company (TREC Firm License #9010873-BB), by and through its Designated Broker, Christopher Zakraysek (TREC License #718071-B) (the "Broker"), and the undersigned sponsored sales agent (the "Agent"). This Addendum sets forth the compensation, fees, and order of payment applicable to the Agent and is effective as of the date of the Agent's signature below. To the extent this Addendum conflicts with the Policy Manual or the Independent Contractor Agreement on compensation, fees, or insurance terms, this Addendum controls.

1. Flat-Fee Compensation Model

Pivot Real Estate Company is a **flat-fee brokerage**. Pivot does not take a percentage split of the Agent's commission. Instead, the Agent pays fixed, published fees — a monthly sponsorship fee and a per-transaction fee — as set forth below. After all commission obligations to any cooperating broker or the other side of the transaction are satisfied and the applicable flat per-transaction fee is deducted, the Agent retains the full remaining commission earned on the transaction.

2. Order of Payment (Commission Disbursement Waterfall)

All commissions earned for brokerage services are received by, and paid to or through, Pivot Real Estate Company. The Agent may not accept commission or other compensation directly from any client, cooperating broker, title company, or other source without the Broker's prior written consent. For each closed transaction, commission proceeds are applied in the following order:

First — Any commission owed to the cooperating broker or to the other side of the transaction is paid in full. On listings where Pivot Real Estate Company represents the seller and a cooperating broker represents the buyer, the co-broke commission owed under the listing agreement and/or MLS offer of compensation must be paid before any funds are disbursed to the Agent.

Second — The applicable per-transaction fee set forth in Section 4 below is deducted.

Third — The remaining balance is disbursed to the Agent.

The Agent is compensated only after all commission obligations to the cooperating broker or other side of the transaction have been satisfied and the applicable transaction fee has been deducted. No commission will be disbursed to the Agent until the Agent has uploaded all required transaction documents to the Transaction Documents section of the Pivot agent portal and the Broker has issued a signed Commission Disbursement Authorization (CDA) for the transaction.

3. Onboarding Fee, Monthly Sponsorship Fee & Included E&O

Onboarding Fee. To begin onboarding with Pivot Real Estate Company, the Agent pays a one-time, non-refundable onboarding fee of **$100**. This fee initiates the onboarding process. Brokerage documents will be provided to the Agent for signature only after the onboarding fee has been received. The onboarding fee is separate from, and in addition to, the monthly sponsorship fee described below.

Monthly Sponsorship Fee. Each sponsored sales agent is responsible for a monthly sponsorship fee of **$99**, payable to Pivot Real Estate Company. This fee is due regardless of the Agent's transaction volume in any given month.

Errors & Omissions (E&O) Insurance Included. Pivot Real Estate Company maintains a **blanket Errors & Omissions policy covering the brokerage and its sponsored sales agents**, and the cost of that coverage is included in the monthly sponsorship fee. The Agent is **not** required to purchase or maintain separate E&O coverage while sponsored by the Broker, and this provision supersedes any conflicting requirement in the Independent Contractor Agreement or Policy Manual. Coverage is subject in all respects to the terms, conditions, coverage limits, exclusions, deductible or self-insured retention, and claims-reporting requirements of the policy in effect from time to time, and does not extend to activities outside the Agent's sponsored brokerage activity with Pivot. The Agent is responsible for any deductible or self-insured retention unless the Broker agrees otherwise in writing. **The Agent is welcome to purchase additional or supplemental coverage at the Agent's own expense.** A summary or certificate of coverage is available on request.

Monthly Billing. The monthly sponsorship fee is billed through an automatic monthly subscription. Upon enrollment, the Agent authorizes Pivot Real Estate Company, through its third-party payment processor, to charge the Agent's card on file $99 on the enrollment date and on that same day each month thereafter, until the sponsorship ends or the Agent's license is transferred. The Agent is responsible for maintaining a valid payment method on file.

4. Per-Transaction Fees

In addition to the monthly sponsorship fee, the Agent is responsible for a per-transaction fee on each closed sale. Transaction fees are tiered based on the Agent's **cumulative (lifetime) number of closed sales completed while sponsored by Pivot Real Estate Company.** The count does not reset — not on any calendar date and not for any other reason. As the Agent's lifetime closings grow, the per-transaction fee steps down and never increases:

Lifetime Closed Sales with Pivot	Transaction Fee
1 – 5	$300 per closed sale
6 – 20	$200 per closed sale
21 or more	$100 per closed sale

Leases. Each closed lease transaction is charged a flat fee of **$100**. Lease transactions do not count toward the Agent's lifetime sales tier.

How closings are counted. A "closed sale" means one closed sales-side transaction (a purchase or sale of real property that funds) in which the Agent is the representing agent of record for Pivot, including the Agent's own personal or investment transactions conducted through Pivot. Each closed sale counts as one, counted on the date it funds. Where the Agent represents both sides of the same transaction, it counts as one closed sale. The tier applicable to a given closing is determined by the Agent's cumulative closed-sale count at the time that sale funds (for example, the Agent's 6th closed sale is billed at the $200 tier). Transactions that do not close, and referral fees where the Agent performs no brokerage services beyond the referral, are not charged a per-transaction fee.

Personal to the Agent; Non-Transferable. The Agent's lifetime transaction count and resulting fee tier are personal to that Agent. They may not be sold, assigned, transferred, or credited to any other agent, team, or entity for any reason.

5. Slow-Year Sponsorship Fee Refund

The monthly sponsorship fee covers the brokerage services, supervision, and support Pivot Real Estate Company makes available to the Agent. In a period during which the Agent closes no sales, the Agent draws on fewer of those transaction-related services — so Pivot refunds a portion of the sponsorship fees the Agent has paid. If the Agent completes twelve (12) consecutive months with no closed sales while sponsored by Pivot, Pivot **refunds $400 of the sponsorship fees the Agent paid** during that period.

This is a partial refund of fees the Agent already paid — a return of the Agent's own money for transaction-related services not used in a no-sale period. It is **not** compensation, a bonus, an incentive, a reward, or a payment for services; it is **not** based on hours worked; and it is **not** a payment for producing or for not producing. Nothing in this Section alters the Agent's status as an independent contractor and statutory nonemployee under the Independent Contractor Agreement, or the principle that substantially all of the Agent's compensation is tied to sales output.

Measurement window. The first window runs from the Agent's sponsorship activation date to the first Commission Disbursement Authorization issued to the Agent by the Broker. Each window thereafter runs from one issued CDA to the next.

Closed sales only; leases excluded. Only closed sales count as transactions for this purpose. A closed **lease** is still charged the flat $100 lease fee under Section 4, but **does not count as a transaction and does not affect the Agent's eligibility for the refund**.

Good standing required. To receive the refund, the Agent must be continuously sponsored by Pivot throughout the qualifying window, current on all fees owed to the brokerage, and free of unresolved compliance matters at the time the refund is issued.

Each qualifying window. Twenty-four (24) consecutive months with no closed sales corresponds to two such refunds of $400 each. There is no limit on the number of qualifying windows.

How it is issued. The refund is issued by the Broker after the qualifying window closes and eligibility is confirmed. The Agent continues to pay the monthly sponsorship fee normally throughout; the refund is a partial return of fees already paid, not a reduction, deferral, or waiver of any fee owed.

Non-transferable; forfeited on departure. The refund may not be sold, assigned, or transferred to any other agent or entity, and any refund not yet issued is **forfeited if the Agent's sponsorship with Pivot ends** before it is issued.

6. Board, MLS & Association Dues

The Agent is solely responsible for the cost of the Agent's own Board/MLS membership and dues, as well as any applicable National Association of REALTORS® (NAR) and Texas REALTORS® dues. These costs are separate from and in addition to the fees described in this Addendum.

7. Nonpayment of Fees

If the Agent fails to timely pay the monthly sponsorship fee, the Broker will issue a written notice to the Agent. If the Agent receives three (3) such written notices, the Agent's sponsorship with Pivot Real Estate Company will be terminated in accordance with the Policy Manual and the Independent Contractor Agreement.

8. Compensation on Termination or Change of Sponsorship

Any transaction that is under contract or otherwise in progress when the Agent's sponsorship ends remains the property of, and must be completed under, Pivot Real Estate Company. The following rules govern compensation on those transactions:

Who completes the file. The Broker determines, in the Broker's reasonable discretion and consistent with the client's interests, whether the departing Agent completes the transaction or it is reassigned to another agent or to the Broker. The Agent shall cooperate fully in the transition and promptly deliver all files, records, keys, and client communications.

If the departing Agent completes the transaction. On closing, the Agent is paid in the normal waterfall under Section 2, less the per-transaction fee at the tier applicable to the Agent as of the termination date.

If the transaction is reassigned. The Broker may allocate the Agent's portion of the commission between the departing Agent and the agent who completes the file, based on the work each performed and the risk assumed. The Broker will state the allocation in writing before the CDA issues.

Fees through termination. The monthly sponsorship fee is due through the end of the month in which the sponsorship ends and is not prorated. Any unpaid onboarding, monthly, or per-transaction fee, and any amount the Agent owes the brokerage, may be **offset against commissions otherwise payable** to the Agent.

No compensation for post-termination activity. The Agent earns no commission on any transaction originated after the sponsorship ends, and may not accept compensation for brokerage services performed while sponsored by Pivot except through Pivot.

Brokerage property. Transaction files, client records, brokerage-generated leads, and brokerage marketing materials remain the property of Pivot Real Estate Company. Nothing in this Section restricts the Agent's right to practice real estate after the sponsorship ends.

Forfeited refund. Any slow-year sponsorship fee refund not yet issued is forfeited on termination, as stated in Section 5.

9. Modification

The Broker may modify the fees and terms set forth in this Addendum by issuing an updated Addendum. Any change to the fee amounts or payment terms becomes effective only upon a new Addendum signed by both Parties. This Addendum does not alter the independent contractor or statutory nonemployee status of the Agent as set forth in the Independent Contractor Agreement.

By signing below, the Parties acknowledge and agree to the compensation, fees, and order of payment set forth in this Commissions & Fees Addendum.

BROKER — PIVOT REAL ESTATE COMPANY

Signature: ____

Name: Christopher Zakraysek, Designated Broker

TREC License #: 718071-B

Date: ____

AGENT — SPONSORED SALES AGENT

Signature: ____

Printed Name: ____

TREC License #: ____

Date: ____