



Addendum A: Revenue Share

CANZELL Realty has a Revenue Share Plan that all **CANZELL** agents are automatically enrolled in. This program aims to pay out approximately 45% of Company Dollar to **CANZELL** agents who help the company's sales grow by attracting fellow agents to join.

You will see Company Dollar mentioned several times and it is the 20% percentage of TGC, that the Company retains from commission earned on a transaction.

For example, if the commission is \$10,000* (TGC : Total Gross Commission) then the company dollar is \$2000 until the agent is capped and it then goes to 100% commission.

*After all applicable fees and taxes.

Revenue Share Downline: An agent's Revenue Share Downline consists of the **CANZELL** agents he or she personally sponsors to join the Company and those **CANZELL** agents sponsored thereafter as a result of the agent's original sponsorship(s).

Level: There is a hierarchy of **CANZELL** agents that are sponsored in the downline beginning with the licensed agent. The levels are as follows:

- LICENSED AGENT
- Level 1: the group of **CANZELL** agents sponsored by the original licensed agent
- Level 2: the group of **CANZELL** agents sponsored by Level 1 **CANZELL** agents.
- Level 3: the group of **CANZELL** agents sponsored by Level 2 **CANZELL** agents.
- Level 4: the group of **CANZELL** agents sponsored by Level 3 **CANZELL** agents.
- Level 5: the group of **CANZELL** agents sponsored by Level 4 **CANZELL** agents.

Which transactions count? Any transaction that pays into company dollar will be eligible for revenue share. If an agent has capped for their anniversary year, or is conducting one of their four personal transactions for the year, revenue share will not be paid since the company dollar will be zero. Each agent is eligible to purchase or sell four transactions per year at 100% commission, so long as their name is on the deed.

Any transaction will count that are the purchase or sale of property where one **CANZELL** agent represents a Seller or Buyer, the sale will be counted as one full credit sale to the **CANZELL** Agent. For example, some transactions might be done by 3 **CANZELL** agents, not all 3 will get credit.

For example, if **CANZELL** agent "A" receives 75% of the total Contractor Dollar Amount on a Sale, then the Sale will be counted as a qualifying transaction. Otherwise, it does not qualify towards what is needed to achieve two full credit sales within the prior rolling 12 months to be considered as an L1PA.



Another example is if a deal resulted in \$10,000.00 in company dollar and the agent is on a 50/50 split with another agent then each agent would be eligible for revenue share based on their respective agents GCI of \$5,000.00. Another example is if the agent is on a Level 1 tear and in their first downline, they recruited 26 L1PA agents each then each person gets \$5,000.00 x 25% of the company dollar. Each agent would receive \$1,250.00 in revenue share.

Level 1 Producing Agent (L1PA): A Level 1 Producing Agent is a licensed agent who has been personally sponsored into CANZELL Realty and that has been active and productive with the company during the prior rolling 12 month closing a minimum of two full credit sales. All L1PA's have been directly sponsored by the agent in order to qualify as a L1PA, you must have contributed at least 75% of the company dollar on a transaction in order for it to count as a L1PA qualifying transaction.

Revenue Share Eligible: For a contractor to remain eligible to collect revenue share, the contractor must meet the following requirements:

1. Be current on any of E & O fees, etc. and not be past due on other outstanding invoices with the Company
2. Be current in all association fees, MLS dues and/or Realtor fees, if applicable.
3. Your license must be active with **CANZELL** Realty.

Mannequin Agent: Mannequin Agents are agents who are not actively involved in selling real estate or actively trying to attract other productive agents to join the Company and help grow company sales.

Manipulating Revenue Share Plan Prohibited

The agent is agreeing that they will not try to manipulate the Revenue Share plan by sponsoring Mannequin Agents. Also, the agent is agreeing they will not add an agent's name to a transaction who is not a party to the transaction for the sole purpose of qualifying them. If this happens, **CANZELL** Realty has the right to terminate their relationship with the agent and no further revenue share will be paid.

Affiliate with a competitor of CANZELL: This means that the Agent or Agent's spouse or partner is an individual proprietor, partner, stockholder, officer, employee, director, consultant, agent, joint ventures, investor, lender, or in any other capacity, alone or in association with others, owning, managing, operating, controlling or participating in the ownership, management, operation or control of, or working for or permitting the use of his or her name by, a residential real estate brokerage other than **CANZELL** Realty.

If you, or your spouse or partner, falls in any of the above categories, this must be disclosed immediately and have written and signed approval by the COO. Please fill out the attached addendum to be submitted to COO for approval. These will be approved on a case-by-case basis.



If you have been approved to run a property management company, you will be required to provide a yearly detailed P/L transaction list showing that only property management fees went through your company and no commissions were transacted through your company.

If at any time you are found to be violating the above clause without notice and approval, or you are found to be running non-property management fees and commissions through your approved company, your revenue will be stopped immediately and indefinitely, and you will be liable for re-payment of revenue share monies previously paid to you during the undisclosed, unapproved time.

Revenue Share Explained

	1+	5+	26+
LEVEL 1	10%	15%	25%
LEVEL 2	5%	5%	5%
LEVEL 3	5%	5%	5%
LEVEL 4			5%
LEVEL 5			5%

The Revenue Share Plan is paid out of a percentage of the company dollar that we receive on an agent. This is calculated each month on the 6th, to be paid out on the following commission processing day.

As an agent encourages fellow agents to join **CANZELL**, they are named as that agent's sponsor. They must be named the agent's sponsor at the initial agent's paperwork signing. The agent will begin earning the 10% of company dollar for Level 1 Tier 1 payout right away. Once the agent's Tier 1 expands, the agent has the ability to unlock Tier 2 and Tier 3 of level 1.

Example: Agent directly sponsors 18 agents new to **CANZELL** Realty and they are in their Level 1. Those 18 agents, then sponsor 30 more new agents to **CANZELL** Realty and they are in their Level 2. Those 30 agents then sponsor 50 agents and they are in your Level 3. Those 50 agents sponsor 35 agents and they are in your Level 4. Those 35 agents sponsor 60 agents and they are in your Level 5. The agent would earn the following.



1. 10% of the company dollar for all agents in Level 1. Once 5 of those 18 agents have closed 2 or more deals within the last 12 months, the agent would bump up to 15% of the company dollar for their Level 1 agents. AND...
2. 5% of the company dollar for all agents in their Level 2. AND...
3. 5% of the company dollar for all agents in their Level 3. AND...
4. Once you have 26+ L1PA, you can unlock 5% of company dollar for all their agents in Level 4. AND...
5. Once you have 26+ L1PA, you can unlock 5% of company dollar for all their agents in Level 5.

For all the company dollar earned for the qualifying sale transactions in each of the agent's levels, the agent will receive revenue share from each of those closings as long as the agent that closed the transaction is not in capped status. That is because there is no company dollar collected when an agent is capped.

Revenue share for the previous month's closings is paid on the first commission day following the 6th of the next month. Both the sponsoring agent and the agent who closed the transaction must be present on the day revenue share is paid out.

Qualifications for Revenue Share

In order to be able to receive Revenue Share, the agent must be eligible on the date that the transaction closes and the agent must be licensed with **CANZELL** Realty and in good standing on the date that the revenue share is paid.



Addendum B: Request for Approval To Run A Property Management Organization While Working With CANZELL

_____ By initialing here, you are asking for approval to own/run/practice your own property management company.

If you would like to do property management, you may as long as you are a broker. You will have a concurrent license through your own property management company or an established property management company.

None of your property management transactions will be run through **CANZELL** Realty. In return, all sales must be run through **CANZELL** Realty. No sales will be allowed to run through the property management company.

For the property management company, there will be no CR branding allowed and all calls must go to a number not associated with your CR brand.

Name of Property Management Company: _____

Name of Agent

Date

Agent Signature

Name of COO

Approval Date

COO Signature



Addendum C: Request for Approval of Affiliate with a Competitor of CANZELL

_____ By initialing here, you are asking for approval to collect revenue share when a spouse or partner falls in one of the categories as being an affiliate with a competitor of **CANZELL**.

Under very rare circumstances, we will approve an agent to be able to receive revenue share while they or their spouse/partner is an affiliate with a competitor of **CANZELL**. Please provide the following information in order to be considered for approval:

Person who is an affiliate with a competitor of **CANZELL**: _____

Relationship to **CANZELL** Agent: _____

Position/Office Held with the Affiliate: _____

Additional information to be considered: _____

Name of Agent

Date

Agent Signature

Name of COO

Approval Date

COO Signature