ConnectRealty.com, Inc.
Commission Plan Agreement

Agent Commissions

The Agent shall be entitled to a share of the commissions earned and received by Connect Realty.com, Inc (Connect Realty.com, Inc. is hereafter referred to as "Connect Realty") as provided in the Commission Plan Agreement, or as may be otherwise agreed in advance by the parties in writing as to a particular transaction. Agent understands that Connect Realty may alter the current published Commission Plan Agreement from time to time. Revisions to the Commission Plan Agreement shall be immediately applicable to all transactions involving the Agent and the Agent will be compensated based upon the commission schedule in effect at the time of the closing of the transaction.

It is the policy of ConnectRealty.com, Inc. to allow flexibility among the Agents concerning the actual amount of commission collected in a transaction. It is recommended that the Agent deliver the highest level of skills, knowledge and service, charging a Brokerage fee equal to the premium service delivered. The minimum company brokerage percentage per transaction is two percent (2%) of the closed sales price or seven-hundred and fifty dollars ($750.00) of the company retained commissions whichever is greater. Any exceptions to this policy must be approved by both the State Broker and CEO.

Agents are Independent Contractors and are required to pay any and all taxes or any state or federal withholdings. Real estate regulations prohibit the payment of commissions between Agents. All commissions or referral fees must be handled through the company.

Agents shall receive a share of compensation actually collected by ConnectRealty.com, Inc., on listings or other agreements for services requiring a real estate license, which are solicited and obtained by the Agent, and on transactions of which work by Agent was the procuring cause.

Agent Commission Schedule

A commission is ANY fee (bonuses, referral fees or override) collected by a Agent and will be subject to the following Compensation/Commission guidelines and commission schedule as indicated below.

License

Agents must hold an active real estate license with ConnectRealty.com, Inc. to receive any commission payments. ConnectRealty.com, Inc will pay any associated commissions in accordance with the state board of realtor guidelines where the transaction occurred. As per State

guidelines Connect Realty cannot pay commissions if the Agents license is in any other status other than "active" at the time of closing.

Personal Transactions

ConnectRealty.com, Inc. agents are allowed two transactions a year involving the agent as a buyer or seller to be processed at a flat fee of seven-hundred and fifty dollars ($750.00) to Connect Realty. No payment for commissions will be paid to the agent's up lines. Agents requesting to sell or buy a property under this policy must notify the state broker in advance.

Family & Friends Transactions

ConnectRealty.com, Inc. agents are allowed one transaction a year to be processed under this policy. The minimum company brokerage percentage will be equal to one-half of one percent (0.5%) of the closed sales price or seven-hundred and fifty dollars ($750.00) of the company retained commissions; whichever is greater. No payment for commissions will be paid to the agent's up lines. Agents requesting to sell or buy a property under this policy must notify the state broker in advance.

Leases & Rentals

Payments for residential leases and rentals will be paid at the agent's personal production commission. No payment for commissions will be paid to the agent's up lines for residential leases and rentals. Commercial leases will be paid at the agent's personal production commission. Commissions will be paid to the agent's up lines for commercial leases.

Minimum Corporate Brokerage Fee

The minimum company brokerage percentage per transaction is two percent (2%) of the closed sales price or seven-hundred and fifty dollars ($750.00) of the company retained commissions whichever is greater. Any exceptions to this policy must be approved by both the State Broker and CEO. No payment for commissions will be paid to the agent's up lines if the minimum company brokerage percentage is less than 2% or $750.

Personal Production – New Agents

Personal Production Commission Income for New Agents = 70% of the total gross commission income from the property sale. A New Agent for this definition is considered any licensed real estate agent with less than (5) closed transactions (purchase or sale) in the previous (12) months. The agent must also be the primary agent of record (vs. referral agent) for the transactions. If transferring from another real estate agency, the agent must provide written documentation to ConnectRealty.com, Inc. of any sales which may contribute to the transaction threshold.

Upon the closing and funding of their 5th transaction, these Agents will advance to the Experienced Agent Level.

Personal Production – Experienced Agents

Personal Production Commission Income for Experienced Agents = **80%** of the total gross commission income from the property sale. An Experienced Agent for this definition is considered any licensed real estate agent with more than (5) closed transactions in the previous (12) months. The agent must also be the primary agent of record (vs. referral agent) for the transactions. If transferring from another real estate agency, the agent must provide written documentation to ConnectRealty.com, Inc. of any sales which may contribute to the transaction threshold.

Residual Income

At the heart of Connect Realty's compensation is the Residual Income compensation. ConnectRealty.com, Inc. firmly believes that any licensed real estate agent who recruits other agents to join Connect should receive a portion of the company commission dollar in return for their recruiting efforts. Not only does ConnectRealty.com, Inc. believe that agents should be rewarded for directly recruiting other agents but that those agents who recruit other agents will also be rewarded. ConnectRealty.com, Inc.'s residual program does not end there! ConnectRealty.com, Inc. will also pay a residual for the third generation of agents recruited. The following guidelines apply to the residual payment portion of the Agent Compensation Plan:

First Level of Sponsorship (Level 1) = 5%

Real Estate Agents Sponsoring 1 to 4 Real Estate Agents

Real Estate Agents directly recruiting or "sponsoring" one to four Licensed Real Estate Agents (Level 1) will receive an amount equal to 5% of the sponsored or recruited Agents Net Commissionable Income (at either the 70% or 80% level). To receive this residual payment any agent recruited or sponsored must be directly tied via the agent ID code to the sponsoring agent.

Second Level of Sponsorship (Level 2) = 5% + 5%

Real Estate Agents Sponsoring 5 to 9 Real Estate Agents

Real Estate Agents who have recruited or "sponsoring" Level 1 licensed Real Estate Agents are able to recruit or "sponsor" their own Level 1 agents (Level 2 for their original sponsor). To be eligible to receive 5% of the Level 2 sponsored Agents Net Commissionable Income (at either the 70% or 80% level) you must have a minimum of (5) sponsored Level 1 agents. To receive this residual payment any agent recruited or sponsored must be directly tied via the agent ID code to the sponsoring agent.

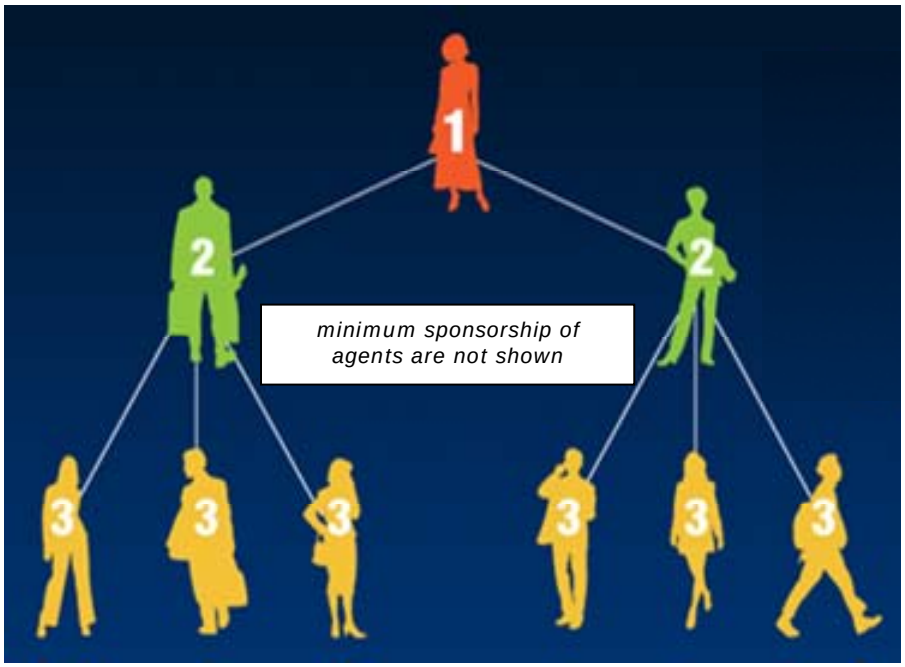
Third Level of Sponsorship (Level 3) = 5% + 5% + 5%

Real Estate Agents Sponsoring 10 or more Real Estate Agents

Real Estate Agents who have recruited or "sponsoring" Level 2 licensed Real Estate Agents are able to recruit or "sponsor" their own Level 1 agents (Level 3 for their original sponsor). To be eligible to receive 5% of the Level 3 sponsored Agents Net Commissionable Income (at either the 70% or 80% level) you must have a minimum of (10) sponsored Level 1 agents. To receive

this residual payment any agent recruited or sponsored must be directly tied via the agent ID code to the sponsoring agent.

Example of sponsorship levels



Sponsorship Change

You may request a sponsorship change at any time. This request must be submitted through the Contact Us page (to verify your identity and provide an audit trail). An email message is composed and sent to you, your current sponsor, and your new proposed sponsor and all three people must agree to the requested change. The company reserves the right to unilaterally deny such changes, even when all parties are in agreement and to make changes to lines of sponsorship, at its own discretion and at any time, for the good of the company as a whole. You may change lines of sponsorship no more than twice in any calendar year. Family members in the same household cannot "sponsor" each other, except by written approval from the CEO.

Compression of Levels

If an agent resigns or is terminated by the company the sponsorship level is compressed. In the above "Example of sponsorship levels" if agent #2 resigns then Agent #1 will become a direct sponsor of Agent #3. Sponsorship compression changes for payment purposes will take effect at the end of the month in which the resignation or termination was effective. System changes reflecting the change may take effect sooner.

Payment

1) Residual income payments will ONLY be paid to licensed agents who were not paid as a primary commissioned agent. Family members in the same household cannot "sponsor" each other, except by written approval from the CEO.

2) Sales Commission shall be paid to the Agent by ConnectRealty.com, Inc. after the deduction of Error & Omissions expenses and any additional processing fees (Title Company or company), immediately or as soon as practicable, except as otherwise provided in this Agreement.

3) Compensation shall not be paid to Agent until both the transaction and files are complete, except as otherwise provided in this Agreement.

4) Agent shall not be entitled to any advance payment from ConnectRealty.com, Inc. or their Broker upon future compensation, except as otherwise provided in this Agreement.

Commission Other Than Currency

Agents must obtain the approval of the State Broker in order to accept any compensation other than currency for the payment of a real estate commission.

Collection of Commissions Through Litigation

The collection of commissions through litigation will be a decision made exclusively by ConnectRealty.com, Inc. after discussions with the Agent(s) involved. In the event a decision is reached to proceed with the litigation, all legal expenses will be shared proportionately according to the corresponding percentage of commission to be received. The Agent(s) shall not be obligated for expenses that exceed the commission due them on the Transaction that has been litigated.

In the event the Company proceeds to collect a commission through litigation without the written permission of the Agent, all cost of litigation to include any cost incurred by the Agent shall be borne by ConnectRealty.com, Inc.; however, if a commission is awarded, the Agent shall reimburse ConnectRealty.com, Inc. for such cost from the proceeds of the commission received prior to distribution of the funds between Company and Agent.

Note: *Agents may not enter into any litigation as a representative of ConnectRealty.com, Inc. without the approval of the CEO.*

Penalty for Late or Missing Documents

State real estate commissions/departments may audit any Broker at any time. Therefore, the Agent **must** submit all state and Broker required documents for listings and contracts to his/her State Broker in a timely manner – no later than 2:00 pm (local time) the next business day for Listing Contracts, Buyer Representation Agreements, and Purchase/Lease/or Option Contracts with all attendant documents. Should that deadline prove to be unfeasible (i.e. due to catastrophic computer/fax failure or serious accident or illness) the Agent must present the documents within forty-eight (48) hours to the Broker or into the Virtual Office. Failure to do so may result in the withholding of commissions until required and requested paperwork is properly submitted. An expedite processing fee may also be incurred for paperwork submitted late. This provision, in no way excuses the delivery of Earnest Money as required under state law.

Payment upon Suspension or Termination

When a Agent terminates their association with ConnectRealty.com, Inc. or is terminated by the company, the Agent's portion of the commission due in any transaction opened but not yet closed will be paid in accordance with the Commission Plan Agreement and its provisions in effect at the time when collected by Connect Realty. Commissions may be withheld until all file documents are received by the Broker.

All listings will remain the property of the agent with the exception of those leads and/or clients provided to the agent by Connect Realty. Upon termination or resignation these leads and/or clients will no longer be worked by the agent.

Agents are prohibited from canceling a sale they have "pending to close" with ConnectRealty.com, Inc. in order to rewrite the transaction under the new Broker to whom the Agent is transferring. Any transaction related with the Agent which results in a closing after separation will be paid according to their corresponding compensation plan in effect at the time when collected by Connect Realty. If additional client work or representation is required to complete the transaction ConnectRealty.com, Inc. may reduce the compensation in order to compensate the new agent for their efforts. After thirty (30) days, no referral commissions will be shared. Residual payments will terminate immediately upon resignation or termination.

When a Agent is under suspension by ConnectRealty.com, Inc. for any reason, the commission portions that would be normally payable to the Agent will be suspended for the same period. In the event the Agent is not returned to active status all commission residuals are forfeited.

Commissions earned by a Agent for listings closed, sales closed or referrals closed will be paid to the Agent in full less any outstanding fees owed to ConnectRealty.com, Inc. once the Agent returns to the active status.

Should a Agent be investigated by the state real estate commission or the state licensing board for any violation of the state licensing rules or laws resulting in a revocation of the Agent's license, the Agent will be immediately terminated from ConnectRealty.com, Inc. All commissions, bonuses, and residuals pending during and after the license revocation shall be forfeited by the Agent. Should the said investigation result in a license suspension, the Agent shall forfeit any commissions, bonuses, and residuals until such suspension had ended. All investigations will be reviewed on a case by case basis by the State Broker and ConnectRealty.com, Inc. as to the Agent's continued association with the company.

Commission Plan Agreement Acknowledgement

I acknowledge that I have received a copy of the ConnectRealty.com, Inc.'s Compensation Plan Agreement.

_____ _____

Signature of Independent Agent Date

_____

Printed Name

_____

Agent Number