



BIRCH & CO. BROKERAGE POLICY MANUAL ROADMAP

Core Identity, Brand Architecture, & Digital Policy



1.0 Using Your Policy & Procedures Manual Effectively

Welcome to **Birch & Co. Brokerage, LLC**. This manual serves as your operational blueprint and professional standard guide. The policies and programs outlined herein are engineered to equip you to perform at the highest tier of market production while maintaining strict, automated structural compliance.

These policies serve as mandatory operational guidelines. They are not intended to create a permanent employment relationship and are subject to amendment at the sole discretion of the Broker-Owner, with or without notice. All real estate professionals affiliated with Birch & Co. Brokerage operate as independent contractors and are required to read, understand, and strictly execute these protocols.

2.0 The Birch & Co. Story, Mission, & Brand Strategy

Birch & Co. Brokerage was founded on a distinct industry paradigm shift: Modern growth requires a solid foundation. Traditional corporate brick-and-mortar real estate brokerages burden agents with steep, archaic franchise splits and hidden monthly desk fees that do not generate leads, protect database assets, or foster long-term production wealth.

Birch & Co. leverages cutting-edge proprietary technology, seamless automated pipeline systems, and high-end boutique branding to offer an elite, low-overhead cloud environment.

We operate under the structural reality that a beautiful brick-and-mortar office is an unnecessary tax on an agent's income, and that proprietary technology, when weaponized correctly, scales a business faster than a legacy franchise name ever could.

The name Birch & Co. represents the convergence of natural, upward growth (The Birch) and unbreakable architectural stability.

2.1 Mission Statement

Birch & Co. Brokerage exists to empower modern real estate professionals and high-net-worth clients through unparalleled technological innovation, automated transaction efficiency, and precision boutique marketing. We provide a powerhouse digital infrastructure so our agents can focus on what matters most: dominant client representation and friction-free closing execution.

2.2 The Core Guardrails

- **GROWTH:** We relentlessly pursue technological advancement, leveraging proprietary systems to out-pace market competitors.
- **PRECISION:** We command deep technical authority over the mechanics of contracts, property valuations, and investment analytics.
- **PRIVACY:** We protect the personal security, financial data, and residential privacy of our founders, our agents, and our luxury clientele.
- **INTEGRITY:** We maintain transparent, upright, and uncompromised fiduciary duty to our clients, ensuring our brand stands as an unshakeable seal of quality.

3.0 Brand Architecture & Visual Standards

The visual presentation of Birch & Co. Brokerage is a high-profile corporate asset. Consistency across all print, digital, and physical signage is mandatory to maintain our luxury market positioning.

3.1 Visual Asset Protection

- **The Monogram:** The standalone "B&Co." monogram features a custom serif letterform integrated with organic birch bark textures and growth nodes. This mark represents premium quality and must never be stretched, cropped, or altered in color saturation.
- **The Corporate Font Hierarchy:** * *Headings & Logos:* High-authority, elegant Serif typography (**Minion Type Architecture**).
 - *Digital Body & Systems Text:* Ultra-clean, highly legible Sans-Serif typography (**Inter System Font**).
- **The Luxury Color Spectrum:**
 - *Primary:* Deep Forest Green (Representing prestige and organic growth).
 - *Secondary:* Matte Charcoal Black / Deep Obsidian (Representing strength and structural weight).
 - *Accent:* Premium Burnished Gold / Satin Sand (Representing wealth, investment, and luxury trim).

3.2 Media & Marketing Asset Compliance

No marketing material, personal social media graphic, print advertisement, or yard sign may be produced by an affiliated agent without utilizing the official templates located in the brand resource database. Any custom modifications must be submitted via email and receive written approval from the Broker-Owner prior to public deployment.

4.0 Digital Footprint & Social Media Regulations

In accordance with Florida law and DBPR regulations, all electronic advertisements, social media business profiles, and web-based promotional media must conspicuously display the full licensed name of the firm: **Birch & Co. Brokerage LLC**.

4.1 Digital Title Restrictions

Agents are independent entities but are strictly prohibited from creating social media pages, emails, or domains that imply they operate or own the brokerage corporate entity itself.

- **PROHIBITED:** Creating titles such as @BirchAndCo, Birch & Co. Florida, or birchandcorealestate@gmail.com.
- **PERMITTED:** Titles that establish clear individual affiliation, such as "[Name], Broker Associate with Birch & Co. Brokerage" or Email: "[Name]SellsWithBirch@gmail.com".

4.2 Web Domain & Email Security Mandates

- **Web Domains:** All consumer-facing website domains purchased by agents must present a true picture of their licensing status and must be registered alongside an active email privacy disclosure statement.
- **The Digital Opt-Out:** All digital newsletters, bulk email drip campaigns, and automated marketing outreach deployed through agent systems must feature a clear, automated "Opt-Out/Unsubscribe" mechanism to remain compliant with federal consumer protection laws.
- **Public Network Security:** Agents are strictly prohibited from logging into the brokerage transaction management portal or inputting sensitive client data while connected to unencrypted public Wi-Fi access points. When working remotely in public spaces, agents must utilize encrypted personal device hotspots (tethering) or an approved Virtual Private Network (VPN) to prevent data interception and phishing vulnerability.

5.0 Physical Infrastructure & "Home-Base" Compliance

Birch & Co. Brokerage leverages a decentralized, low-overhead cloud model to maximize profitability and eliminate toxic commercial office expenses. Until an independent commercial office lease is fully executed, the firm's registered Principal Office shall operate out of a compliant home-office infrastructure.

5.1 The "One Enclosed Room" Mandate

In strict accordance with Florida Statute Chapter 475, the residential Principal Office must continuously maintain at least one enclosed room within a stationary building of sound construction. This room must guarantee absolute spatial privacy so that real estate negotiations,

closing document reviews, and sensitive client financial assessments can be conducted away from the presence of unauthorized individuals.

5.2 The 10-Day Address Modification Window

The physical location of the Principal Office is tied to both the Florida Division of Corporations (Sunbiz) and the Department of Business and Professional Regulation (DBPR). Upon signing a new commercial building lease or changing the physical location of the firm's place of practice, the Broker-Owner must execute the following two-step structural update within exactly ten (10) calendar days of the move:

1. **Sunbiz:** File an online Amendment or Amended Annual Report to formally alter the Principal Office Address.
2. **DBPR:** Submit Form RE-12 (Real Estate Company Transactions) to update the physical brokerage license registration.

Failure to update the DBPR within the mandatory 10-day window triggers an automatic expiration of the firm's active status and a \$500 non-compliance fine.

5.3 Corporate Brokerage Entrance Signage

Florida law strictly dictates that a licensed brokerage must display a conspicuous entrance sign at its physical point of practice. To ensure full compliance while maintaining the high-end aesthetic of the brand, a professional, rigid plaque must be permanently mounted at the primary entrance of the designated Principal Office. The signage must include the following precise data strings in descending order:

- **BIRCH & CO. BROKERAGE LLC**
- **ODNEY JOSEPH**
- **LICENSED REAL ESTATE BROKER**

5.4 Corporate Address and Business Hours

The registered principal office address for Birch and Co. Brokerage LLC is permanently established at 2577 SW National Circle, Port Saint Lucie, Florida 34953. While the brokerage leverages a decentralized cloud environment, core administrative operations, compliance reviews, and cloud pipeline support officially run from 9:00 AM to 5:00 PM, Monday through Friday. Affiliated independent contractors are expected to manage their client files within these operational hours to ensure timely broker review and Commission Disbursement Authorization processing.

6.0 Data Entry Architecture & Software Integration

The lifeblood of Birch & Co.'s transaction tracking relies on absolute administrative speed and software uniformity. Our internal operating system exists to streamline workflow, protect compliance files, and create a seamless handoff to our proprietary CRM backend.

6.1 The 48-Hour Execution Protocol

Affiliated agents must create a new digital file and upload all corresponding agency contracts, disclosures, and related transactional items into the firm's central transaction management portal within forty-eight (48) hours of obtaining a client's signature. This applies universally to:

- Exclusive Right to Sell Listing Agreements
- Exclusive Buyer Representation Agreements
- Signed Purchase and Sale Agreements
- Executed Lease and Tenancy Contracts

Any late, missing, or omitted transaction information that results in MLS-issued fines or data penalties shall be the exclusive financial liability of the affiliated sales agent.

6.2 Pre-Closing Review Timeline

Agents have an affirmative obligation to submit completed transaction files for final Broker compliance review at least three (3) to five (5) business days prior to the scheduled closing date. This gives the compliance software pipeline sufficient time to verify disclosures, check document legibility, and automatically issue a Commission Disbursement Authorization (CDA) to the title company or closing attorney.

Mandatory compliance files must be submitted via the transaction platform within this window to clear file deficiencies and programmatically trigger a Commission Disbursement Authorization (CDA). Failure of the Associate to respect this 3-to-5 business day submission window will result in the immediate triggering of the firm's Progressive Disciplinary Structure (\$150 for the 1st violation, \$500 for the 2nd, \$1,500 for the 3rd).

Optional Transaction Coordination Services: The Associate may choose to utilize the Brokerage's professional Transaction Coordination (TC) services on a deal-by-deal basis prior to transaction submission.

- **Self-Service Mode:** If the Associate opts to manage file timelines, communications, and administrative paperwork independently, no dedicated TC will be assigned and no fee will be charged. Standard broker file auditing and mandatory Florida Chapter 475 record retention remain active in the background at no extra cost.
- **Dedicated TC Services Active:** If the Associate enables TC services, a dedicated Transaction Coordinator will be assigned to handle administrative workflows. The exact TC service fee will be displayed clearly on the transaction dashboard prior to activation.

Service Fee Recovery Guardrail: By enabling this service, the Associate explicitly and electronically authorizes Birch & Co. Brokerage LLC to deduct the designated TC fee showing on the dashboard directly from their gross commission split block via the automated CDA at the closing table.

7.0 Escrow Architecture & Strict Financial Guardrails

Improper handling of consumer funds is the single most frequent cause of license revocation and regulatory litigation in the real estate industry. To eliminate corporate liability and minimize banking overhead, Birch & Co. Real Estate operates under a strict, unyielding zero-escrow policy.

7.1 The Zero-Escrow Mandate

Birch & Co. Brokerage, LLC does not maintain a corporate consumer escrow account, and no agent or affiliate shall accept, hold, or physically transport consumer earnest money or option deposits. All binder deposits must be held safely in an outside, neutral escrow account managed exclusively by the cooperating title insurance company, closing attorney, or a designated third-party escrow agent explicitly named in the purchase contract.

7.2 Handling Consumer Deposits

- **Check Instruments:** Agents must instruct buyer clients to make all earnest money and option checks payable directly to the designated title/escrow company. Agents are strictly prohibited from letting a check made out to "Birch & Co. Brokerage" pass through their hands.
- **Cash Restrictions:** Under no circumstances are agents permitted to accept physical cash from a consumer for a deposit, lease payment, application fee, or transaction component. If a client possesses cash, they must be directed to a financial institution or authorized merchant to exchange the currency for a certified bank check or money order payable directly to the escrow holder.

7.3 Bounced Instrument Protocol

In the event that an escrow agent or title company issues a notice that a buyer's earnest money check has been returned for insufficient funds (NSF) or any other structural failure, the handling agent must notify the seller, the listing broker, and all primary parties to the transaction immediately in writing. The agent must then work immediately to secure certified funds (such as a wire transfer or cashier's check) from the buyer to cure the contractual default.

8.0 Listing Protocols & Execution Standards

Every property listed under Birch & Co. Brokerage banners must be handled with precision to protect the firm's brand equity and reduce liability. A listing acts as the primary public advertisement for the brokerage; therefore, absolute accuracy in execution is mandatory.

8.1 The "Exclusive Right to Sell" Mandate

Birch & Co. Brokerage strictly requires that all residential listings be secured using the standard, state-promulgated Exclusive Right to Sell Listing Agreement.

- **Term Length:** To maximize market exposure and ensure a successful closing pipeline, the firm strongly prefers a minimum listing term of 180 days, and under no circumstances less than 60 days.
- **Non-Exclusive Listings:** "Non-Exclusive" or "Open" agency listings are highly discouraged and cannot be accepted or promoted without the prior express written consent of the Broker-Owner.

8.2 Comprehensive Title and Signature Verification

Before any marketing, photography, or MLS data entry occurs, the handling agent must verify the true ownership of the real property through county tax rolls, deeds, or a title company.

- **Universal Signatures:** All owners of record must execute the listing agreement. The absence of even one legal owner invalidates the agreement and leaves the firm open to severe civil liability.
- **Spousal Signatures:** In compliance with Florida's homestead realities, a spouse must always sign the listing agreement even if their name does not explicitly appear on the title deed, unless a recorded quit-claim deed or verified legal waiver of marital rights is provided and approved by the Broker-Owner.
- **Special Entities (Estates, Trusts, Divorces):** If a property is held in an estate, trust, or is subject to an active divorce proceeding, agents must secure formal documentation (e.g., Letters of Administration, Trust Agreements, or explicit court decrees) verifying that the signing party possesses the unilateral legal authority to sell the asset.

8.3 Precision in Property Disclosures (The Liability Traps)

Misrepresentation of physical assets is the leading cause of broker litigation. For luxury properties over \$1M, errors are financially magnified. Agents must observe maximum diligence in these five hazard areas:

1. **Square Footage and Room Counts:** Room and bathroom counts must be meticulously accurate. Square footage calculations must strictly comply with local MLS and board criteria.
2. **Lot Sizes and Acreage:** Agents are strictly prohibited from measuring lot dimensions independently or guessing boundaries. Lot measurements must be pulled directly from verified county tax records or an official boundary survey.
3. **Property Taxes and Assessments:** Agents must pull tax data exclusively from official county tax records. Agents must explicitly stipulate to buyers that a post-sale reassessment can alter future tax obligations, and must never rely solely on verbal owner estimations.

4. **The "New" Upgrade Rule:** To protect against deceptive trade claims, agents cannot use the word "New" to describe a roof, HVAC system, or home modernization unless the owner supplies physical receipts, permits, or canceled checks proving installation within the current calendar year. Lacking verification, descriptive terms must be limited to "Newer" or "Recent".
5. **Pre-1978 Lead-Based Paint Mandatory Disclosure:** For any residential structure built prior to 1978, a federally mandated Lead-Based Paint Disclosure must be signed and initialed by the seller. Agents must ensure checkmarks are not substituted for required initials.

9.0 Buyer Representation Compliance

Representing a buyer requires the identical high-tier fiduciary care and administrative tracking as a luxury listing.

9.1 Mandatory Exclusive Buyer Agreements

Agents must utilize state-approved, exclusive buyer representation agreements. In alignment with evolving industry policies and MLS criteria, a written buyer representation agreement clearly outlining compensation terms must be executed by all parties prior to providing any brokerage services, including property tours, digital entry, or offer presentation.

- **Touring Restrictions:** Agents are strictly prohibited from showing or facilitating lockbox access to properties for a buyer client until a signed, compliant representation agreement is executed and uploaded. Retroactively dating an agreement to cover unauthorized tours is a severe violation subject to immediate compliance penalties.

9.2 Immediate Family & Personal Transactions

To eliminate conflicts of interest, an agent must act as a formal buyer's agent (and never a sub-agent of the seller) if they are buying a property for themselves or an immediate family member (parents, siblings, children, or associated entities). When an agent buys or sells a property as a principal, they must explicitly disclose their status as a licensed real estate professional in **UNDERLINED CAPITAL LETTERS** on the first page of the purchase contract.

10.0 Restricted Activities & Brand Protection

To protect our corporate Errors & Omissions (E&O) insurance policy and maintain our position as a pure sales and tech powerhouse, certain real estate activities carry catastrophic risk and are strictly outlawed under the Birch & Co. name.

10.1 The Property Management Ban

Affiliated agents are strictly prohibited from performing any "Property Management" functions for others under the Birch & Co. Brokerage name or independent of the firm.

- **Definition:** Property management is defined as providing any ongoing service to a landlord or tenant outside of the initial listing, marketing, and procurement of a lease.

- **Prohibited Duties:** Agents must never collect rent, schedule property repairs, manage tenant escrow security deposits, run background checks, post legal eviction notices, or handle tenant administrative paperwork.
- **Exception:** Agents are permitted to manage their own personally owned investment real estate, provided no corporate assets, logos, or firm escrow accounts are utilized in the process.

10.2 Wholesaling Restrictions

Agents are strictly prohibited from engaging in "Wholesaling" transactions through the company or as an independent off-market strategy.

- **Definition:** Wholesaling is defined as securing an assignable purchase contract on a distressed property and selling or "flipping" that contract to an end-buyer for an assignment premium.
- **The Rule:** While an agent is fully permitted to represent outside clients, buyers, or investors who operate as legitimate wholesalers, an agent cannot execute an assignable contract as a wholesaler themselves while affiliated with this firm. Personal real estate investments must be handled cleanly as standardized "fix and flips" or traditional title acquisitions through your personal holding companies.

10.3 Business Brokering and Entity Restrictions

- **Business Brokering:** Agents are strictly barred from participating in business brokering, defined as the sale of an operating commercial business entity or its internal assets separate from the real property itself.
- **LLC Listing Restrictions:** To maintain clean E&O coverage, agents are strictly prohibited from acting as the listing agent for real property owned by an LLC or corporate business entity in which that specific agent holds an ownership share or managing membership. In such personal investment scenarios, a separate, unaffiliated agent within the firm must be assigned to manage the listing file.

10.4 Visual Media & Virtual Staging Compliance

- **The Deceptive Modification Ban:** As a tech-driven boutique brokerage that values media excellence, the visual presentation of listings is a major asset. However, agents are strictly prohibited from using image-editing software (including Photoshop or generative AI platforms) to alter, erase, or manipulate a property's permanent physical characteristics. Deceptively masking structural foundation cracks, erasing overhead utility lines, hiding water damage, or altering adjacent property view impediments in a manner that presents an untrue picture to the public is a severe violation of MLS rules and brokerage policy.
- **Virtual Staging Guardrails:** The digital addition of furniture, decor, and interior floor design elements, commonly known as Virtual Staging, is highly permitted and encouraged, provided it complies with local MLS and board parameters. To maintain truth-in-advertising compliance, any virtually staged media uploaded to the MLS,

syndication sites, or print collateral must feature a clear, legible watermark or prominent text disclosure stating *"This image has been virtually staged."* This ensures the consumer understands the layout represents a hypothetical concept rather than the exact current physical state of the interior space.

11.0 Commission Operations & Financial Tiers

All commissions earned from licensed brokerage activity belong strictly to the corporate entity Birch & Co. Brokerage LLC and can only be disbursed to agents in strict compliance with Florida law and brokerage guidelines.

11.1 Commission Negotiation Freedom

- **In absolute compliance with antitrust regulations**, there is no "standard," "fixed," or "typical" commission rate at Birch & Co. Brokerage. Agents determine commission rates on a transaction-by-transaction basis through direct negotiation with their clients. Rates must be established based on independent market analysis of overhead and the specific services rendered.
- **Concession Liability**: If an agent elects to lower their commission or grant a financial concession (such as covering client repair costs) to keep a transaction alive, the entire financial cost of that concession is deducted exclusively from the agent's side of the split.
- **Optional Transaction Coordination Fee**: The flat compliance and file management fee (\$400.00 for purchases/sales or \$150.00 for leases) is an optional administrative service available to independent contractors on a deal-by-deal basis to handle manual administrative workflows, gather documents, and track deadlines. If the Associate elects to enable this professional transaction management service, the fee must be disclosed via the *Birch & Co. Brokerage - Broker Compliance & Transaction Addendum.pdf* executed simultaneously with the primary brokerage agreement. It must be line-itemed on the final ALTA Settlement Statement, Closing Disclosure, or lease disbursement ledger for direct table distribution to the Brokerage from the Client's settlement funds. If self-service mode is selected, this fee and its corresponding addendum are bypassed entirely. Because it strictly offsets optional transactional file coordination and compliance overhead, it does not constitute a sales commission and is separate from traditional commission structures

11.2 Commission Disbursement Authorization (CDA) Architecture

The preferred method of compensation delivery at Birch & Co. is **Table Funding**. When a transaction file is 100% complete and compliant, the firm will issue a formal Commission Disbursement Authorization (CDA) directly to the closing escrow agent. This authorizes the title company to cut a direct check to the agent at the closing table, eliminating back-office wait times.

- **The Compliance Block**: No CDA will be issued, and no agent check will be cut, if a file contains missing, unexecuted, or unapproved documentation.

- **Standard Funding Backup:** If table funding is prohibited by state law, rejected by the closing entity, or blocked due to late agent paperwork submission, the title company must disburse the entire commission block directly to Birch & Co. Real Estate. The back office will then manually process the funds and issue an internal payment once compliance audits are satisfied.

11.3 Standard Progressive Discipline & Enforcement Schedule

11.3.1 Progressive Enforcement Path

To ensure systemic compliance with corporate guidelines, MLS rules, and state regulations, the brokerage utilizes a standardized, progressive disciplinary framework for file, touring, and data entry omissions:

1. **First Document/Compliance Violation:** The agent will receive an automated written Notice of Deficiencies alongside a formal warning, carrying an administrative \$150 fine.
2. **Second Document/Compliance Violation:** If the agent fails to remedy the initial file deficiency or triggers a recurring compliance issue within the same transaction pipeline, they will receive a second written notice carrying a mandatory \$500 fine.
3. **Third Document/Compliance Violation:** Continued disregard for brokerage file deadlines or unauthorized creation of transaction paperwork will result in a \$1,500 fine, alongside an immediate administrative audit of the agent's entire active portfolio.
4. **Fourth Document/Compliance Violation:** The agent shall completely forfeit their portion of the commission for that transaction side, and the brokerage will immediately terminate the Independent Contractor Agreement for cause.

11.3.2 Express Authorization for Auto-Deduction The brokerage maintains absolute authority to interpret, manage, and enforce file compliance. By executing this agreement, the affiliated independent contractor explicitly authorizes the Broker-Owner to deduct any outstanding progressive disciplinary fines (\$150 for the 1st violation, \$500 for the 2nd, \$1,500 for the 3rd) or contractually elected backend **Dedicated Transaction Coordinator (TC) Fees** (as shown on the dashboard) directly from their earned commission split block at the closing table via the issued CDA before final fund disbursement. If an agent operates in Self-Service Mode, standard broker compliance file auditing and Florida Chapter 475 record retention remain active in the background at no extra charge.

11.4 The Birch & Co. CRM Ecosystem & Tiered Access Parameters

Birch & Co. Brokerage provides affiliated independent contractors with direct, tier-integrated access to the firm's proprietary software ecosystem. Split architectures, operational privileges, and transaction-level fees are directly governed by the agent's chosen software deployment tier: Birch Solo, Birch Canopy, or Birch Independence.

11.4.1 Deferred Annual Base Fee Protocol

The corporate onboarding, data architecture, and premium software provisioning fee is waived upfront upon initial onboarding. Collection of the designated Annual Base Fee is strictly deferred

and will be automatically deducted from the agent or team's first successfully closed transaction side of the calendar year.

11.4.2 Birch Solo: Permanent Freedom Guarantee

Affiliated individual agents utilizing the Solo tier maintain uninterrupted, year-round access to the brokerage's proprietary AI CRM, smart pipelines, and marketing suites.

- **Zero Monthly Fees:** There are no monthly retail SaaS fallback fees, desk fees, or software read-only clamps.
- **Zero Production Clocks:** The rolling 90-day production clock and associated quarterly risk-maintenance fines are completely abolished. The platform only collects its deferred \$599 Annual Base Fee and the flat \$450 transaction fee directly out of closed transaction sides. If an individual node records zero closed transaction sides, they owe the firm absolutely zero out-of-pocket capital.

11.4.3 Birch Canopy & Birch Enterprise: Team Configurations

Because multi-user team configurations require consistent infrastructure stability, the Birch Canopy and Birch Enterprise tiers utilize a structured annual commitment model and are completely exempt from rolling production clocks and out-of-pocket fees:

- **Unrestricted Platform Continuity:** Affiliated Canopy teams and Enterprise nodes maintain uninterrupted, fully active platform access regardless of individual or team closing frequency within their active annual term.
- **Canopy Team Financial Matrix:** Operates at a deferred annual base fee of \$1,799, assessing a flat transaction fee of \$350 per closed side across all 5 allocated user slots.
- **Enterprise Node Financial Matrix:** Operates at a deferred annual base fee of \$3,499, assessing a flat, optimized transaction fee of \$225 per closed side across all 10 baseline user slots.
- **Enterprise Mega-Team Scaling (Seat 11+):** For dominant teams expanding past the baseline boundary, the system natively allows additional software seats. Each extra user slot past seat ten (10) adds an incremental \$150 to the team's annual deferred base fee ledger (deferred entirely to that specific agent's first closing side), while keeping the transaction fee optimized flat at \$225.
- **Roster Maintenance:** System access remains fully open for all allocated user slots as long as the team organization remains in good standing with the brokerage compliance office.

11.4.4 Recurring Calendar Year Reset

On January 1st of each subsequent calendar year of continuous affiliation, the designated Annual Base Fee status resets to "Pending" across all software tiers. The first completed transaction side executed by a Solo agent, Canopy team, or Enterprise node within the new calendar year shall automatically be assessed their respective recurring Annual Base Fee in addition to the standard tier-integrated transaction fee.

11.4.5 Automated Lead Origin Routing The internal operating system automatically evaluates the origin of every active transaction file upon initialization. Commission routing is strictly bound by this tracking architecture:

- **Company Lead Transactions:** When a transaction file is designated as a company-provided lead originating from the Proactive Pricing Engine or an internal capture channel, a 40 percent Company Lead Split is programmatically locked. Birch and Co. Brokerage retains exactly 40 percent of the Gross Commission Income for sourcing, capturing, and routing the asset. For Solo, Canopy, and Enterprise Tiers,

This 40 percent split is extracted alongside the flat transaction fee and the deferred Annual Base Fee, provided it is the agent's first closing of the calendar year.

- **Non-Company Lead Transactions:** When an agent self-sources a transaction through their organic book of business, zero company commission split is applied. The agent retains 100 percent of their commission slice minus their designated tier transaction fee and the deferred Annual Base Fee.

11.5 The Birch Independence Framework (The "Bring Your Own Tech" Plans)

For established solo practitioners and production teams utilizing outside technical stacks who demand an uncompromised path to 100% commissions, the firm applies the following capping parameters:

11.5.1 Birch Independence Solo

- **Onboarding and Split Architecture:** Operates at a deferred annual base fee of 600 dollars, which is collected on the first successful closing. This plan features an 85/15 commission split, meaning 85 percent goes to the Agent and 15 percent goes to the Brokerage, for all non-company lead transactions.
- **Company Lead Adjustments:** If an Independence Solo agent closes a transaction sourced by the brokerage, a 40 percent Company Lead Split is automatically appended as a separate, distinct referral line item. Birch and Co. retains 40 percent of the Gross Commission Income for sourcing the active transaction, and the standard 15 percent brokerage retention is applied to the remaining balance until the annual corporate cap is fully satisfied.
- **The 8,500 Dollar Annual Cap:** The brokerage's standard 15 percent retention scales until the agent contributes a strict 8,500 dollar annual cap to the firm within a single calendar year loop.
- **The 100 Percent Post-Cap Pathway:** The exact moment the 8,500 dollar company cap is met, the agent automatically transitions to a 100 percent commission split for the remainder of that calendar year, completely free from percentage splits. Finalized transactions executed after achieving capped status are assessed only a flat 50 dollar Errors and Omissions risk fee per closing file to cover master policy exposure. This tier strictly excludes organic access to the firm's proprietary CRM and artificial intelligence operating tools.

11.5.2 Birch Independence Team

- **Onboarding and Split Architecture:** Designed for established team units using independent CRM platforms. Operates at a deferred team annual base fee of 1,200 dollars, which is collected on the team's first closed transaction. Features a high-equity 90/10 commission split structure, meaning 90 percent goes to the Team and 10 percent goes to the Brokerage, for all non-company lead transactions.
- **Company Lead Adjustments:** If an Independence Team member closes a transaction sourced by the brokerage, a 40 percent Company Lead Split is automatically appended as a separate, distinct referral line item. Birch and Co. retains 40 percent of the Gross Commission Income for sourcing the active transaction, and the team's standard 10 percent tier deduction is processed alongside it until the team's aggregate cap threshold is fully satisfied.
- **The 15,000 Dollar Baseline Team Cap:** The brokerage's standard 10 percent retention scales collectively across all active team members until a unified 15,000 dollar baseline company cap is fully satisfied across a baseline roster of up to ten active user slots.
- **Dynamic Insurance Cap Scaling:** To safely accommodate larger external teams past the standard ten-member boundary, the aggregate corporate retention cap scales dynamically at a rate of an additional 1,000 dollars for each additional active roster seat beyond slot ten.
- **The 100 Percent Post-Cap Pathway:** The exact moment the team's custom-calculated annual cap target is met, all team members instantly transition to a 100 percent split model for the remainder of that calendar year. Finalized transactions executed after achieving capped status carry only a flat 50 dollar Errors and Omissions risk fee per closing file at the settlement table. This tier strictly excludes organic access to the firm's proprietary CRM and artificial intelligence operating tools.

12.0 The "Solo-to-Scale" Growth Roadmap

To optimize proprietary software environments and protect firm risk, the brokerage scales across three distinct growth phases:

- **Phase 1: The Solo Architect (0 Agents):** The Broker-Owner operates as the exclusive production engine to fund software development and test automated compliance pipelines on active investor flips and luxury transactions.
- **Phase 2: The Boutique Cloud Pod (2-5 Agents):** The firm initiates selective recruiting targeting tech-forward professionals. Teams entering this phase deploy into the Birch Canopy architecture, leveraging shared pipelines and a flat \$350 transaction tracking environment.
- **Phase 3: The Scalable Enterprise (10+ Agents):** The brokerage shifts into a full enterprise platform. Mega-teams and heavy data operations deploy under the Birch Enterprise framework, utilizing advanced enterprise reporting metrics and the SmartClose™ AI Deal Coach.

13.0 Team Architecture & Sub-Split Regulations

As the firm enters Phase 2 and Phase 3, agents are permitted to build internal Teams to leverage their production. A formal team is defined as a licensed "Team Leader" and at least one affiliated "Team Member" working under a written contract.

13.1 Written Team Commission Agreements

Before a team can market itself or process a single transaction, a formal Team Commission Split Agreement must be signed by all participating agents and placed on permanent file with the brokerage onboarding department.

- **The 90/10 Floor:** The split structure between a Team Leader and a Team Member is entirely negotiable, but must carry a strict baseline floor of 90/10. Splits where the Team Leader retains more than 90% or the Team Member receives less than 10% are strictly outlawed to ensure fair business practices and protect agent retention.
- **Brokerage Disconnection:** Birch & Co. Brokerage acts strictly as the mechanical processing clearinghouse for team splits based on the written contracts on file. The brokerage will never intervene, arbitrate, or legally represent either party in an internal financial dispute between Team Leaders and Team Members.

13.2 Team "CDA" Administrative Workflows

Team Leaders must select one of two explicit administrative tracks in the transaction management platform to handle file uploads and payment routing:

- **Track A: Team Leader Managed CDAs:** The Team Member submits all contracts and disclosures directly to the Team Leader or team administrator for initial compliance review. The Team Leader uploads the transaction file into the central system under the Canopy/Enterprise team dashboard, generating the formal Funding Request listing the member's referral split. The system routes the request to the Broker-Owner for final approval and issues a verification duplicate to all parties.
- **Track B: Team Member Managed CDAs:** The Team Member uploads all transaction documents directly into their individual system account mapping to the team hub. The Team Member creates the initial Funding Request, manually routing the designated team split percentage back to the Team Leader as the primary referring entity. Upon brokerage compliance approval, the final CDA is simultaneously distributed to the Team Leader, the Team Member, and the title company.

14.0 Onboarding & License Maintenance Mandates

14.1 Independent Contractor Status & Expenses

All personnel acting in a sales or associate capacity with Birch & Co. Brokerage are strictly classified as Statutory Independent Contractors. Agents operate as self-employed business entities and are exclusively responsible for maintaining their own business records, tracking expenses, and paying all applicable local, state, and federal income and self-employment taxes. The brokerage will issue an IRS Form 1099-NEC by January 31st of each calendar year reflecting the gross commissions disbursed to the agent in the prior year.

14.2 Financial Obligations of the Licensee

State law requires that all active associates selling or leasing real property maintain an active, unblemished license status with the real estate regulatory body. While the brokerage will track structural system compliance, the affiliated agent is entirely responsible for tracking their individual renewal deadlines and satisfying all mandatory continuing education (CE) credits. Furthermore, the agent is solely responsible for paying all personal licensing fees, as well as all recurring dues required to maintain active membership in the local, state, and National Association of REALTORS® (NAR).

14.3 Administrative Out-of-Status Action

If an agent fails to pay their board dues or satisfy their mandatory CE credits, causing their license or Realtor® status to fall into an inactive, suspended, or delinquent state, the brokerage will immediately execute an administrative freeze. The agent's access to the firm's digital platforms will be restricted, and all active transaction files will automatically revert to an individual broker plan or a temporary corporate referral tier to ensure client file compliance.

15.0 Risk Mitigation & Insurance Frameworks

Birch & Co. Brokerage mandates a proactive approach to risk management. To protect the firm's enterprise value, agents must operate strictly within the legal boundaries of our insurance coverages.

15.1 Errors & Omissions (E&O) Safety Net

The company maintains a comprehensive Errors and Omissions insurance policy to shield the brokerage against claims of professional negligence or misrepresentation.

- **The Compliance Prerequisite:** Our E&O policy will strictly not cover any transaction that is closed without an approved Commission Disbursement Authorization (CDA) on file prior to the execution of closing signatures. Agents who bypass this compliance pipeline are personally liable for all resulting legal expenses and face an immediate \$500 administrative fine.
- **Immediate Claim Notification:** Agents have an affirmative obligation to notify the Broker-Owner immediately in writing the moment they become aware of any client dispute, contract grievance, or threat of litigation. Early reporting is a critical requirement to validly invoke corporate E&O coverage.
- **Exclusionary Boundaries:** E&O insurance does not protect against acts of intentional fraud, environmental bio-hazards, or any transaction where the agent acts as an unapproved property manager or dual agent without explicit broker authorization.

15.2 Corporate Cyber Liability Boundaries

While the corporate backend utilizes advanced encryption, the company's cyber liability insurance does not extend to or insure individual independent contractor agents for localized security breaches. Agents are solely responsible for protecting their personal mobile devices and hardware. The firm strongly encourages all affiliated professionals to secure individual

cyber liability umbrella policies to insulate their personal businesses from data-breach exposures.

16.0 Anti-Fraud & Consumer Protection Directives

Modern real estate transactions are prime targets for highly sophisticated digital criminals. Birch & Co. enforces zero-tolerance protocols to eliminate fraud and protect consumer wealth.

16.1 Ironclad Anti-Wire Fraud Protocols

Wire fraud has resulted in the catastrophic loss of millions of dollars of consumer capital nationwide. To combat this, agents are strictly required to attach the following mandatory warning block to every written email correspondence, text message pipeline, or digital message sent to buyers and sellers:

⚠️ WIRE FRAUD ALERT: NEVER TRUST WIRING INSTRUCTIONS SENT VIA EMAIL. Cyber criminals routinely hack digital communication channels to transmit highly convincing, fake wiring instructions. **ALWAYS** independently verify wiring parameters in person or via a telephone call to a trusted, verified phone number prior to transmitting funds. Never initiate a wire without double-checking that the routing instructions are legitimate and uncompromised.

16.2 Federal RESPA Compliance Guardrails

In strict alignment with the Real Estate Settlement Procedures Act (RESPA), no agent or affiliate of Birch & Co. shall accept or solicit any undisclosed rebate, kickback, financial bonus, or "side-agreement" from a settlement service provider (including title firms, mortgage lenders, home inspectors, or surveyors) in exchange for referring business.

- **Permitted RESPA Interactions:** Agents may participate only in legally clear, pro-competitive marketing activities, such as:
 - Allowing a title agent to supply modest food/beverage refreshments at a public open house.
 - Accepting standard, low-cost marketing specialty items (notepads, pens, or calendars) displaying a service provider's logo.
 - Jointly placing property advertisements with a lender, provided the agent pays a cost share exactly proportional to their visual prominence in the ad.
- **Affiliated Business Disclosures:** If an agent holds any personal financial or ownership interest in an outside vendor (such as a photography service, contracting firm, or transaction company), they must explicitly execute a formal Affiliated Business Arrangement Disclosure to the client before making the recommendation.

17.0 Federal Regulations & Fair Housing Mandates

Birch & Co. Brokerage stands as an unshakeable symbol of market integrity. Compliance with all civil rights and consumer protection laws is a non-negotiable condition of professional association.

17.1 Absolute Fair Housing Execution

The firm maintains a zero-tolerance policy against any deviation from federal, state, or localized Fair Housing Laws. Any violation constitutes grounds for immediate termination of license affiliation and an immediate report to regulatory commissions.

- **Equal Opportunity Mandate:** Agents must provide equal, high-tier professional service to all consumers regardless of race, color, religion, national origin, sex, handicap, or familial status.
- **The "Property Only" Rule:** All marketing layouts, property descriptions, and digital advertisements must describe exclusively the physical attributes of the property, and never the characteristics of the desired buyer or tenant.
- **The "Buyer Love Letter" Trap:** Agents are strongly cautioned against delivering personal "love letters" or family photos from buyers to sellers alongside a purchase offer. These documents routinely expose protected class status (such as familial structure or race) and can expose the seller and the brokerage to catastrophic civil rights litigation if an offer is rejected.

17.2 Telemarketing & Do-Not-Call (DNC) Restrictions

To respect consumer privacy and insulate the firm from severe federal regulatory fines, agents engaging in outbound lead generation or cold-calling must adhere strictly to Telephone Consumer Protection Act (TCPA) guidelines.

- **Registry Scrubs:** Before initiating a marketing or solicitation call, agents must explicitly scrub the targeted phone numbers against the National Do-Not-Call Registry via [donotcall.gov](https://www.donotcall.gov). Calling a recorded number without an explicit legal exemption is strictly prohibited.
- **Call Handling Protocol:** Outbound calls must allow the phone to ring for a minimum of 15 seconds or four rings before disconnecting. Agents are strictly banned from blocking their corporate Caller ID data strings; the full firm name or verified agent number must transmit clearly on all consumer interactions.

18.0 Dispute Resolution & Litigation Procedures

When professional disagreements occur, they must be managed quietly and systematically to insulate our public luxury reputation.

18.1 Outside Broker & Public Controversies

Agents must never initiate independent, unapproved communication or written letters to reprimand, threaten, or complain about competing brokerage entities or real estate institutions. If an irreconcilable financial or ethical dispute emerges with an outside broker (such as a

procuring causing disagreement), the agent must immediately register the facts with the Broker-Owner. If a resolution cannot be negotiated directly by leadership, the firm retains sole authority to submit the dispute to the local Board of REALTORS® Arbitration or Mediation Committee.

18.2 Legal Defense Financial Accountability

If a civil lawsuit or regulatory action is brought against Birch & Co. Brokerage LLC due to an agent's non-compliance with the policies outlined in this manual, unauthorized document modifications, or intentional contract misrepresentations, that specific agent shall be held completely responsible for all judgments, damages, court fees, and legal defense costs incurred by the company. This financial accountability remains binding even if the court rules in favor of the brokerage at the conclusion of the case.

19.0 Codes of Conduct and Professional Ethics

Affiliated agents must maintain transparent, upright, and uncompromised fiduciary duty, ensuring our brand stands as an unshakeable seal of quality.

19.1 National Association of REALTORS Code of Ethics

Every real estate professional affiliated with Birch and Co. Brokerage LLC must maintain active membership in their local, state, and the National Association of REALTORS. Compliance with the REALTOR Code of Ethics is a strict, non-negotiable condition of professional association with this firm. Any verified ethical violation, consumer misrepresentation, or anti-competitive behavior constitutes grounds for immediate termination of license affiliation and an immediate report to the regulatory commissions.

19.2 Professional Conduct and Market Integrity

Agents must conduct themselves with absolute integrity in all interactions with the public, clients, and competing brokerage entities. Public controversies, unauthorized written reprimands to competitors, or derogatory statements that damage the public luxury reputation of the firm are strictly prohibited. Professionalism extends to digital footprints; all social media content, business profiles, and web domains must present a true picture of licensing status and strictly reflect the high corporate standards of the brokerage.

20.0 Continuing Education Options and Renewal Requirements

State law requires that all active associates selling or leasing real property maintain an active, unblemished license status with the Florida Department of Business and Professional Regulation.

20.1 License Renewal and Continuing Education Track

The affiliated agent is entirely and exclusively responsible for tracking their individual renewal deadlines and satisfying all mandatory continuing education credits required by the state of Florida. Sales associates and broker associates must complete their required continuing education hours every two years prior to their designated expiration date to prevent their license from falling into an inactive or delinquent state.

20.2 Approved Educational Portals and Options

To support agent production and ensure structural compliance, the brokerage provides recommended pathways for continuing education through approved local and state real estate boards, as well as authorized online distance learning portals. While the firm tracks structural system compliance, all personal licensing renewal fees, board dues, and continuing education course costs remain the sole financial obligation of the licensee. Failure to satisfy mandatory continuing education credits before the statutory deadline will result in an immediate administrative freeze of the agent's digital platform access and an automatic reversion of active transaction files to a temporary corporate referral tier.



ACKNOWLEDGEMENT & SIGNATURE MATRIX

Acknowledgement: I have read, understood, and agree to strictly execute the protocols outlined in this Birch & Co. Brokerage Policy Manual Roadmap.

- **Signature:** _____
- **Full Name (Printed):** _____
- **Date:** _____