COMPLIANCE AND AUDIT SUPPORT ADDENDUM

Exhibit F to the Loom Realty Broker of Record Master Service Agreement | CA DRE #02017652 | Version 1.0

Parties and Incorporation

This Compliance and Audit Support Addendum ("Addendum") is entered into as of _______________ by and between Loom Realty, a California real estate brokerage (CA DRE #02017652), acting by and through its designated broker Kayla Bramante ("Broker"), and _________________________________ ("Client"). This Addendum is Exhibit F to, and is incorporated into, the Broker of Record Master Service Agreement between the Parties dated _______________ (the "Agreement"). Capitalized terms not defined here have the meanings given in the Agreement.

This Addendum is executed at onboarding, before any Regulatory Matter arises. The Parties agree it is in both of their interests to have the terms of extraordinary support settled in advance rather than negotiated while a regulatory deadline is running.

1. Purpose

The Base Service Fee covers recurring, routine broker supervision. It does not cover the extraordinary time required when a regulatory body examines, audits, questions, or takes action in relation to licensed activity conducted under Broker's license. That work is unpredictable in volume, is driven by third-party deadlines, and can consume more of Broker's time in a single week than a year of routine supervision. This Addendum sets out how that work is authorized, performed, and billed.

2. Definitions

"Regulatory Matter" means any of the following that relates to Client, Client's licensed activity, Client's Licensees, or Client's trust funds:

- A DRE audit or examination, whether announced, unannounced, desk, or field;
- A DRE trust fund examination or reconciliation review beyond the routine monthly review provided under the Trust Fund Addendum;
- A DRE complaint, inquiry, investigation, or request for information;
- A DRE citation, Accusation, Statement of Issues, Order to Desist and Refrain, or other formal enforcement action;
- A subpoena, records demand, deposition notice, or similar compulsory process served on Broker;
- An inquiry or investigation by any other governmental or regulatory body, including a city or county rent board, the Department of Financial Protection and Innovation, or a fair housing agency;
- A third-party claim, demand letter, mediation, arbitration, or litigation in which Broker is named, joined, subpoenaed, or asked to participate by reason of acting as Broker of Record; and
- Any remediation project undertaken at Client's request or at the direction of a regulator, including reconstruction of records, corrective advertising review, or a full operational or compliance audit.

"Included Allowance" means the intake and initial guidance provided at no additional charge under Section 3.

"Billable Services" means the services described in Section 4.

3. What Remains Included in the Base Service Fee

This Addendum does not narrow what Client already receives. The following remain covered by the Base Service Fee and are not billed hourly:

- Response to routine DRE inquiries and general compliance questions relating to Client activity, within two (2) business days of receipt, as provided in Exhibit D of the Agreement;
- Initial intake and assessment of a Regulatory Matter, and initial guidance to Client on immediate next steps, up to a cumulative two (2) hours per Regulatory Matter (the "Included Allowance");
- The monthly and quarterly compliance touchpoints, advertising review volume, and trust reconciliation review already described in Exhibit D of the Agreement and the Trust Fund Addendum; and
- Broker's own recordkeeping of supervision activity as required by Applicable Law.

Time is charged under this Addendum only after the Included Allowance for that Regulatory Matter is exhausted. Broker shall notify Client in writing when the Included Allowance is substantially consumed and before hourly charges begin.

4. Billable Services

Once the Included Allowance is exhausted, the following time is billable at the rate in Section 5:

- Telephone calls, video conferences, and meetings with Client, Client's personnel, Client's Licensees, Client's counsel, accountants, bookkeepers, or insurers;
- Communications, calls, correspondence, and meetings with the DRE or any other regulator, including attendance at audits, interviews, and examinations;
- Preparation, including review of files, ledgers, trust records, reconciliations, contracts, advertising, and correspondence;
- Research into statutes, regulations, DRE guidance, and precedent relevant to the Regulatory Matter;
- Interviews of Client personnel and Licensees, and preparation of those individuals for regulator interviews;
- Assembly, review, indexing, and production of documents and records in response to a regulator, subpoena, or records demand;
- Reconstruction or remediation of deficient records;
- Drafting and revising written responses, position statements, corrective action plans, and compliance manuals prepared for the Regulatory Matter;
- Auditing or re-auditing of Client files, trust accounts, or advertising undertaken in response to the Regulatory Matter;
- Coordination with Client's legal counsel, including document gathering and factual briefing;
- Travel time reasonably incurred to attend a required appearance, audit, interview, or examination; and
- Post-matter work, including implementation of corrective measures, follow-up reporting to the regulator, and monitoring of undertakings.

5. Rate, Increments, and Minimums

Item	Terms
Hourly rate	$250.00 per hour
Billing increment	0.25 hour (15 minutes), rounded to the nearest increment
Minimum per Regulatory Matter	1.0 hour, once the Included Allowance is exhausted

Item	Terms
Travel time	Billed at the hourly rate for time actually spent traveling to a required appearance. Mileage is billed as an expense under Section 8.
Rate applicable to a matter	The rate in effect on the date the Regulatory Matter is opened, fixed for the duration of that matter
Rate changes	Governed by Section 16.2 of the Agreement — sixty (60) days' written notice, with Client's right to terminate rather than accept the new rate

The hourly rate is also stated in the Fee Schedule (Exhibit A). If the Fee Schedule and this Addendum ever differ, the Fee Schedule then in effect controls.

6. Authorization, Estimates, and Client Control of Spend

6.1 Notice and Estimate

Before hourly charges begin on a Regulatory Matter, Broker shall notify Client in writing, describe the work anticipated, and provide a good-faith estimate of the hours expected. Broker shall update that estimate if it materially changes.

6.2 Approval Threshold

Broker shall obtain Client's written approval before exceeding ten (10) billable hours on any single Regulatory Matter. Approval may be given by email. Broker shall provide a running hours update at five (5) hours and at each subsequent five-hour interval.

6.3 Deadline Exception

Where a regulator has imposed a deadline, or where delay would prejudice Client, Broker, or the beneficiaries of trust funds, Broker may perform work necessary to meet that deadline or prevent that prejudice without waiting for approval under Section 6.2, and shall notify Client as soon as practicable of the work performed and the hours incurred. This exception is limited to what the deadline or the prejudice reasonably requires.

6.4 Deposit

Where Broker reasonably anticipates that a Regulatory Matter will exceed ten (10) billable hours, Broker may require a deposit of $2,500 before continuing. The deposit is applied against invoices for that matter and any unused balance is refunded within thirty (30) days of the matter closing.

7. Broker's Independent Regulatory Duty

Client acknowledges and agrees that:

- Broker has an independent legal obligation to respond truthfully and promptly to the DRE and to cooperate with any DRE audit, inquiry, or investigation, and that obligation exists regardless of Client's instructions, Client's position on a matter, or the status of Client's account;
- Client shall not instruct, request, or attempt to induce Broker to withhold, delay, alter, or misstate any information provided to a regulator;

- Broker may perform, and charge for, work that Broker reasonably determines is necessary to satisfy that obligation, including where Client has declined to approve it under Section 6.2; and
- Non-payment does not suspend Broker's regulatory obligations. Broker may suspend Services to Client under Section 15.4 of the Agreement for non-payment while continuing to respond to the regulator, and time spent doing so remains billable.

8. Expenses

The following are billed in addition to hourly time, at actual cost and without markup, itemized on the invoice: records retrieval and copying charges; courier, certified mail, and delivery costs; court reporter, transcription, and deposition costs; mileage at the then-current IRS standard business rate, and reasonable parking, tolls, and travel costs; fees of third-party auditors, forensic accountants, or bookkeepers engaged with Client's written consent; and regulator-imposed fees or copying charges. Broker shall obtain Client's written consent before incurring any single expense exceeding $500.

9. Invoicing and Payment

- Broker shall invoice at least monthly while a Regulatory Matter is open, with an itemized statement of date, description of work, timekeeper, hours, and rate;
- Invoices under this Addendum are due within ten (10) days of the invoice date;
- Amounts unpaid after ten (10) days accrue the late charge stated in the Fee Schedule;
- Charges are made against the payment method on file under Exhibit B of the Agreement unless Client and Broker agree otherwise in writing; and
- Client shall raise any disputed entry in writing within fifteen (15) days of the invoice date, identifying the specific entry disputed. Undisputed portions remain payable.

10. What This Addendum Is Not

- Broker is not a law firm and does not provide legal representation, legal advice, or legal opinions. Nothing in this Addendum creates an attorney-client relationship;
- Client is encouraged to retain its own legal counsel for any Regulatory Matter, and should do so promptly for any formal enforcement action. Broker will coordinate with Client's counsel but does not direct, supervise, or assume responsibility for Client's defense;
- Broker does not provide accounting, tax, audit-opinion, or insurance advice; and
- Communications with Broker are not privileged, and may be discoverable or subject to production to a regulator.

11. Client Cooperation

Client shall produce records and documents requested by Broker in connection with a Regulatory Matter within five (5) business days, or within any shorter period required by the regulator; make its personnel and Licensees reasonably available for interviews and preparation; and provide complete and accurate information. Client's delay or failure to cooperate increases the hours required and those hours remain billable. Where Client's non-cooperation prevents Broker from meeting a regulatory obligation, Broker may act unilaterally under Section 7 and may terminate the Agreement for cause under Section 15.3.

12. Fees Payable Regardless of Outcome

Fees under this Addendum are earned for time worked and are payable regardless of the outcome of the Regulatory Matter, including where the matter is closed with no finding, withdrawn, dismissed, or resolved in

Client's favor. Broker makes no representation, guarantee, or warranty as to the outcome of any Regulatory Matter.

13. Matters Arising From Broker's Own Conduct

No fee is chargeable under this Addendum for time spent on a Regulatory Matter to the extent that matter arises from Broker's own gross negligence, willful misconduct, fraud, or material breach of the Agreement. Where a Regulatory Matter arises partly from Broker's conduct and partly from Client's, Broker shall bill only that portion of time reasonably attributable to Client's conduct, and shall identify the allocation on the invoice.

14. Survival

This Addendum survives termination or expiration of the Agreement and applies to any Regulatory Matter that arises after termination to the extent it relates to licensed activity conducted under Broker's license during the Term, or to Broker's supervision of that activity. The rate applicable to such a matter is the rate in effect on the date the matter is opened. Client's payment obligations under this Addendum survive termination. This reflects the reality that DRE audits and complaints frequently surface months or years after the activity in question, and after a broker of record relationship has ended.

15. Relationship to Other Provisions

Nothing in this Addendum limits Client's indemnification obligations under Section 11.1 of the Agreement, Broker's audit rights under Section 8.4 of the Agreement, or Broker's rights of suspension and termination under Section 15 of the Agreement. To the extent Client's errors and omissions or other insurance responds to a Regulatory Matter, Client shall tender the matter to its carrier promptly and shall notify Broker of the carrier's position.

Signatures

By signing below, each Party agrees to be bound by this Addendum as Exhibit F to the Agreement.

CLIENT	BROKER
Entity: ______________________________	Entity: Loom Realty
Printed Name: ________________________	Printed Name: Kayla Bramante
Title: _______________________________	Title: Broker / Designated Officer (CA DRE #02017652)
Signature: ___________________________	Signature: ___________________________
Date: ________________________________	Date: ________________________________

Schedule 1 — Regulatory Matter Record

Broker maintains a record of each Regulatory Matter in the Client Portal, in the following form.

Matter #	Opened	Type / Regulator	Allowance Used	Hours Billed	Status	Closed

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Loom Realty — Compliance and Audit Support Addendum, Version 1.0 · CA DRE #02017652 · 26565 Agoura Road, Suite 200, Calabasas, CA 91302 · (310) 906-5459 · loomrealty.com