

INDEPENDENT CONTRACTOR AGREEMENT



Great Pointe **Realty**

This Independent Contractor Agreement (“Agreement”), dated _____ is made between GREAT POINTE REALTY, INC. (“Broker”) and _____ (“Associate-Licensee”).

In consideration of the covenants and representations contained in this Agreement, Broker and Associate-Licensee agree as follows:

1. BROKER. Broker represents that Broker is duly licensed as a real estate broker by the State of California, named GREAT POINTE REALTY, INC. Broker shall keep Broker’s license current during the term of this Agreement.

2. ASSOCIATE-LICENSEE. Associate-Licensee represents that he or she is duly licensed by the State of California as a real estate broker or salesperson, and has not used any other names within the past five years, except _____. Associate-Licensee shall keep his/her California Bureau of Real Estate license current during the terms of this Agreement, including satisfying all applicable continuing education and provisional license requirements.

3. BROKER AND ASSOCIATE-LICENSEE RELATIONSHIP.

3.1 Broker and Associate-Licensee intend that, to the maximum extent permissible by law: (i) This Agreement does not constitute an employment agreement by either party; (ii) Broker and Associate-Licensee are independent contracting parties with respect to all services rendered under this Agreement; and (iii) This Agreement shall not be construed as a partnership.

3.2 Associate-Licensee is considered to be an Independent Contractor for tax purposes and will be responsible for all tax issues at the end of each calendar year. The Broker does not withhold taxes or Social Security from Associate-Licensee’s compensation and may not issue an IRS 1099 if Broker did not make any direct payment to Associate-Licensee. Payment of taxes and Social Security contributions are Associate-Licensee’s responsibility. Associate-Licensee is considered an independent contractor for purposes of Unemployment Insurance.

3.3 Associate-Licensee assumes and agrees to perform no other activities in association with Broker, except to solicit and obtain listings and sales of property for the Parties mutual benefit, and to do so in accordance with law and with the ethical and professional standards as required so that Associate-Licensee commits no act of any type for which the Real Estate Commissioner of the state of California is authorized by the California Business and Professions Code to suspend or to revoke a license.

3.4 Associate-Licensee agrees that he/she shall have an exclusive relationship with Broker and that during the term of this Agreement all real estate transactions conducted by Associate-Licensee shall be done in Broker’s name, even if Associate-Licensee holds a broker’s license with the California Bureau of Real Estate. Any

violation of this clause shall be grounds for termination of this Agreement. Notwithstanding the termination provision of this clause, in the event that Broker is due any commission on any escrow opened by Associate-Licensee during the term of this Agreement, (even if escrow closes after termination of this Agreement) Associate-Licensee agrees that he/she shall owe said commission to Broker.

3.5 Broker shall not limit Associate-Licensee's activities to geographical areas or dictate Associate-Licensee's activities with regard to hours, leads, open houses, opportunity or floor time, production, prospects, sales meetings, schedule, inventory, time off, vacation, or similar activities, except to the extent required by law.

3.6 Associate-Licensee shall not be required to accept an assignment by Broker to service any particular current or prospective listing or parties.

3.7 The fact that Broker may carry worker compensation insurance for Broker's own benefit and for the mutual benefit of Broker and licensees associated with Broker, including Associate-Licensee, shall not create an inference of employment.

3.8 Associate-Licensee shall have no authority to incur obligations on Broker's behalf and promises (i) not to sign any contract, agreement, lease or note in the name of Broker (including commission instructions, referral agreements, and listing cancellations); (ii) not to open or maintain any bank account or investment account in the name of Broker or any DBA registered by Broker; and (iii) not to endorse for collection or deposit in Associate-Licensee's personal account any check, money order or other negotiable instrument made payable to Broker. Broker shall not be liable for any obligation or liability incurred by Associate-Licensee.

4. AGENT EXPENSES. Broker shall not be liable to Associate-Licensee for any expenses incurred by Associate-Licensee. Associate-Licensee agrees to provide and pay for all necessary professional licenses, dues, and services necessary in conducting business as a real estate sales agent. Associate-Licensee understands and agrees that Broker shall not provide any office, supplies, advertisements, or marketing materials; and that Associate-Licensee is responsible for conducting business pursuant to this agreement at his/her own cost.

5. LICENSED ACTIVITY. Associate-Licensee shall perform services of a real estate licensee as defined by California state law and the California Bureau of Real Estate (CalBRE).

5.1 All listings of property, and all agreements, acts or actions for performance of licensed acts, which are taken or performed in connection with this Agreement, shall be taken and performed in the name of Broker. Associate-Licensee agrees and does hereby contribute all rights and title to such listings to Broker for the benefit and use of Broker, Associate-Licensee and other Licensees of Broker. Associate-Licensee agrees to provide Broker a complete copy package of each closed transaction with all necessary documentation.

5.2 Associate-Licensee shall remain apprised of and comply with all applicable federal, state, and local laws; regulations, policies, and procedures, governing the conduct of real estate agents, including but not limited to anti-discrimination laws, fair housing laws, and restrictions against the giving or accepting a fee, or other things of value, for the referral of business to title companies, escrow companies, home inspection companies, pest control companies and other, settlement service providers pursuant to the California Business and Professions Code, the Real Estate Settlement Procedures Acts (RESPA), the National Association of Realtors, the California Association of Realtors and any other local real estate association to which Associate-Licensee may belong.

6. PROHIBITED ACTIVITIES. Associate-Licensee may not engage in Property Management, Loan Brokerage, or Business Opportunity transactions; and Associate-Licensee is not authorized to give Legal or Tax advice.

6.1 Associate-Licensee agrees to refrain from committing any act of any type for which the Real Estate Commissioner of the State of California is authorized to suspend or to revoke a real estate license. Associate-Licensee must, and agrees to, obtain written approval from Broker to perform any other business activities.

6.2 Associate-Licensee agrees to indemnify Broker against, and to accept liability for, any damages, costs, or fees, legal or other, sustained or expended by Broker, as a result of Associate-Licensee breaching the paragraphs herein.

7. COMPENSATION. Respective compensation shall be charged to parties who enter into listing or other agreements with Associate-Licensee for services requiring a real estate license. Associate-Licensee may use its own discretion regarding what commission fee to charge its clients for these services. The minimum service fee required to cover Broker's expenses is posted on the *Fee Schedule* of this Agreement. In no event shall Broker be personally liable to Associate-Licensee for Associate-Licensee's share of commissions not collected, nor shall Associate-Licensee be entitled to any advance or payment from Broker upon future commissions, Associate-Licensee's only remuneration being Associate-Licensee's share of the commission paid by the party or parties for whom the service was performed. Nor shall Associate-Licensee be personally liable to Broker for any commission not collected. Associate-Licensee shall be responsible for any previously earned sales commission reimbursement, rebate, or refund that may be ordered by a Court of Law or by a professional Arbitration or Mediation Panel, for any reason.

7.1 BROKER COMPENSATION. Broker shall be compensated for the fees charged to the parties who enter into listings or other agreements for services requiring a real estate license. Broker fees are provided in the Fee Schedule of this Agreement and shall be payable after the transaction has been closed, except as may otherwise be agreed by Broker and Associate-Licensee before completion of any particular transaction.

7.2 ASSOCIATE-LICENSEE COMPENSATION. Associate-Licensee shall receive the compensation structure agreed upon in the Fee Schedule of this Agreement. The compensation is payable out of compensation actually collected by Broker on transactions which Associate-Licensee's actions are the procuring cause. This amount shall be payable after all necessary documentation is received and Broker is paid; except as may otherwise be agreed upon by Broker and Associate-Licensee before completion of any particular transaction. Associate-Licensee may receive their commission directly from escrow; if the completed transaction file is confirmed by the Broker or designated Transaction Coordinator at a minimum of 2 business days before close of escrow. Broker may deduct actual and pending reasonable expenses from Associate-Licensee commission(s) if the expenses arise from Associate-Licensee activity such as: legal expenses, membership dues, company fees, third party fees, and judgments. Broker may apply commissions to cover attorney fees, insurance deductibles, court filing fees, and other incurred or reasonably expected costs of litigation. This paragraph shall apply regardless of whether Associate-Licensee is at fault, found to be at fault, and/or whether the matter has been adjudicated. Expenses as mentioned in this paragraph need not be related to the specific commissions withheld. Broker may hold all or part of Associate-Licensee's commission until all lawsuits related to Associate-Licensee's activities are resolved. In the instance commissions owed will not be sufficient to cover Broker's reasonable expenses then Associate-Licensee shall repay the balance.

7.3 BROKER LEAD DISTRIBUTIONS. Broker may provide client leads to its associate-licensees. Should Associate-Licensee choose to participate in Broker's lead distribution program, Associate-Licensee shall pay Broker a 50% referral fee of all earned commissions in addition to any fees due to Broker. At Broker's discretion, clients will be matched with the agent based on the salesperson's experience, past performance, and knowledge of the related transaction. Referral fees to Broker are owed for all transactions with the client for 24 months from the date the lead is accepted. Listings of property, and all agreements, acts or actions for performance of licensed acts, which are taken or performed in connection with this Agreement, shall be taken and performed in the name of Broker. Associate-Licensee agrees and does hereby contribute all rights and title to such listings to Broker for the benefit and use of Broker, Associate-Licensee, and other Licensees of Broker. Associate-Licensee agrees to provide Broker a complete copy package of each closed transaction with all necessary documentation.

7.4 CO-REPRESENTATION. In the event Associate-Licensee is a co-agent on either the listing or buying side of a transaction with any other licensed real estate agent, *each* Associate-Licensee shall still be responsible for full payment of any transaction fees, E&O fees, and/or service fees owed to Broker on the specific transaction. Co-representation shall be established if 2 or more real estate agents are named on any agreement for which a real estate license is required. This

section is not intended to cover transactions where Associate-Licensee refers a transaction to another real estate agent.

7.3.1 Associate-Licensee shall not be permitted to act as a co-agent on either the listing or buyer side of a transaction with a non-Great Pointe Realty agent, without the express, *prior*, written approval of Broker.

7.5 DUAL AGENCY. Each side of a dual representation transaction shall be considered a separate transaction, therefore; each side shall be subject to Associate-Licensee's compensation plan, E&O, and transaction submission requirements.

7.5.1 Associate-Licensee shall not represent the buyer in a dual agency involving the Associate-Licensee's own property.

7.6 DIRECT COMPENSATION. Associate-Licensee cannot directly receive any compensation for performing real estate business without Broker's approval.

7.7 ADVANCE FEE. Collecting any kind of advance fee from a client is prohibited for Associate-Licensee.

7.8 COMPENSATION AFTER TERMINATION. Upon termination of this Agreement, payments under this section shall cease; provided, however, that so long as Associate-Licensee is not in default of any provision of this Agreement, Associate-Licensee shall be entitled to payments for periods or partial periods that occurred prior to the date of termination and for which Associate-Licensee has not yet been paid. Associate-Licensee authorizes Broker to deduct from any commissions due at termination of this Agreement all financial obligations owed to Broker that are imposed by terms of this Agreement. Furthermore, in the event Associate-Licensee leaves the Broker and has pending transactions that require further work normally rendered by the Associate-Licensee, Broker shall make arrangements for Broker or another Associate-Licensee in the company to perform the required work, and the Broker or Associate-Licensee assigned shall be compensated for completing the details of pending transactions and such compensation shall be deducted from the terminated Associate-Licensee's share of the commission.

8. EARNEST MONEY DEPOSITS. Associate-Licensee acknowledges and understands that Broker does not maintain a trust fund account and that any and all earnest money deposits shall never ever be touched by Associate-Licensee. Associate-Licensee should notify escrow immediately to arrange for any earnest money deposits needing to be picked up or delivered and submitted on behalf of the client and then it should be reported to the Broker. Associate-Licensee shall not ever receive **any** funds from clients nor receive **any** cash payments from clients. All trust funds shall be handled in compliance with the Business and Professions Code, and other applicable laws.

9. ERRORS & OMISSIONS. Broker shall obtain and keep in force, during the term of this Agreement, Errors & Omissions policy on behalf of Associate-Licensee. Associate-Licensee shall reimburse Broker for the cost of maintaining said Errors & Omissions policy. Associate-Licensee shall be liable for the E&O payment on any transaction that is opened while this Agreement is in effect, regardless of whether or not this Agreement is still in effect at the time of close of escrow.

9.1 OBLIGATION OF E&O PAYMENT. Associate-Licensee shall be liable for the E&O insurance on any transaction that is opened while this Agreement is in effect, regardless of whether or not this Agreement is still in effect, or if Associate changes to a new Broker, at close of escrow.

9.2 E&O ADJUSTMENTS. Broker reserves the right to adjust the E&O insurance for any Associate-Licensee who regularly conducts transactions with a purchase price of \$1,000,000.00 or greater.

10. CHANGES IN PLANS. Upon written instruction to Broker, and subject to all other terms herein, Associate-Licensee may change their Compensation Plan at the start of any quarter. Plan changes are limited to two changes in a twelve month period.

10.1 The terms and fees of Associate-Licensee's new plan shall apply to all transactions entered into subsequent to the change of plan. Any transaction that began prior to the plan change is subject to the applicable fees of the plan the transaction was opened under.

11. DOCUMENTS AND FILES. All files and documents pertaining to listings, leads, and transactions are the property of Broker and shall be delivered to Broker by Associate-Licensee according to the manner and term indicated in Broker's *Company Policy Manual*.

12. AUTOMOBILE INSURANCE. Associate-Licensee shall maintain automobile insurance coverage for liability and property damage in the amounts of \$100,000 / \$300,000. Broker shall be indemnified and held harmless against any claims or demands resulting from any automobile accident involving Associate-Licensee.

13. LIABILITY AND HOLD HARMLESS. In addition to all other legal or equitable remedies of Broker, Associate-Licensee shall indemnify and hold Broker and its owner(s), managers, affiliates, shareholders, directors, officers, agents, employees, successors, and assignees, harmless from and against, and shall reimburse the same with respect to, any and all losses, damages, demands, claims, liabilities, costs, and expenses, including reasonable attorney fees (collective "Losses"), incurred by reason of or arising out of or in connection with any fraud or misrepresentation of Associate-Licensee, including, but not limited to, Associate-Licensee's misrepresentation of its relationship with Broker to any third party or any action by Associate-Licensee taken or omitted pursuant to this Agreement. Any such claims or costs payable pursuant to this Agreement are due to be paid in full by Associate-Licensee, including, but not limited to,

E&O deductibles, who hereby agrees to indemnify and hold harmless Broker or manager for all such sums. Payment from Associate-Licensee is due at the time Broker makes such payment and can be offset from any compensation due Associate-Licensee by Broker. Broker retains the authority to settle claims or disputes, whether or not Associate-Licensee consents to such settlement.

14. INJURIES TO ASSOCIATE-LICENSEE. It is Associate-Licensee's obligation to obtain appropriate insurance coverage for the benefit of Associate-Licensee and its employees, if any, for any injuries. Associate-Licensee and its employees waive any rights to recovery from Broker for any injuries that Associate-Licensee and/or its employees may sustain while performing services under this Agreement.

15. ASSOCIATE-LICENSEE'S EMPLOYEES. Associate-Licensee's employees, if any, who perform services for Broker under this Agreement shall also be bound by the provisions of this Agreement. Associate-Licensee's responsibilities include advising respective employees of the terms of this Agreement and Broker's Company Policy Manual and supervising their activities to ensure employees compliance with all of the terms. At the request of Broker, Associate-Licensee shall provide evidence that such persons are Associate-Licensee's employees and are bound by the provisions of this Agreement.

16. LOGOS. While affiliated with Broker, Associate-Licensee shall use Broker's name "GREAT POINTE REALTY", distinctive logo and CalBRE license number on all signage, stationary, websites, and/or any other marketing materials. Use of Broker's name and logo shall meet the standards as set forth in the Company Policy Manual, which may be amended from time to time. Associate-Licensee agrees that Broker retains exclusive rights to the "GREAT POINTE REALTY" trademark logo and graphics. Associate-Licensee agrees to discontinue the use of Broker's trademark logo and graphics immediately upon the termination of this Agreement.

17. ONLINE PROFILES. At no time may Associate-Licensee create an online profile using the corporate address of Broker or the address of any branch office for which Associate-Licensee is not the lessee or owner of that branch.

18. ADVERTISING AND SOLICITATIONS. All advertising done by Associate-Licensee shall be submitted to Broker by emailing a copy of the proposed advertisement to *Compliance@GreatPointeRealty.com*. All advertising must receive prior written approval of Broker. *No telephone solicitation is allowed by Associate-Licensee to people who have registered their telephone numbers on a National Do Not Call Registry.* Broker is not liable or responsible for any advertising done by Associate-Licensee on its behalf and Associate-Licensee agrees to hold Broker harmless of any costs, damages, legal or otherwise, specifically arising as a result of Associate-Licensee's failure to comply with this Paragraph.

19. SOLICITATION OF AGENTS. Associate-Licensee agrees not to solicit, recruit, employ, or entice Broker's partners, affiliates, agents and/or employees in writing or any

other manner -- including furnishing information regarding Broker's partners, affiliates, agents and/or employees to anyone -- to leave Broker's employment, association, or affiliation for a period of no less than three years following termination of this Agreement or while employed by Broker.

20. WORK PLACE. Broker primarily operates using a virtual office concept. This allows Broker to minimize cost and overhead while maintaining excellent service. In some locations, Broker may provide limited amounts of "open desk space" on a first-come temporary basis and/or permanent or assigned office space which is subject to availability and shall be established under a separate, express, written contract between Associate-Licensee and Broker.

21. ACTIVITY REPORTING. Associate-Licensee is required to report all his/her real estate activities to the Broker within 48 hours of their occurrence. Real estate activities include listing agreements, newly opened escrows (accepted purchase agreements), earnest money deposits escrow has handled, cancelled and expired agreements, renewed agreements, referral fee agreements, lease listings, BPOs and/or any other business contract or arrangement involving an Associate-Licensee and his/her client. Associate-Licensee is further required to submit a final package to Broker for review at a minimum of 48 hours prior to the closing of any escrow. The final package shall include all documents required by Broker as set forth in its Transaction Document Checklist, Office Manual, Back Agent software program, or any other manner set forth by Broker and conveyed to Associate-Licensee.

22. TESTIMONIALS. Associate-Licensee hereby grants Broker permission and authorization to use any testimonial, whether verbal, written or video, in any marketing, promotional or online format as Broker sees fit.

23. TERMINATION OF AGREEMENT. The terms of this Agreement shall commence upon execution of this Agreement and shall continue until written notice from either party to this agreement is delivered to the other party expressing their desire to terminate. This Agreement may be terminated by either party, any time, with or without cause. Even after termination, this Agreement shall govern all disputes and claims between Broker and Associate-Licensee connected with their relationship under this Agreement, including obligations and liabilities arising from existing and completed listings, transactions, and services.

24. DISPUTE RESOLUTION.

24.1 MEDIATION. Mediation is recommended as a method of resolving disputes arising out of this Agreement between Broker and Associate-Licensee.

24.2 ARBITRATION. All disputes or claims between Associate-Licensee and other licensee(s) associated with Broker or manager, or between Associate-Licensee and Broker or manager, arising from or connected in any way with this Agreement, which cannot be adjusted between the parties involved, shall be submitted to the

Association of REALTORS® of which all such disputing parties are members for arbitration pursuant to the provisions of its Bylaws, as may be amended from time to time, which are incorporated as a part of this Agreement by reference. If the Bylaws of the Association do not cover arbitration of the dispute, or if the Association declines jurisdiction over the dispute, then arbitration shall be pursuant to the rules of California law. The Federal Arbitration Act, Title 9, U.S. Code, Section 1, et seq., shall govern this Agreement.

25. SEVERALTY. Should any provision of this Agreement, or the application thereof, to any extent, be invalid or unenforceable, the remainder of this Agreement will not be affected thereby and will continue to be valid and enforceable to the fullest extent permitted by law or equity.

26. CHANGES. Associate-Licensee agrees to abide by any changes to this Agreement or company policies through notice to Associate-Licensee either by email, company web site and/or any other method in writing, taking effect as stated in the notice.

27. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties. This Agreement may be modified or amended, if the amendment is made in writing and is signed by both parties. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable.

28. APPLICABLE LAW. This Agreement is entered into in the County of Orange, California, and shall be governed by the laws of the State of California. Any lawsuit filed which arises out of or relates to this Agreement must be filed in the County of Orange, State of California.

29. ASSOCIATE-LICENSEE AGREES AND UNDERSTANDS.

29.1 The *Company Policy Manual* of GREAT POINTE REALTY, INC. contains important information about the Company's general policies and procedures. Broker's Company Policy Manual is hereby incorporated by reference into this Agreement, and Associate-Licensee is expected to read, understand, and adhere to the Company Policy Manual of GREAT POINTE REALTY, INC. Broker may, in its sole and absolute discretion, change any policies, benefits, or practices in the manual, with or without prior notice.

29.2 Associate-Licensee agrees with fees and compensation outlined in the *Fee Schedule* which is an undivided part of this agreement.

29.3 Associate-Licensee's signature below certifies that he/she has read, consent, and agree to all terms, obligations, and conditions set forth in the GREAT POINTE REALTY, INC. Independent Contractor Agreement, Fee Schedule, and Company

Policy Manual. The aforementioned supersedes all prior agreements, understandings, and representations concerning Associate-Licensee's association with GREAT POINTE REALTY, INC. Broker of Record is Sean Pham at time of signing this agreement. Associate-Licensee acknowledges receipt of a copy of this agreement for their records.

Associate-Licensee

Broker

Name

Name

Signature

Signature

Date

Date

TRANSFER OF CALIFORNIA BUREAU OF REAL ESTATE LICENSE

1. INSTRUCTIONS.

1. Go to <https://secure.bre.ca.gov/elicensing/>
2. Sign in with your *User Name & Password*. If you have never signed into the eLicensing online system before you can register at this time and create a User Name & Password.
3. Click “Change Your Employer” if you are transferring from a previous Broker or “Add Employer” if you have no previous Broker of Record.
4. Input BRE# **02015625** and select *Great Pointe Realty, Inc.* and confirm.
5. Click “Save Employer Information”.
6. Select “No” when asked if employing broker is present. Input Broker email address: **Careers@GreatPointeRealty.com**
(An email will be sent to us to confirm your change)

PLEASE PROVIDE A COPY OF YOUR REAL ESTATE LICENSE

2. INSTRUCTIONS.

7. Select “Go Back to Main Menu”.
8. Select “Print License Certificate”.
9. Once your license opens, confirm it shows your employing Broker as *Great Pointe Realty, Inc.* (If not, wait for Broker to certify, and then select “Print License Certificate” again)
10. Print out a copy of your license and provide it to us with this package

or
11. Email a copy of your license certificate to:
Careers@GreatPointeRealty.com