



INDEPENDENT CONTRACTOR AGREEMENT (Between Broker and Associate-Licensee)

This Independent Contractor Agreement (“Agreement”), dated _____ is made between California Standards, Inc. d/b/a United Realty Group (“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, doing business as United Realty Group, a California corporation. 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 5 years, except _____. Associate-Licensee shall keep his/her California DRE license current during the term of this Agreement, including satisfying all applicable continuing education and provisional license requirements.
- 3. BROKER AND ASSOCIATE-LICENSEE RELATIONSHIP:**
 - A. Broker and Associate-Licensee are independent contracting parties and this agreement does not constitute an employment agreement by either party. This Agreement shall not be construed as a partnership. Broker shall not be liable for any obligation or liability incurred by Associate-Licensee.
 - B. 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 section 10176 of the California Business and Professions Code to suspend or revoke a license.
 - C. Broker shall not restrict Associate-Licensee’s activities to particular geographical areas, or dictate Associate-Licensee’s activities with regards to hours, leads, open houses, production, prospects, inventory, time off, vacation, or similar activities, except to the extent required by law, policies, and procedures.
 - D. Associate-Licensee’s only remuneration shall be the compensation specified in paragraph 8.
 - E. The fact that the 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, and Associate-Licensee shall not be treated as an employee for state and federal tax purposes.

Associate Licensee Initials (_____)



- Associate-Licensee is considered to be an independent contractor for tax purposes and will receive IRS 1099 form at the end of each calendar year. The Broker will NOT withhold taxes or Social Security from Associate-Licensee's compensation, and payment of the same are the sole responsibility of Associate-Licensee. Associate-Licensee is also considered an independent contractor for purposes of unemployment insurance.
- F. Associate-Licensee shall have no authority to bind Broker by any promises or representations, and broker shall not be liable for any obligation or liability incurred by Associate-Licensee unless Broker specifically authorized it in writing.
- G. 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 to and does hereby contribute all right and title to such listings to Broker for the benefit and use of Broker, Associate-Licensee, and other licensees associated with Broker. Associate-Licensee agrees to work with company approved transaction coordinators to provide Broker a complete package of each closed transaction with all necessary documentation.
- 4. BUSINESS EXPENSES:** Broker shall not be liable to Associate-Licensee for any expenses incurred by Associate-Licensee for any of its acts. Associate-Licensee shall provide and pay for all professional licenses, supplies, services, and other items required in connection with Associate-Licensee's activities under this agreement, or any listing or transaction. Associate-Licensee understands and agrees that Broker shall not provide any office, place of business, supplies, advertisements, or marketing materials and that Associate-Licensee is responsible for conducting business at its own costs, if any. Broker shall not be liable to reimburse Associate-Licensee for any expenses, except as required by law.
- 5. LICENSED ACTIVITY:** Associate-Licensee shall not commit any unlawful acts under federal, state, or local laws, including, but not limited to, anti-discrimination laws and restrictions against the giving or accepting a fee, or thing 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 and the Real Estate Settlement Procedures Acts (RESPA).
- 6. PROPRIETARY INFORMATION AND FILES:** All files and documents pertaining to listings, leads, and transactions are the property of the Broker, and shall be delivered to Broker by Associate-Licensee according to manner and term indicated in Broker's Office Policy Manual. Associate-Licensee acknowledges that Broker's method of conducting business is a protected trade secret. Associate-Licensee shall not use to his/her own advantage, or the advantage of any other person, business or entity, except as specifically agreed in writing, either during Associate-Licensee's association with Broker, or thereafter, any information gained for or from the business, or files of Broker. Furthermore, Associate-Licensee shall never share any username, password, other login credentials, or company material with anyone without the express written consent of the Company.

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- 7. COMPENSATION:** Compensation shall be charged to parties who enter into listing or other agreements 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. 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 shall be Associate-Licensee's share of the commission paid by the party or parties for whom the service was performed. If Associate-Licensee agrees to perform a service free of charge, or charge their client a reduced amount, Associate-Licensee shall be responsible for any difference, if there are insufficient funds to cover Broker compensation. Associate-Licensee shall also 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.
- 8. BROKER COMPENSATION:** Broker compensation shall be charged to the parties who enter into listing or other agreements for services requiring a real estate license. This amount shall be payable only after transaction has been closed, except as may otherwise be agreed by Broker and Associate-Licensee, before completion of any particular transaction.
Refer to "Exhibit A"
- 9. ASSOCIATE-LICENSEE COMPENSATION:** Associate-Licensee shall receive 100% of compensation actually collected by Broker, minus Broker compensation, on listings or other agreements for services requiring a real estate license, which are solicited and obtained by Associate-Licensee, and where Associate-Licensee's activities are the procuring cause. This amount shall be payable immediately after all necessary documentation is received concerning these services, except as may otherwise be agreed by Broker and Associate-Licensee, before the completion of a particular transaction. All fees and commissions must be made payable to the Company. Associate-Licensee will be paid out of the fees and commissions earned by them, based on the terms mentioned in the Independent Contractor Agreement. Expenses of any kind incurred by Associate-Licensee due to the Company, or incurred by the Company on Associate-Licensee's behalf, including but not limited to unpaid draws and advances, expenses for advertising, signs, supplies, and/or any such expenses that Associate-Licensee has agreed to pay the Company, but have not been paid in accordance with Company policy, shall be deducted from the next commission payments due to Associate-Licensee.
Refer to "Exhibit B"
- 10. RISK-MANAGEMENT FEE:** The base Risk Management fee is \$125 (One Hundred Twenty Five) per closed transaction (see Addendum 1 for details). This fee shall be deducted by Broker from Associate-Licensee's earned gross commission, per transaction, and will be used by the Company to offset the cost of E&O insurance, settlements, judgments, legal fees, costs of claims and litigation, and other risk-management costs.

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- 11. REFERRAL PROGRAM:** United Realty Group offers incentives to our Associate-Licensees to recruit other agents to the Company. If Associate-Licensee recruits an agent who joins under the “Silver Plan”, Associate-Licensee shall receive a \$100 referral fee for every sale transaction that is closed by the referred agent. If Associate-Licensee recruits an agent who joins under the “Gold Plan,” Associate-Licensee shall receive a \$250 referral fee upon closing of the referred agents’ first transaction. If referred agent joins under the “Silver Plan” and later switches to the “Gold Plan”, Associate-Licensee will no longer receive the \$100 referral fee for every transaction closed by referred agent, once Associate-Licensee has reached an aggregate referral fee amount of \$250 for that particular agent. If referred agent joins under the “Gold Plan” and later switches to the “Silver Plan”, Associate-Licensee will receive an aggregate referral amount of \$250 for that particular agent, and will no longer be eligible to receive the \$100 referral fee for every transaction closed by referred agent.
- 12. TERMINATION OF RELATIONSHIP:** Broker or Associate-Licensee may terminate their relationship under this Agreement at any time, with or without cause. After termination, Associate-Licensee shall not solicit 1) prospective or existing clients or customers based upon company-generated leads obtained during the time Associate-Licensee was affiliated with Broker; 2) any principle with existing contractual obligations to Broker; or 3) any principle with a contractual transactional obligation for which Broker is entitle to be compensated. Even after termination, this agreement shall govern all disputes and claims made 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.
- 13. COMPENSATION AFTER TERMINATION:** Upon termination of this agreement, payments under this section shall cease; provided, however, that Associate-Licensee is not in default of any portion 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 that Associate-Licensee leaves and has transactions pending that require further work normally rendered by Associate-Licensee, Broker shall make arrangements for Broker or another licensee in the company to perform the required work, and Broker or licensee assigned shall be compensated for completing the details of pending transaction, and such compensation shall be deducted from the terminated Associate-Licensee’s share of the commission.
- 14. AUTOMOBILE INSURANCE:** Associate-Licensee shall maintain automobile insurance coverage for liability and property damage, at least to the minimum extent required by law. Broker shall be held harmless against any claims or demands resulting from any automobile accident involving Associate-Licensee, or as a result of Associate-Licensee’s default in this paragraph. Associate-Licensee shall keep his/her vehicle properly maintained, and in safe driving condition at all times. Associate-Licensee shall never drive while under the influence of any substance.

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- 15. ASSOCIATE-LICENSEE'S ASSISTANTS/EMPLOYEES:** Associate-Licensee's assistants/employees, if any, who perform services for Associate-Licensee shall also be bound by the provisions of this Agreement. Associate-Licensee's responsibilities include advising its employees of the terms of this Agreement and supervising their activities to insure their compliance with all of its terms. At the request of the Broker, Associate-Licensee shall provide evidence that such persons are Associate-Licensee's employees and are bound by the provisions of this Agreement. Associate-Licensee shall have a writing agreement with the assistant/employee which establishes the terms and responsibilities of the parties to the employment agreement, including, but not limited to compensation, supervision, and compliance with applicable law.
- 16. OFFICE POLICY MANUAL:** If Broker's Office Policy Manual, now or as modified in the future, conflict with or differs from the terms of this Agreement, the terms of the Office Policy Manual shall govern the relationship between Broker and Associate-Licensee. Changes to Office Policy Manual may be made from time to time, with or without prior notice. The policies online at any time represent the Company's current Office Policy Manual.
- 17. ACTIVITY REPORTING:** Associate-Licensee is required to report all real estate activities to the Broker within 48 hours of their occurrence. Real estate activities include listing agreements, accepted purchase agreements, newly opened escrow, earnest money deposits, cancelled or expired agreements, renewed agreements, referral fee arrangements, and/or any other business contract or arrangement involving an Associate-Licensee and his/her client. Associate-Licensee shall read and be familiar with the Transaction Procedures Manual (buyers agent/listing agent), which is posted on the Company website, and shall follow its instructions to fulfill the activity reporting requirement, and all other requirements contained within it. There are penalties for ignoring this requirement (see Addendum 1 for details).
- 18. EARNEST MONEY DEPOSITS:** Associate-Licensee acknowledges and understands that Company policy does not permit Associate-Licensee to accept trust funds from any party, unless Broker's written approval to do so is given. The practice required by the Company, unless Broker's written permission to the contrary is provided, is to instruct the parties who will be issuing trust funds/items to send those items directly to the designated escrow holder, without ever taking possession of the trust funds/items. Associate-Licensee shall never receive funds from clients in its personal name, nor receive any cash payments from clients.

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- 19. LIABILITY:** In addition to all other legal or equitable remedies of Broker, Associate-Licensee shall indemnify and hold Broker and its owner(s), affiliates, shareholders, directors, officers, agents, employees, successors, and assigns 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 (collectively “Losses”), incurred by reason of or arising out of or in connection with any fraud or misrepresentation by 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, who hereby agrees to indemnify and hold harmless Broker for any and all such sums.
- 20. INJURIES TO ASSOCIATE LICENSEE:** Associate-Licensee acknowledges and agrees that Broker will provide worker’s compensation insurance for Broker’s own benefit, and for Associate-Licensee only (not for Associate-Licensee’s employees/assistants). It is Associate-Licensee’s obligation to obtain appropriate insurance coverage for the benefit of Associate-Licensee and its employees/assistants, if any, for any injuries. Associate-Licensee and its employees/assistants 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.
- 21. FICTITIOUS BUSINESS NAMES AND LOGOS:** While affiliated with Broker, Associate-Licensee shall use Broker’s name, “United Realty Group” or distinctive logo on signage, stationary, websites, and/or any other marketing materials. Associate-Licensee agrees that Broker retains exclusive rights to the “United Realty Group” trademark and graphics. Associate-Licensee agrees to discontinue the use of the United Realty Group trademark logo and graphics immediately upon the termination of this Agreement.
- 22. ADVERTISING AND SOLICITATIONS:** All advertising done by Associate-Licensee 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.
- 23. WORKING PLACE:** Broker does not provide an office space for the Associate-Licensee. Associate-Licensee may work from home, personal office, or any other place of Associate-Licensee’s choice. However, Associate-Licensee is responsible to store all transaction documents in a safe place and upload them to the transaction file within 48 hours of execution/receipt. Associate-Licensee must be accessible by phone, fax, email, and postal mail, and respond to voicemails/emails within a maximum of 24 hours.

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- 24. PROPERTY MANAGEMENT:** Associate-Licensee is NOT allowed to provide property management services to the public. The conducting of a property management business (soliciting owners and renters, renting, leasing and maintaining properties in expectation of compensation) to the public, without the knowledge and permission of the employing broker is in violation of Sections 10131(b) and 10137 of the Business and Professions Code. This action is subject to real estate license suspension or revocation and/or a civil lawsuit.
- 25. LEASE AGREEMENTS:** Associate-Licensee can write rental/lease agreements for their clients. Associate-Licensee can list a rental property on the MLS, market it, show it to a potential tenant, and introduce him/her to the owner. The owner or his/her representative must complete the rest of the rental process. Associate-Licensee can accept a rent payment or deposit, only if it is payable to the property owner or management company. Associate-Licensee must never sign any rental documents in place of an owner or tenant. Associate-Licensee must not accept any type of compensation directly from a property owner or tenant- the compensation must be approved by the Broker, and paid to the Company. The Broker's fee is waived if the agent is also the tenant, or the owner of the rental property (Agent's name is on the property title or lease agreement). All commission checks must be made payable to the Company. Broker will deduct the applicable fees, per Addendum 1, and Associate-Licensee will receive the remainder of any commission earned.
- 26. LOAN MODIFICATIONS:** Associate-Licensee shall NOT help their clients with, or participate in, a loan modification in ANY way. This includes, but is not limited to: 1) Representing them as your clients with a loan modification company. 2) Calling a loan modification company on their behalf. 3) Referring them to a loan modification company. 4) Getting paid by a loan modification company. 5) Assisting in any way with loan modifications.
- 27. AGENT OWNED PROPERTY:** Any property in which you have, or will acquire, an ownership, financial, or other legal interest is considered "Agent Owned Property." Associate-Licensee must disclose that they are a DRE licensee, and that they have ownership interest in the property. Also, all transactions involving Agent Owned Property must have an approved home warranty, home inspection, applicable disclosures, and must meet the Agent Owned Property Requirements, which can be found in the Company's Document Library. You may NOT represent a buyer/prospective buyer in the sale of any Agent Owned Property, and you must notify Broker immediately in the event that any of the Company's agents writes an offer on your property. In the event that any transaction involving Agent Owned Property results in litigation, Associate-Licensee shall be solely responsible for the cost of defense, settlement, or judgment arising from any claim, suit, or action of any nature.

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

29. ENTIRE AGREEMENT: All agreements between the parties concerning their relationship as Broker and Associate-Licensee are incorporated in this Agreement, which constitutes the entire contract. Its terms are intended by the parties as a final and complete expression of their agreement with respect to the subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. This agreement may not be amended, modified, altered, or changed except by a further agreement in writing executed by Broker and Associate-Licensee.

United Realty Group

Associate-Licensee

Officer Name & Title

Name

Signature

Signature

Date

Date