



DRE # 01896251 | NMLS # 1108702

INDEPENDENT CONTACTOR AGREEMENT

(Between Broker and Associate Licensee)

This Independent Contractor Agreement {"Agreement"}, dated _____ is made between Castle Realty Group, Inc. and _____ ("Associate-Licensee")

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

1. **BROKER:** Whereas, Broker is a duly license real estate broker under the laws of the State of California, doing business as Castle Realty Group, Inc. and is qualified to and does engage in the real estate and mortgage brokering business; and whereas, Broker maintains an office equipped with furnishings, equipment and facilities adequate for the proper operation of a real estate and mortgage brokerage business, staffed with trained employees engaged in serving the public as a real estate and mortgage business, and whereas, Broker supervises and manages the activities of the Licensee as required by the CA Bureau of Real Estate and reviews the files and transactions of the Licensee for compliance with Commissioner's Regulations and state and federal laws; and whereas, Licensee is now engaged in business as a real estate licensee, licensed by the State of California; and whereas, the purpose of this agreement is to meet the requirements of BRE Commissioner's Regulation 2726, Broker-Salesperson Relationship Agreements, Now Therefore, in consideration of the premised and the mutual agreements herein contained, it is understood and agreed as follows:
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 CalBRE license current during the term 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 are independent contracting parties, and this agreement does not constitute an employment agreement by either party and shall not be construed as a partnership and Broker shall not be liable for any obligation, injury, disability or liability incurred by Associate-Licensee.
 - 3.2 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 the 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 to revoke a license.
 - 3.3 Broker shall not restrict Associate-Licensee's activities to geographical areas, manner in which services are to be performed, with regards to hours, schedule, inventory, vacation or similar activities, except to the extent required by all applicable laws, policies, and procedures.
 - 3.4 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.

Associate-Licensee's Initials (____)

3.5 All listings of property, and all agreements, acts or actions for performance of license act, which are taken or performed in connection with this agreement, shall be taken and performed in the name of the broker. Associate-licensee agrees and does hereby contribute all right and title to such listings to broker for the benefit and use of broker, associate-licensee, and another licensee of 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.

3.6 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. Payment of taxes and Social Security contributions are Associate-Licensee's responsibility. Associate-Licensee is also considered an independent contractor for purposes of Unemployment Insurance.

4. BUSINESS EXPENSES: Broker shall not be liable to Associate-Licensee for any expenses incurred by Associate-Licensee or for any of its acts. Associate-Licensee agrees to provide and pay for all necessary professional licenses and dues. Associate-Licensee understands and agrees that Broker shall not provide any office, place of business, supplies, advertisements, marketing materials and that Associate-Licensee is responsible for conduction business at its own costs, if any. Broker shall not be liable to reimburse Associate-Licensee for any expenses.

5. LICENSED ACTIVITY: 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 the 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.

5.1 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, without reimbursement from Broker except as required by law.

5.2 Associate-licensee shall work diligently and with his/her best effort: (i) sell, exchange or lease properties listed with Broker or other cooperating brokers; (ii) solicit additional listings, clients, and customers; and (iii) otherwise promote the business of serving the public in real estate transactions to the end that Broker and Associate-Licensee may derive the greatest benefit possible, in accordance with the law.

5.3 Associate-Licensee shall be familiar with, and comply with all applicable laws, policies, and procedures, including, but not limited to anti-discrimination 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 and the Real Estate Settlement Procedures Acts (RESPA)

6. COMPENSATION: Compensation shall be charged to the 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 being Associate-Licensee's share of the commission paid by the party or parties for whom the service was performed. Nor shall the 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.

Should broker decide to remove associate-licensee from a current transaction, for any reason, broker will either complete the transaction himself or he will appoint a different associate-licensee from the company to take over transaction. Upon completion of transaction and receipt of commission from escrow, broker reserves the right to split the commission between associate-licensee and the Broker or associate-licensee assigned to transaction. This new Associate-Licensee shall be compensated for completing the details of pending transactions and such compensation shall be deducted from the original associate-licensee's share of the commission. Broker has full authority to determine the commission to be paid to each associate-licensee or to broker.

6.1.1 PAYMENT: (i) All compensation collected by broker and due to Associate-Licensee shall be paid to Associate-Licensee, after deduction of expenses and offsets, immediately or as soon thereafter as practicable, except as otherwise provided in this agreement, or a separate written agreement between broker and Associate-Licensee. (ii) Compensation shall not be paid to Associate-Licensee until both the transaction and file are complete. (iii) Broker is under no obligation to pursue collection of compensation from any person or entity responsible for payment. Associate-Licensee does not have the independent right to pursue collection of compensation for activities which require a real estate license which were done in the name of the Broker. (iv) Expenses which are incurred in the attempt to collect compensation shall be paid by Broker and Associate-Licensee in the same proportion as set forth for the division of compensation. (v) If there is a known or pending claim against Broker or Associate-Licensee on transactions for which Associate-Licensee has not yet been paid, Broker may withhold from compensation due Associate-Licensee on that transaction amounts for which Associate-Licensee could be responsible for under Paragraph titled Indemnity and Hold Harmless, until such claim is resolved. (vi) Broker can withhold any or all commissions due to an associate-licensee to offset other sums owed by the agent including any insurance deductibles or other outstanding liabilities. (vii) Associate-Licensee shall not be entitled to any advance payment from broker upon future compensation.

Broker shall pay Associate-Licensee for rendered services as follows: (initial only one)

<input type="checkbox"/>	\$375 Flat Fee	No E and O	Plus error and omissions (See E and O Section)
<input type="checkbox"/>	\$850 Flat Fee	Transactions over \$1,000,000	When Applicable Per Side
<input type="checkbox"/>			

Leads and Referral Agreements

Broker may provide client leads to its associates. Should Associate-Licensee choose to participate in Broker's lead distribution program Associate-Licensee shall pay Broker a 25% referral fee of all earned commissions in addition to any fees due to Broker under Associate- Licensee's Compensation Plan and E&O Reimbursement Plan. 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 the Broker are owed for all transactions with the client for 24 months from the date the lead is accepted.

In the event Associate-Licensee is a co-agent on either the listing or the buyerside of a transaction with any other licensed real estate agent each Associate-Licensee shall still be responsible for full payment of any transaction fee and/or E&O fee owed to Broker on that 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.

6.1.2 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 may compensate Broker for their Errors & Omissions policy as follows: (Initial one)

<input type="checkbox"/>		
<input type="checkbox"/>		

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.

Broker's E&O carrier does not provide Errors & Omissions coverage on any personal residence or investment property where the Associate-Licensee is acting as the principal. Associate-Licensee shall

Associate-Licensee's Initials (____)

refer to Paragraph of Broker's Policy & Procedures Manual for additional terms and requirements regarding the purchase and sale of personal property.

Broker reserves the right to adjust the E&O Plan for any Associate-Licensee who regularly conducts transactions with a purchase price of Two Million Dollars or greater.

CHANGE OF COMPENSATION: Upon written instruction to Broker, and subject to all other terms herein.

6.2

Associate-Licensee may change their compensation Plan and/or E&O Reimbursement Plan in any month or if on a yearly plan, on the anniversary of the commencement of said yearly plan.

If Associate-Licensee changes their Compensation Plan and/or E&O Reimbursement Plan within 30 days of executing this Agreement, Broker shall apply their initial plan toward their new plan payment. Any change of plan occurring 30 days after execution of this Agreement shall not be entitled to any reimbursement and/or credit of any prior payments.

6.3 REFERRAL COMPENSATION: Associate-Licensee may receive a referral fee or some other sort of compensation from another broker. This item is applicable only when Associate-Licensee is receiving a referral payment from another broker. In order to be paid, you will need to provide our office with the CAR standard form, "Referral Fee Agreement", signed by all parties to the transaction.

6.4 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 is terminated or leaves and has transactions pending that require further work normally rendered by the Associate-Licensee, Broker shall make arrangements for Broker or another Licensee in the company to perform the required work, and the Broker or Licensee assigned shall be compensated for completing the details of pending transactions and such compensations shall be deducted from the terminated associate-licensee's share of the commission. Broker has full authority to determine the commission to be paid to each associate-licensee.

6.5 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 manner and term indicated in Broker's Office Policy Manual.

6.5.1 DISPUTE RESOLUTION:

- A. Mediation: Mediation is recommended as a method of resolving disputes arising out of this agreement between broker and Associate-Licensee.

- B. Arbitration: All disputes or claims between Associate-Licensee and other licensee(s) associated with Broker, or between Associate-Licensee and 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 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.

6.5.2 ATTORNEY FEES: In any action, proceeding, or arbitration between Broker and Associate-Licensee arising from or related to this agreement, the prevailing Broker or Associate-Licensee shall be entitled to reasonable attorney fees and cost.

6.5.3 PROPRIETARY INFORMATION 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 immediately upon request or termination of this agreement. 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.

7. AUTOMOBILE INSURANCE: Associate-Licensee shall maintain automobile insurance coverage for liability and property damage in the amount of \$100,000/\$300,000. Broker shall be held harmless against any claims or demands resulting from any automobile accident of Associate-Licensee or as a result of Associate-Licensee's default in this paragraph.

8. EARNEST MONEY DEPOSIT: Associate-Licensee acknowledges and understands that Broker does NOT maintain a trust fund and that any and all earnest money deposits shall never be touched by Associate-Licensee. Associate-Licensee shall 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.

Initials _____

9. FICTITIOUS BUSINESS NAMES AND LOGOS: While affiliated with Broker, Associate-Licensee shall use Broker's name "Castle Realty Group" distinctive logo and CalBRE number on all signage, stationary, websites, and/or any other marketing materials. Associates-Licensee agrees that Broker retracts exclusive rights to the "Castle Realty " trademark logo and graphics. Associate-Licensee agrees to discontinue the use of the Castle Realty Group trademark logo and graphics immediately upon the termination to this Agreement.

10. DBA's: Broker may permit Associate-Licensee to use their own corporation and/or dba upon submission and approval to Broker. In order to comply with all laws Associate-Licensee must record the dba at the County Recorder's Office and the CalBRE under the Broker's name. Associate-Licensee shall comply with all requirements for recording a dba, including, but not limited to, filing & publishing fees, shall be the responsibility of Associate-Licensee. Associate-Licensee shall also required to pay Castle Realty Group, Inc a yearly fee to cover the costs of adding the dba to Castle Realty, Inc's E&O policy. Associate-Licensee shall not use any dba until it has been submitted to Broker and registered with the County Recorder's Office and the CalBRE. Broker agrees that upon termination of this agreement Broker shall relinquish all rights and usage of

Associate-Licensee's dba and will effectuate any paperwork necessary to return said dba to Associate-Licensee. In accordance with CalBRE requirements, if an Associate-Licensee uses a dba and/or a distinctive personal logo in ANY manner, he/she must still comply with Broker's logo requirements as set forth in paragraph 9. At no time may an Associate-Licensee create an online profile using the corporate address of the Broker or the address of any branch office for which Associate-Licensee is not the lessee or owner of that branch.

11. 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. 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. 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.

12. 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 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 an 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. The Broker retains authority to settle claims or disputes, whether or not Associate-Licensee consents to such settlement.

13. INJURIES TO ASSOCIATE-LICENSEE: Associate-Licensee acknowledges and agrees that Broker does not provide worker's compensation insurance for Associate-Licensee as the Associate-Licensee is an independent contractor. It is Associate-Licensee 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.

14. ASSOCIATE-LICENSEE'S EMPLOYEES: Associates-Licensee's employees, if any, who perform services for Broker under this Agreement shall also be bound by the provision of this Agreement. Associate-Licensee's responsibilities include advising its employees of the terms of this Agreement and supervising their activities to ensure 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. All teams, including team members, must provide Broker with copies and up-to-date information regarding their structure and their team member agreements, including compensation splits. Broker shall have the right to withhold total compensation if there is a dispute between associate-licensees, or if there is no written agreement, or if no written agreement has been provided to Broker.

15. WORKING PLACE: Broker does not provide office space for the Associate-Licensee. Associate-Licensee may work from home, personal office, vehicle, or any other places of Associate-Licensee's choice. However, the Associate-Licensee is responsible for storing all transaction documents in a safe place and be able to present them at the Broker's request within 24 hours. Associate-Licensee must be accessible by phone, fax, e-mail and postal mail, and respond to voicemails within a maximum time frame of 24 hours.

16. 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 open escrows (accepted purchase agreements), earnest deposits, cancelled and expired agreements, renewed agreements, referral fee agreements 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 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, Bank Agent Software program, or any other manner set forth by Broker and conveyed to Associate-Licensee.

Further, associate-licensee understands that under California Business & Professional code 10137 it is unlawful for any real estate licensee who is not the broker of record to receive direct payment for any activity which requires a real estate without said broker's prior written authorization. Accordingly, if associate-licensee does not report their real estate activities to this office as provided herein, and then closes a transaction without notifying our office, then either: (1) associate-licensee shall forfeit any commissions due on that transaction, or (2) if associate-licensee has already received his or her commission then associate-licensee shall pay over their entire commission received to Castle Realty upon demand for violating the terms of this contract. The foregoing is in addition to any other measure and/or remedies that the Broker deems warranted under the circumstances and this includes without limitation the right of the Broker to proceed with litigation against the associate-licensee to recover any commission paid on the transaction or otherwise.

17. ENTIRE AGREEMENT: This Agreement contains the entire agreement to 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.

18. APPLICABLE LAW: This Agreement is entered into in the County of Riverside 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 Riverside, State of California.

18.1 INDEMNITY AND HOLD HARMLESS; NOTICE OF CLAIMS: Regarding any action taken or omitted by Associate-Licensee, or others working through, or on behalf of Associate-Licensee in connection with services rendered or to be rendered pursuant to the Agreement: (i) Associate-Licensee agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, awards, costs and attorney's fees, arising there from and (ii) Associate-Licensee shall immediately notify Broker if Associate-Licensee is served with or becomes aware of a lawsuits or claim regarding any such action.

Any such claim or cost payable pursuant to this Agreement, are to be paid in full by Associate-Licensee, who hereby agrees to indemnify and hold harmless broker for all such sums. Payments from Associate-Licensee is due at the time Broker makes such payment and can be offset from any compensation due Associate-Licensee as above. Broker retains the authority to settle claims or disputes, whether or not Associate-Licensee consents to such settlement.

19. 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. Broker or Associate-Licensee may terminate their relationship under this agreement at 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. In the event that Associate-Licensee terminates this Agreement during a period for which they have paid 100% Commission - Yearly, there shall be no full or partial refunds of the payment.

20. Castle Realty Group, Inc Office, Policies and Procedures Manual contains important information about the Company's general office policies. Associate-Licensee is expected to read, understand, and adhere to these policies. The Company may, in its sole and absolute discretion, change any policies, benefits, or practices in the manual with or without prior notice. The Office Policy and Procedure Manual contains Broker's Policy against Sexual Harassment. Associate-Licensee agrees and comply with all aspects of the policy against sexual harassment and other forms of harassment.

Associate-Licensee's signature below certifies that he/she has read this Independent Contractor Agreement, Castle Realty Group, Inc's Office Policy and Procedure Manual and agrees to abide by its provisions during his/her association with Castle Realty Group, Inc. It supersedes all prior agreements, understandings, and representations concerning Associate-Licensee's association with Castle Realty Group, Inc. Broker of record is Miguel A Gonzalez Castillo at the time of signing this agreement. Associate-Licensee acknowledges receipt of a copy of this agreement for their records.

CASTLE REALTY GROUP

ASSOCIATE-LICENSEE

(NAME)

(NAME)

(SIGNATURE)

(SIGNATURE)

(DATE)

(DATE)

