

Flat Rate Realty®



FLAT RATE
REALTY

Commission & Independent Contractor Agreement

Welcome to *Flat Rate Realty®*! In all of our professional real estate transactions, we strive to achieve the very best in quality. Quality through service, quality through training, and quality through people will help us reach and maintain our goals.

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ASSOCIATE-LICENSEE “REAL ESTATE AGENT” COMMISSION AGREEMENT

A. Broker Fee

Flat Rate Realty will collect a \$570.00 BROKER FEE PER SIDE, PER TRANSACTION. On a “double ended” transaction where an agent represents both sides of the transaction (the buyer and the seller) Flat Rate Realty will collect a broker fee of \$1,140.00. Once the \$570 has been collected, agents shall receive 100% of the commission. Please note:

- Listing & Selling the same property is considered as 2 transactions
- E&O insurance is included in the per transaction broker fee
- \$570 minimum is due to broker even if agent decides to not charge a commission, not collect a commission, credit commission to buyer or seller, or buys or sells their own property, a relative’s or friend’s property. In all of these circumstances the \$570 broker fee is still due to Flat Rate Realty

B. Referral Fees Paid to Agents Flat Rate Realty shall collect a 10% broker fee UP TO \$570 (whichever is less) from all referrals paid to Flat Rate Realty, commissions received for signing of a lease (residential or commercial), or any other referral fees paid to agents involving real estate transactions, showings, etc. Note:

- Listing and selling of a business or “business opportunity” is considered a normal transaction and is subject to the full \$570 broker fee as described in section A

C. Referral Fee for Referring/Recruiting Other Agents to Flat Rate Realty If associate-Licensee “Real Estate Agent” referrals other agents to join Flat Rate Realty, Flat Rate Realty will pay the referring agent an annual bonus of 50 per transaction fee collected by Flat Rate Realty from the referred agent’s closed transactions. This will remain in effect as long as BOTH the referring and the referred agent remain active salespersons with Flat Rate Realty. If one of the parties relationships is terminated with Flat Rate Realty, this bonus will not be paid. This bonus will be paid on an annual basis.

D. Acknowledgement I, the real estate agent signing below, understand the above terms of Flat Rate Realty’s Compensation plan and I hereby agree to Flat Rate Realty compensation terms as laid out above.

Agents Name _____ Date _____
Signature _____
DRE# _____

Thomas K. Moulding Broker / Owner Flat Rate Realty DRE# 00467481

Signature _____ Date _____

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FLAT RATE REALTY. Independent Contract

1. **BROKER:** Broker represents that Broker is duly licensed as a real estate broker by the State of California, doing business as Flat Rate Realty. 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 DRE 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 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 California 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.

3.3. Flat Rate Realty and its Broker shall not limit Associate-Licensee's activities to geographical areas or manner in which services are to be performed. Flat Rate Realty shall not limit Associate-Licensee's activities with regard to hours, schedule, inventory, vacation or similar activities, except to the extent required by applicable laws, policies, and procedures.

3.4. 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 right 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.

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3.5. 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.

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 conducting business at its own costs, if any. Broker shall not be liable to reimburse Associate-Licensee for any expenses.

5. LICENSED ACTIVITY: 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 his/her own discretion regarding what commission fee to charge its clients for these services. In no event shall Flat Rate Realty or its Broker(s) be liable, personally or otherwise, 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.

6.1. 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 is \$570.00 (Five Hundred & Seventy Dollars) and 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. Agent's E&O Insurance is included in broker compensation.

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6.2. ASSOCIATE-LICENSEE COMPENSATION: Associate-Licensee shall receive a 100% (one-hundred percent) of compensation actually collected by Broker after Flat Rate Realty. has deducted it's Broker fee and/or other fee according to the terms laid out in the compensation agreement, on listings or other agreements for services requiring a real estate license, which are solicited and obtained by Associate-Licensee, and on transactions of which 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 completion of any particular transaction. Associate-Licensee may receive his/her commission directly from escrow, if the completed transaction file was presented to Broker a minimum of 2 days before the close of escrow. Associate-Licensee shall not be entitled to any advance payment from Broker upon future compensation.

6.3. RISK-MANAGEMENT FEE: is \$00.00 (Zero) per closed transaction. This fee shall be deducted by Broker from Associate-Licensee's earned gross commission, per transaction.

6.4. REFERRAL COMPENSATION: Associate-Licensee may receive a referral fee or some other sort of compensation from another broker. Flat Rate Realty will charge a 10% fee (no more than \$570 per transaction) for this activity. This item is applicable only when Associate-Licensee is receiving a referral payment from another broker or agent in relation to a real estate transaction.

6.5. 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 the termination of this Agreement all financial obligations owed to Broker that are imposed by the terms of this Agreement. Furthermore, in the event Associate Licensee 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 compensation shall be deducted from the terminated agent's share of the commission

6.6. RECRUITMENT INCENTIVE COMPENSATION: If Associate-Licensee ("Agent") refers other agents to join Flat Rate Realty Referring Associate-Licensee will be paid an annual bonus of \$50 per transaction collected by Flat Rate Realty, from referred agents for as long as they remain as a salesperson(s) with Flat Rate Realty This fee will be paid on an annual basis.

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7. DOCUMENTS AND FILES: All files and documents pertaining to listings, leads and transactions are the property of Flat Rate Realty and shall be delivered to Broker by Associate-Licensee in a matter according to the terms indicated in Broker's Office Police Manual. Documents shall be delivered by Drop box or DotLoop.com

8. AUTOMOBILE INSURANCE: Associate-Licensee shall maintain automobile insurance coverage for liability and property damage. Flat Rate Realty. and its Broker(s) shall be indemnified and 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.

9. EARNEST MONEY DEPOSITS: Associate-Licensee acknowledges and understands that Broker does not maintain a trust fund account and that all earnest money deposits received by clients must be made payable and deposited immediately to escrow and reported to Broker. Associate-Licensee shall not, under no circumstances, receive funds from clients in their personal name 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.

10. FICTITIOUS BUSINESS NAMES AND LOGOS: While affiliated with Flat Rate Realty. Associate Licensees shall use Broker's name "Flat Rate Realty or distinctive logo on signage, stationary, websites, and/or any other marketing materials. Associate-Licensee agrees that Broker retains exclusive rights to the "Flat Rate Realty" trademark logo and graphics. Associate-Licensee agrees to discontinue the use of the "Flat Rate Realty." trademark logo and graphics immediately upon the termination of this Agreement.

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.

12. LIABILITY: In addition to all other legal or equitable remedies of Broker, Associate-Licensee shall indemnify and hold harmless Flat Rate Realty. and its Broker(s), owner(s), affiliates, shareholders, directors, officers, agents, employees, successors, and assignees from and against all liability with respect to any and all losses, damages, demands,

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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 Associate-Licensee, who hereby agrees to indemnify and hold harmless Broker for all such sums and shall reimburse the same.

13. INJURIES TO ASSOCIATE-LICENSEE. Associate-Licensee and its employees waive any rights to recovery from Flat Rate Realty. or its Broker(s) for any injuries that Associate-Licensee and/or its employees may sustain while performing services under this Agreement.

14. ASSOCIATE-LICENSEE’S EMPLOYEES: Associate-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 Broker, Associate-Licensee shall provide evidence that such persons are Associate-Licensee’s employees and are bound by the provisions of this Agreement.

15. WORKING PLACE: Broker doesn’t provide an 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, Associate-Licensee is responsible to store 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, email and postal mail, and respond to voicemails/emails 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 opened escrows (accepted purchase agreements), earnest money 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.

17. 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 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.

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

19. TERMINATION OF AGREEMENT: 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.

20. ASSOCIATE-LICENSEE AGREES AND UNDERSTANDS THAT:

20.1. Acknowledgement I, the real estate agent signing below, understand the above terms of Flat Rate Realty Independent Contractor Agreement and I hereby agree to Flat Rate Realty Independent Contractor Agreement terms as laid out above.

Date _____ Agents BRE# _____

Agents Name _____ Signature _____

Brokers Name Thomas K. Moulding Signature _____
DRE #00467481