



Real Estate Source, Inc.

Office Policy Manual

Required Document Check List

- Please Fill, Sign and Initial all pages in this packet
- W-9
- Copy of DREL

Table of Contents

Agent Information.....

Commission Agreement.....

Open Escrow Tracking Form & Broker Demand Request

Section 1. About the Company.....

Section 2. Policy Manual

Section 3. Independent Contractor Relationship

Section 4. General Office Procedures.....

Section 5. Handling Clients.....

Section 6. Maintaining Files

Section 7. Personal Assistants.....

Section 8. Advertising Guidelines

Section 9. Policy Against Harassment

Section 10. Litigation and Claims Handling

Section 11. Dispute Resolution

Section 12. Termination

Section 13. Independent Contractor Agreement.....



Agent Information

COMPLETE NAME: _____

STREET ADDRESS: _____

CITY/STATE/ZIP: _____

HOME PHONE # : _____

CELL PHONE # : _____

WORK PHONE # : _____

FAX # : _____

E-MAIL ADDRESS : _____

DATE OF BIRTH: _____

SOCIAL SECURITY # : _____

REAL ESTATE LICENSE # : _____

PLEASE ENCLOSE YOUR ORIGINAL REAL ESTATE LICENSE WITH APPLICATION

PLEASE KEEP A COPY OF YOUR LICENSE FOR YOUR RECORDS

OPEN ESCROW TRACKING FORM & BROKER DEMAND REQUEST

****When you open Escrow on a transaction, you **must** Fax this Form to:

FAX (866) 322-6502 or (916) 357-6586****

Date Escrow Opened: _____

Real Estate Source Agent Name: _____

Representing: _____ Borrower _____ Buyer _____ Seller

Name of Borrower / Buyer: _____

Name of Seller: _____

Property Type: _____ Residential _____ Commercial _____ Land

If New Construction, Builder Name: _____

Contact Name: _____ Phone #: _____

Property Address: _____

Escrow Company: _____

Escrow Main Office #: _____

Escrow Officer: _____

Escrow Officer Direct Line: _____

Escrow Officer Direct Fax #: _____

Escrow # to Reference Transaction: _____

Purchase / Selling Price: \$ _____

Loan Amount (s): 1st \$ _____ 2nd \$ _____

Anticipated Close of Escrow Date: _____

Gross Commission to Real Estate Source: \$ _____

1. About the Company

1.1 General

The Company is licensed by the Department of Real Estate under the following name: Real Estate Source, Inc. The brokerage is a member of the NAR, CAR and Sacramento Associations of REALTORS®.

2. Policy Manual

2.1 General Purpose

The purposes of this policy and procedure manual is to establish a uniform system of daily conduct by and between us when dealing with each other, other members of the Company, our clients and members of the public.

2.2 Responsibilities

You are responsible to work in accordance with Company policies and procedures. Your failure to comply with the policies and procedures within this manual may result in your termination from this Company.

2.3 Changes in Manual

This Policy manual may be changed from time to time by the Company. Changes can be made at any time and will be distributed periodically through the Company's web side and all member e-mail list. The policies on-line at any time represent the Company's current Policy Manual.

2.4 Exclusions from the Manual

This Manual applies only to salespersons, and does not apply to Company staff employees.

2.5 Conflict with Salesperson/Broker Independent Contractor Agreement

In the event of a conflict between this Policy Manual and your Salesperson/Broker Independent Contractor Agreement, the terms of this Policy Manual shall prevail.

3. Independent Contractor Relationship

3.1 Independent Contractor

You have signed an Independent Contractor Agreement with the Company and are associated with this Company as an Independent Contractor. You do not have an employee-employer relationship with this Company. You are considered to be an Independent Contractor for tax purposes and will receive a 1099 at the end of each calendar year. The Company will NOT withhold taxes or Social Security from your compensation. Payment of taxes and Social Security contributions are your responsibility. You are also considered an independent contractor for purposes of Unemployment Insurance. You are not subject to the minimum wage laws. The Company will provide Worker's Compensation insurance for Broker's own benefit.

3.2 At-Will Status

You are associated with the Company for an unspecified term on an at-will basis. Except where it is otherwise expressly agreed in writing with the Company, either party may terminate your association at any time with or without cause or reason.

4. General Office Procedures

4.1 DRE License and Requirements

You are required to maintain a valid California real estate broker or salesperson license in good standing while associated with this Company. If your license expires, you may not engage in any activities on behalf of the Company for which a real estate license is required. The Broker may designate another Company salesperson to handle your prospects, listings and transactions during any time your license lapses, and allocate such reasonable compensation to that salesperson for work performed.

Your Company's Broker is charged by California law to review, supervise and manage the activity of all salespersons. The Broker may rely on management and staff support to perform this function. You are expected to cooperate with Broker's assistants in the handling of files, documents and procedures in accordance with this Policy Manual and California law.

It is your responsibility to keep current on changes in industry practices and to take advantage of available education and training programs to maintain your professionalism and your ability to properly represent your clients. It is also your responsibility to obtain all Continuing Education courses so as to renew your license in a timely manner.

4.2 Company Business Hours

Direct Broker's support is available 7 Days a Week 8am-9pm. Tony Dini : (916) 307-3444

4.3 Business Cards, Signs

You are responsible for the Business Cards and the Signs. The Logo and the Template are available on the company site www.MoreCommission.info A preferred Print company that already has the templates is also available on the site. Under the Marketing Tab.

BE AWARE: Certain municipalities, housing developments and Homeowners' Associations have strict guidelines, rules, and ordinances regarding the size and placement of signs. You must determine whether or not the Company's sign and its placement will conform to these requirements BEFORE installation.

You are responsible to have the sign removed immediately once the listing expires or the property sale is closed.

4.4 Professional Conduct

As a member of the National Association of REALTORS®, you are expected to be familiar and comply with the Code of Ethics.

4.5 Working Place

Company does provide office space for our agent as needed. But Remember that you are an independent contractor, it is permissible to work from your home, own office. However, remember that the Broker is required to supervise your activity. Be sure that all files and documents that you work on are in safe Place and can be represented to Broker in 24 hours. You must to be reachable by phone, fax, email and regular mail and respond to voicemails maximum in 24 hours. You need to provide us an address of your office or home.

4.6 Alcohol and Drugs

Possession, use, sale or being under the influence of alcohol or drugs on or off company premises while conducting Company business is prohibited. Use good judgment. NEVER DRINK AND DRIVE.

4.7 Professional Associations

A. Multiple Listing Service

The Company is a member of many local Multiple Listing Services (MLS). The full list of association/MLS where Company maintains membership is available on Company website. As an associate with this Company, you can join the MLS as well.

As an MLS member, you are required to be familiar with, and adhere to, the rules and regulations of the MLS. A copy of those rules and regulations are on file in the office or through the MLS. If you fail to comply with those rules and regulations, or fail to pay your MLS bill when due, you and/or the Company may be fined, suspended or expelled, and your listings may be removed from the MLS. You will be responsible for payment of any and all fines levied against you and/or the Company resulting from your noncompliance. Furthermore, your noncompliance may result in your termination from Company.

B. National, California and Local Associations of REALTORS®

It is NOT required but you may maintain a current membership in the National, California and Local Associations of REALTORS® at your own expense. Membership is billed annually through your local association of REALTORS®.

4.8 Fees and Commissions

All fees and commissions must be made payable to the Company. You will be paid out of the fees and commissions earned by you, and for which you are the procuring cause, based on the terms mentioned in your Independent Contractor Agreement.

4.9 Tax Reporting

At the end of each calendar year or as soon thereafter as possible, the Company will provide you with an Internal Revenue Service Form 1099 setting forth compensation paid to you. Your income earned and expenses incurred have significant tax consequences. You are encouraged to get competent independent tax advice and keep accurate records of earnings and expenses.

4.10 Deductions

All expenses of any kind incurred by you with the Company; or incurred by the Company on your behalf,

to drive in a safe, responsible and alert manner.

4.14 Personal Transactions

You may buy or sell property for your personal account subject to the same Broker's fee like a regular Transaction.

You must disclose in writing that you are a real estate licensee whenever you buy or sell property in which you have an ownership interest, or where you have a special relationship with a buyer, or where there is a possibility that you could acquire indirectly a financial or legal interest in the property.

4.15 Vacations

As an Independent Contractor, you are entitled to schedule vacations. However, if there is any pending transaction, please advise the Broker of your vacation schedule and how any pending business will be handled in your absence.

4.16 Anti-Trust Guidelines

Do not engage in any verbal or written conversations with agents or brokers with other companies regarding:

- The setting of commissions, charges or other fees to the public;
- Boycotting or not doing business with a particular competitor;
- The setting of rates or percentages of shared commission compensation to cooperating brokers.

4.17 Transaction Coordinators

Our company provides a transaction coordinator (T.C.) service. There is no requirement to use our Transaction Coordinator but if you are not using our T.C. you are liable that transaction file is completed and matches all Company requirements.

4.18 Risk Management Fee

Each year, the Company shall separately establish and publish the amount per transaction to be paid by all salespersons, as a Risk Management Fee. This Fee will be used by the Company to offset the costs of the Errors & Omissions insurance; settlements, judgments, and legal fees and costs of claims and litigation; and other risk management costs. E & O is included in the agreed commission.

4.19 Recruiting other agents

Company would be delighted if you would invite other agents to join. Company will pay you \$100 for each transaction that your invited agent will conduct.

5. Handling Clients

5.1 Proprietary Information

Treat all client information as confidential and proprietary. You have a fiduciary duty to your clients and must never use any information learned during the course of your representation of your clients in any

manner adverse to their interests.

5.2 Fair Housing

The Company is committed to equal opportunity, fair housing and complying with all applicable local, state and federal fair housing laws. To that end, we do not discriminate on the basis of any arbitrary classification, including, but not limited to, the following: Race, Color, Religion, Sex, Handicap or

disability, Familial status, National origin, Sexual orientation.

5.3 Agency Relationships and Duties

A. Recognized Forms of Agency

The Company generally recognizes two forms of agency:

Single Agency (Seller’s Agent exclusively or Buyer’s Agent exclusively)

Dual Agency

If the Company has the listing, we represent the seller only, unless you or another licensee working for the Company also brings in the buyer, in which case the office represents both the buyer and the seller and is a dual agent.

If the Company is working with the buyer and does not have a listing agreement with the seller, we represent the buyer exclusively.

Remember, the agency relationship is created through the Broker. If you have listed the property and another salesperson from this Company brings an offer from a buyer, a dual agency will be created.

B. Duties and Standards of Conduct

When you represent a principal in a transaction you have a fiduciary duty to that person. This means you have a duty of utmost care, integrity, honesty and loyalty in dealings with that principal. In addition, a listing agent owes the buyer, and a buyer’s agent owes the seller the following duties:

Honesty

Good faith and fair dealing

Disclosure of known facts materially affecting the value or desirability of the property that are not within the diligent attention or observation of the parties

The exercise of reasonable skill and care in performance of your duties

C. Agency Disclosure Requirements

You must provide a statutory disclosure form entitled “Disclosure Regarding Real Estate Agency Relationships” (California Association of REALTORS® form AD or similar form) in every

Be aware of your personal safety. Let someone know where you are and have a plan if a visitor starts to make you feel uncomfortable or threatened.

Accompany the visitors through the property, especially in furnished properties.

When the open house is over, close up the home, making sure that all doors and windows are locked.

5.7 Showing Properties

Whenever possible, preview a property before showing it to prospective buyers. If you are familiar with the property you will be more effective when showing it to your client. Also, you may find that despite

contrary representations, the property really is not suitable after all. Your time and your client's and the seller's time are valuable, don't waste it:

Whenever possible, call the listing agent to alert the seller before showing.

Give the seller reasonable time to make the property ready for you and your client.

Listing agents should give the seller an estimated time frame within which you expect to arrive. Be prompt. If you will be considerably late, call the seller.

If you have not heard from the seller before arriving, or if you are using the lockbox, go to the door first without your client.

If the seller is home, explain the situation and ask for access. Remember, be respectful.

When using a lockbox, always ring the doorbell and/or knock loudly several times and allow time to respond.

Enter the property first and verify no one is there.

Open curtains and turn on lights as necessary.

Allow sufficient time for your clients to view each room and the property. Be mindful to look for any potential "red flags" about the property. (Disclosure)

Do not leave your clients unattended in or on the property. You don't want to be blamed if any items are missing from the property later.

When you are finished, leave your card inside the property in a conspicuous place, and return the property to its original state (turn off appropriate lights, reset any alarms and lock the doors).

If for some reason you don't show the property, call the listing agent as soon as possible to cancel.

5.8 Drafting and Negotiating Contracts

- A. When preparing an offer to purchase on a purchase agreement form, or completing an addendum or counter-offer form:
- Fill in all blanks or place a line through them.
 - Review any written sentences or paragraphs to see if they can be clearly understood by someone who is not familiar with the discussions you may have had with your client.
 - Review this document in light of all prior offer terms, addenda and/or counter-offers to make sure that there are no ambiguities or conflicts between the various terms.
 - Review the document to be sure it reflects your client's wishes prior to asking them to sign.
- B. Remember, as a listing agent, you must present all offers to the seller, even if the property is in escrow, unless the seller has given you written instructions to the contrary. Upon receiving the offer, review it thoroughly for completeness, accuracy and clarity. Pay close attention to time limits set out in the offer, ESPECIALLY the time within which the seller must respond. Make an appointment as soon as possible to present the offer.
- C. As with all contracts, you must obtain all parties' signatures. If a party signs on behalf of another, you must have evidence of that person's authority to do so in writing. If you must present an offer missing a signature, you must disclose this fact to the seller or listing agent. Be sure to condition the offer on obtaining any missing signature(s).
- D. If your clients receive a counter-offer, be sure the terms are clear and complete. Be sure to review it against the original offer to purchase and all previous counter-offers. Act expeditiously to present the counter-offer for consideration, signature and timely delivery to the other agent.

5.9 Referral Fees

The Real Estate Settlement Procedures Act (RESPA) prohibits the payment of cash or anything of value from one settlement provider to another settlement provider (real estate agent, lender, title company, etc.). One exception is between real estate brokers for the referral of clients, in which case referral fees may be paid or received.

6. Maintaining Files

6.1 General

Your files are a record of every event relative to your dealings with your client on a listing or sale transaction. You must retain copies of all listings, deposit receipts, cancelled checks, trust records, and other documents executed by you or obtained by you in connection with a real estate transaction, whether the sale is consummated or not. You must maintain a neat and orderly file on every listing and sale on which you work. All files are the property of the Company and are to remain either in your possession or the Company's possession until the file is closed. All closed files will be promptly returned to and remain

with the Company for storage. All files will be held in storage a minimum of three (3) years in accordance with real estate law after which time they may be destroyed in accordance with the Company's document storage policy.

6.2 Broker Review

You must submit all required documents to the Broker or his/her designee in 48 hours after receipt by you. The Broker will review the document for completeness and accuracy.

Remember, your file must be **full** complete to receive compensation. Transaction check list and Transaction processing "step by step" guidelines are posted on Company website.

6.3 File Requirements

A. Transaction file requirements are posted on Company website.

B. Be sure all documents contain signatures of all parties required to sign and dated correctly.

C. If you are not sure how to maintain a proper file, get help from Company Transaction Coordinator.

6.4 Get It In Writing

As a general rule, all agreements must be in writing. In fact, if you don't have a written agreement with the principal, you may not receive your commission. If you discuss anything with any party or another broker/agent, always confirm your discussions and understanding with a written follow-up to that party or broker/agent. Never sign anything on behalf of your client, another agent, broker or anyone else.

6.5 Do Not Use Outdated Forms

Always use current forms. Keep your on-line forms database (such as WINForms[®]) up to date with the most current forms.

7. Personal Assistants

7.1 General

Generally, as your business increases, you may find hiring a personal assistant to be helpful. In hiring a personal assistant, you become an employer and have employer responsibility in that relationship.

Interviewing, hiring and contracting with the assistant will be solely up to you. You agree that any assistant you hire will be required to abide by this Policy Manual.

Any compensation due the assistant shall be arranged between you and your assistant, and will be your responsibility.

7.2 Unlicensed Assistant

Unlicensed personal assistant may not engage in any activity which requires a real estate license.

The Company shall never be obligated to pay your personal assistant.

7.3 Salesperson – Personal Assistant Contract

You are required to have a written agreement with your personal assistant that expresses the nature of the relationship and each party's duties and responsibilities.

7.4 Workers Compensation

No Workers Compensation insurance is provided by the Company for assistants hired by agents. Agents who hire assistants shall be responsible for providing Workers Compensation insurance for those assistants where required. Agents should discuss this situation with a Workers Compensation insurance representative, and/or check out the State of California Division of Workers Compensation website at <http://www.dir.ca.gov/dwc/>.

8. Advertising Guidelines

8.1 General

All advertising must be approved by the Company before your placement or use.

Anytime you advertise property you must include the term "Broker," "agent," "licensee" or "REALTOR®." Must include your DREL# on all marketing material and business cards.

8.2 Legal and Ethical Considerations

As an associate and licensee, you have both a legal and ethical obligation to be truthful when advertising property or services.

All advertising must comply with all state and federal advertising requirements as well as the NAR Code of Ethics. Any false or misleading advertisement will immediately be withdrawn by the Company. Legally, you may be held liable for fraud, intentional misrepresentation, or negligent misrepresentation if you make material false statements or material omissions in an advertisement. Additionally, you may face disciplinary action from the Department of Real Estate.

8.3 Company Name and Logos

The Company's name and/or logo must be included in all advertisements and conform to the Company's graphic standards regarding the style, color and uses of the name and logo. These standards are available on Company website.

8.4 REALTOR® Trademark

The use of the name REALTOR® must be used in compliance with the National Association of REALTORS® guidelines governing the use of that name and mark. Those guidelines are available on-line at: www.realtor.org.

Don't use it if you didn't pay for it.

8.5 Telephone: Do-Not-Call Compliance

You are required to comply with the do-not-call laws which generally prohibit "telephone solicitations" to

residential and cell phone numbers registered on the National Do-Not-Call Registry.

- A. You may not call anyone at their home or cell phone number if listed on that Registry unless an exemption applies. Exemptions include written permission or an established business relationship in the past 18 month.
- B. Cold Calling: You are encouraged to explore cold calling as a method of business promotion, but you must comply not only with the do-not-call rules, as well as other cold calling requirements as follows:
 - 1. You may not call a residence before 8:00 AM or after 9:00 PM.
 - 2. You must provide the called party with your identity and telephone number where you may be contacted.
 - 3. You may not call any emergency lines, health care facilities, radio common carrier services
 - 4. (cellular or paging services) or any service for which the called party will be charged for the call.
- C. It is your responsibility to adhere to this policy and will be solely responsible for any violation, including any fines, penalties, damages recovered, settlements or attorney's fees and costs.

8.6 Fax Advertising

There are state and federal laws prohibiting faxing to recipients with unsolicited commercial advertisements or solicitations. Exemptions include prior permission or an established business relationship.

8.7 Fair Housing

The Company is committed to equal opportunity and fair housing in all of its advertising. Be aware that the selective use of words, phrases, symbols, visual aids and media in the advertising of real estate may indicate preferences held by the advertiser and lead to allegations of discriminatory housing practices. Words in a real estate advertisement which indicate a particular race, color, sex, handicap, familial status or national origin are considered likely violations of the Federal Fair Housing Act and may not be used in Company advertisements.

9. Policy Against Harassment

9.1 Company Policy

It is the policy of the Company that its employees, associates and visitors be free of harassment. Harassment is damaging to morale, serves no legitimate business purpose, is unlawful, and exposes the Company and the individuals involved to significant legal liability.

9.2 Enforcement

If you believe that you have been harassed, please bring the problem to the attention of the Broker. You do not have to put your complaint in writing, but it is helpful to provide details about dates, times, places, and witnesses to the harassment.

All complaints will be investigated promptly by designated Company management.

If your complaint of harassment is found to be totally and completely without basis, appropriate measures

may be taken against you.

10. Litigation and Claims Handling

10.1 General

You are required to:

- A. Promptly notify your Broker of any claim or potential claim made against you and/or the Company, including any demand received by you for money or services alleging a negligent act or omission; any notification of the commencement of a lawsuit, arbitration or mediation process; or any written or verbal notice or threat that anyone intends to hold you and/or the Company responsible for any alleged wrongdoing.
- B. Cooperate with the Company in the defense of a claim.
- C. Promptly pay to the Company any amounts due hereunder upon notice to you from the Company.

10.2 Legal Defense

- A. When a claim or demand is made, or a lawsuit or other action is filed, against either you or the Company by a third party which alleges any breach of any duty, error or omission, or negligence in the performance of "Professional Services," as that term is defined in the Company's Errors & Omissions Policy of Insurance, for activities covered by the Insurance Policy, then the Company shall defend the claim, and the cost of such defense shall be allocated as set forth herein.
- B. The Company has the right to make all decisions concerning the defense of the claim, including choice of counsel. In the event you object to any decision made by the Company, you may obtain your own attorney at your own expense; however, you shall not be relieved from the obligation to pay your portion of the cost of the claim as set forth herein.

10.3 Allocation of Costs of Defense

- A. Except as provided below, the cost of defense of the claim, or to defend or protect against any potential or possible Claim where the Company or you are not involved as a party, including attorney's fees, and the cost of any settlement or a judgment (collectively the "Costs of Defense"), shall be allocated between the Company and you in the same percentages as per your Independent Contractor Agreement or prospective transaction that led to the Claim, whether or not the transaction actually closed.
- B. You shall be responsible for all Costs of a claim if you fail to follow any law, regulation or Company policy as set forth in this Policy Manual, and that failure results in a judgment or other final adjudication based on that failure.
- C. You shall be solely responsible, and shall reimburse the Company, for all of the Company's Costs of Defense if a judgment or other final adjudication on any claims adverse to the Company and/or you:
 - 1. establishes that dishonest, fraudulent, criminal, or malicious acts, errors or omissions were committed; or,
 - 2. results in a finding of intentional tort, slander, defamation or any conduct which leads to the imposition of punitive, exemplary or multiple damages, or fines or penalties; or,
 - 3. establishes discrimination on the basis of race, creed, religion, ethnic background, national origin, age, sex, handicap, familial status, physical disability, sexual preference, or any other

- unlawful classification; or,
- 4. results in a finding of pollution or any wrongful act in connection with any such pollution, including the discharge release or escape of any hazardous materials as defined in the Insurance Policy; or,
- 5. result in a finding of any liability for claims for damage to property or death or injury to persons arising out use, removal or exposure to goods or products, in any form, composed in whole or in part of lead, asbestos or asbestos related materials.

10.4 Disputes During Escrow

If a dispute arises during an escrow between seller, buyer, the cooperating broker and/or the Company:

- A. Which cannot be resolved by negotiations between the parties and the agent(s) involved; and
 - B. The Company determines that it is in the best interest of the Company to resolve the matter during escrow rather than risk a potential claim or litigation after close of escrow; then
- Company Broker has the right to negotiate a resolution of the dispute which may involve a reduction in the commission to be received, or a credit given to one of the parties. In that event, and regardless of actual Company or agent liability or responsibility in the dispute, the agent(s) and the Company will participate in the commission reduction or credit pro rata.

10.5 Agent-Owned Property

Any property in which you have, or will acquire, an ownership, financial or other legal or other interest, is "Agent-Owned Property." The Company's E&O Insurance Policy governs coverage of the sale or purchase of any Agent-Owned Property. In any sale or purchase of Agent-Owned Property not covered by the E&O Insurance Policy, you shall be solely responsible for costs of defense, settlement or judgment on any claim, suit or action of any nature arising therefore.

In the event you are selling or purchasing Agent-Owned Property, you must:

- A. Notify the Broker in advance;
- B. Obtain, in advance, your Broker approval of all marketing material and disclosure documents; any purchase contract provisions prior to their execution; and any correspondence or other writings that pertain to the purchase or sale;
- C. Not representing buyers or prospective buyers in the sale of Agent's Property;
- D. Notify the Broker immediately in the event that any of the Company's agents writes an offer on your property.)

11. Dispute Resolution

11.1 Intra-Office Dispute Resolution

All disputes involving you and another associate of the Company will be promptly reported to the Broker.

The Broker, or designated members of the management team, will attempt to resolve the dispute through informal mediation in which all affected salespersons are expected to participate.

You agree that all disputes involving another associate which cannot be resolved by the Company, and

disputes involving the Company, will be resolved by binding arbitration with the local Association of REALTORS® in accordance with the bylaws and rules the in effect.

11.2 Third Party Disputes

You are required to immediately notify your Broker of any dispute or claim involving you, another associate of this office, the office itself, the Company, and a third party, including brokers and associates of other brokerages.

The Company will make all reasonable efforts to resolve the dispute informally. Any such resolution will be binding on the agents involved in the dispute or claim.

12. Termination

12.1 Grounds For Termination

Your association with the Company can be terminated by either party, with or without cause, at any time.

12.2 Associate’s Compensation on Termination

If Association with the Company is terminated while you have any listings or pending transactions that require further work normally rendered by you, the Broker will make arrangements with another salesperson or salespersons in the Company to perform the required work. The licensee performing the work shall be reasonably compensated for completing work on those listings or transactions, and such reasonable compensation shall be deducted from your share of the compensation. Except for such offset, you shall receive the compensation due as specified in the Independent Contractor Agreement.

12.3 Listings

Listings are the property of the Company, even upon your termination. Within 24 hours after notice of termination by either party, you must provide your Manager with a list of all active listings taken by you, and all pending transactions in which, if completed, you will be entitled to compensation from the Company in accordance with the terms of your Independent Contractor, or other written, agreement.

SOHEIL TONY DINI (DREL# 01448220)

Real Estate Source, Inc.
BROKER
1024 IRON POINT RD. #1119
FOLSOM, CA 95630
DIRECT (916)307-3444
FAX (866)322-6502
tony@realestatesource1.com
www.MoreCommission.info

X _____ Associate-Licensee “Agent” Signature _____ Print Name
--

INDEPENDENT CONTRACTOR AGREEMENT

(Between Broker and Associate-Licensee)

This Independent Contractor Agreement (“Agreement”), dated _____ is made between Real Estate Source, 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, doing business as Real Estate Source, 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 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 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 terminate Associate-Licensee's activities to geographical areas, manner in which services are to be performed, with regard to hours, schedule, inventory, vacation or similar activities, except to the extent required by all 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.

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.

3.6. The Broker will provide worker's compensation insurance for Broker's own benefit but this fact shall not create an inference of employment and Associate-Licensee shall not be treated as an employee for state and federal tax purposes.

3.7. 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 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 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 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 **\$795.00 (Seven Hundred Ninety Five)** 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. E&O Included in broker compensation.

6.2. ASSOCIATE-LICENSEE COMPENSATION: Associate-Licensee shall receive a **100% (a hundred percents)** of compensation actually collected by Broker, 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 minimum 2 days before 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 site 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. E&O Included in broker compensation.

6.4. REFERRAL COMPENSATION: Associate-Licensee may receive a referral fee or some other sort of compensation from another broker. Real Estate Source, Inc. will charge a 10% fee (no more than \$500 per transaction) for this activity. This item is applicable only when Associate-Licensee is receiving a referral payment from another broker.

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 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 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 s share of the commission.

6.6 RECRUITMENT INCENTIVE COMPENSATION: If **Associate-Licensee** refers other agents to join Real Estate Source, Inc. , **Associate-Licensee** will be paid \$100 for each transaction that those agents complete for as long as they remain as salespersons with Real Estate Source, Inc. .

7. 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 Police Manual.

8. AUTOMOBILE INSURANCE: Associate-Licensee shall maintain automobile insurance coverage for liability and property damage. Broker 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 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 ever receive funds from

clients in its 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 Broker, Associate-Licensee shall use Broker’s name “Real Estate Source, Inc.” or distinctive logo on signage, stationary, websites, and/or any other marketing materials. Associate-Licensee agrees that Broker retains exclusive rights to the “Real Estate Source, Inc.” trademark logo and graphics. Associate-Licensee agrees to discontinue

the use of the “Real Estate Source, Inc.” 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 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 paid in full by Associate-Licensee, who hereby agrees to indemnify and hold harmless Broker for all such sums.

13. 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**). 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.

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, 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 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 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 Sacramento , 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 Sacramento, 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. Real Estate Source, Inc. Office Policy Manual contains important information about the Company’s general office policies. Associate-Licensee is expected to read, understand, and adhere to the Real Estate Source, Inc. policies. The Company may, in its sole and absolute discretion, change any policies, benefits, or practices in the Manual, with or without prior notice.

20.2. Office Policy Manual contains Broker’s Policy against Harassment. Associate-Licensee agrees to comply with all aspects of the policy against sexual harassment and other forms of harassment.

20.3. Associate-Licensee’s signature below certifies that he/she has read Real Estate Source, Inc. Office Policy Manual and agrees to abide by its provisions during his/her association with the Real Estate Source, Inc. It supersedes all prior agreements, understandings, and representations concerning Associate-Licensee’s association with the Company.

SOHEIL TONY DINI (DREL# 01448220)

Real Estate Source, Inc.

BROKER

1024 IRON POINT RD. #1119

FOLSOM, CA 95630

DIRECT (916)307-3444

FAX (866)322-6502

tony@realestatesource1.com

www.MoreCommission.info

X _____	
Associate-Licensee "Agent" Signature	

Print Name	DREL#

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_____ Initial