



National Real Estate Referral and Relocation PO Box 246, Allentown, New Jersey 08501-0246

Referrals: 888-615-5454 | Licensing: 609-259-6667 | E-mail: agent@irc123.com

INDEPENDENT CONTRACTOR AND TERMINATION AGREEMENT

This AGREEMENT made the ___ day of _____, 20___ by and between INDEPENDENT REFERRAL CONSULTANTS, Inc., a corporation of the State of New Jersey, hereinafter referred to as "Broker" and _____, hereinafter referred to as "Referral Consultant", for and in consideration of their mutual promises and agreements and for their mutual benefits.

WITNESSETH:

WHEREAS, Broker is a duly registered and licensed Real Estate Broker in the State of New Jersey, and is qualified to and does operate a general real estate referral business and does enjoy the goodwill of, and reputation for, fair dealing with the public, and

WHEREAS, Referral Consultant is now engaged in business as a real estate Referral Agent, and has enjoyed, and does enjoy a good reputation for fair and honest dealing with the public as such; and

WHEREAS, it is deemed to be the mutual advantage of Broker and Referral Consultant to form the association hereinafter agreed to under the terms and conditions hereinafter set out;

NOW THEREFORE,

1. Referral Consultant fully understands that he/she will not be permitted to list or sell but will act only in the capacity of a source of referrals.

2. Referral Consultant agrees to conduct his/her business so as to conform and abide by all laws, rules, regulations and code of ethics that are binding upon or applicable to real estate Referral Agents and acknowledges that he/she has read, understands and subscribes to the IRC POLICIES AND PROCEDURES, a copy of which has been printed on the reverse of this agreement. Broker and Referral Consultant agree that their association shall be governed by the terms therein.

3. It is the intention of the parties to establish an independent contractual relationship rather than an employer-employee relationship. Referral Consultant will not be treated as an employee for state or Federal tax purposes with respect to the services rendered under this agreement. Broker will not withhold income taxes, social security taxes, disability or unemployment insurance payments, or any other assessments or taxes from referral fees of Referral Consultant unless required to do so by law. Referral Consultant will not, subsequent to the termination of this contract, be entitled to unemployment compensation benefits. Broker shall, to the extent it is legally required to do so, file all necessary tax information and reports to the Federal, state and local taxing authorities, including an Internal Revenue Service Form 1099 to report the income of Referral Consultant arising under this agreement. Referral Consultant agrees and understands that as a self-employed independent contractor, he/she will receive no minimum salary or sick pay, fringe benefits, such as hospitalization, workers compensation insurance, etc., from Broker. Referral Consultant further does not have to consult with Broker regarding the scheduling of time off or vacation. Broker will not require Referral Consultant to keep regular hours in or out of Broker's office and will not require Referral Consultant to perform services in this office.

4. Referral Consultant is aware that Broker has been organized to provide a real estate referral service and that Broker will not actively participate in the sale or purchase of the property being referred. Referral Consultant may refer sales and listing leads to a Real Estate

Agency of his/her choice. It is Referral Consultant's responsibility to secure a written referral agreement with the Agency to whom the client is referred and to transmit a copy of said agreement to Broker prior to the closing of the referred transaction.

5. Referral Consultant is aware that Broker does not, and will not, maintain membership in any Boards of Realtors or Multiple Listing Services, and Referral Consultant may not obtain membership in such Boards or Services.

6. Broker agrees to distribute commissions earned by Referral Consultant not later than ten (10) working days after receipt by Broker of the commission or as soon thereafter as such funds have cleared Broker's bank. Broker is not liable to Referral Consultant for commissions not collected and expenses associated with the collection of a commission. A third party broker will pay Broker a referral commission based upon the gross commission earned on the referred action side of the transaction. Referral Consultant may negotiate with the Third Party Broker to determine the amount of referral fee to be paid. Referral Consultant will be paid 80% of referral commission received by Broker (an 80/20 split).

7. Referral Consultant recognizes that there are no mandatory referral quotas to meet. Referral Consultant has the responsibility to pay the necessary fee to renew his/her real estate license, to pay any other fees required by the Real Estate Commission, and to pay maintenance fees as required by Broker.

8. It is mutually agreed that this contract may be terminated by either party thereto at any time upon written notice given to the other. Such termination, however, shall not divest Referral Consultant of any rights to commissions earned on sold referrals under contract but not yet closed at the time of such termination, as long as Referral Consultant's license is active at the time commission is received by Broker. No commission will be paid on referred listing renewals or options to purchase which are exercised after Referral Consultant has terminated his/her agreement with Broker.

9. Upon termination of Referral Consultant's relationship with Broker, all prospects and referrals which Referral Consultant may have secured during this association with Broker which are not under contract shall remain the property of Broker and no compensation shall be due to Referral Consultant.

10. It is mutually agreed that any future changes to this agreement will not be binding unless the changes are contained in writing and signed by Referral Consultant and Broker.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the date aforesaid.

INDEPENDENT REFERRAL CONSULTANTS, Inc.

David A. Yundt, Broker

Referral Consultant

(Please sign here)



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IRC POLICIES AND PROCEDURES

\$\$\$ Advantage Plan (Plan #1)

1. As a licensed Referral Agent, and a Referral Consultant with INDEPENDENT REFERRAL CONSULTANTS (hereafter referred to as IRC) your only approved activity is to find quality leads which can be referred to full-time sales professionals. This activity is not mandatory but merely a way to earn money with your real estate license. A referral will be worth much more to you and the service rendered to your client will be much better when an experienced sales professional with proven skills has been selected.
2. You have chosen this plan based upon a strong sense of independence and ambition, but it will be to your advantage to keep us in the loop and to have a good understanding of national referral protocols. While you may choose to negotiate directly with a full time agent, the standard referral protocol (and maximum commission dollars) are achieved when the referral commission is based upon a percentage (25, 30 or 35%) of the entire commission the agent's COMPANY receives on the action side referred.
3. While you may select the agent to service your referral, please remember that the Broker or Office Manager must also agree to cooperate in the referral because it should be based upon the entire commission on the action side, not simply upon a % of what the agent earns. The Referral Acknowledgement Form you can download from our website stresses this point so you can maximize your commission. It is crucial that the referral agreement (contract) be in writing, not verbal.
4. Please consider this recent actual example of how our assistance can help maximize your commission: Our referral agent listed his house, mentioned receiving a referral fee, and was told "no problem". As the closing date approached he asked the agent for the third time for the referral specifics, and a flat fee of \$3,000 was offered. Feeling uncomfortable with that offer, he called us and had referral acknowledgement paperwork sent to be signed by agent and manager. Based upon standard referral protocols the check we received was \$9,300.
5. IRC can confirm referrals for you anywhere in the continental United States. Supply us with name, address, etc of the agency you have chosen, and we will send referral acknowledgement paperwork. You should call us to register all referrals, even the ones you have negotiated yourself.
6. You must always have your client's permission to be referred to a full time sales agent.
7. You cannot offer price opinions, sit Open Houses, have access to any MLS materials or perform any other Realtor-related functions as a referral agent. If you are not sure about something, call us.
8. Business cards are optional but must comply with NJREC regulations, and must be ordered through IRC. An order form will be sent to you upon request.
9. You are not limited to referring to only one Real Estate Agency. You are an independent contractor and IRC is an independent Broker. If your seller desires more than one market opinion, you have the flexibility of referring to multiple agencies. Just make sure you negotiate a fee and get signed agreements with each agency. Similarly, when your buyer needs to look in more than one market area, a different salesperson can be assigned for each market area, following the same procedures.
10. It is not necessary to reside in New Jersey in order to keep your license with IRC.
11. The \$100 yearly maintenance fee will be due on your anniversary date. It is not refundable. You will be given a month's grace period before your license is electronically made inactive on the real estate commission's website. Example: Your anniversary is March 20 and payment is not received by April 21, our association will be terminated.
12. You may switch plans only during this same anniversary month.
13. Please remember, if you are getting a referral fee for the sale of your primary residence your commission check will NOT be mailed until you have given us your NEW primary residence address.
14. 1099s will be mailed before January 31st, ONLY to Referral Consultants who earned \$600 or more during the previous calendar year.
15. IRC will change its Policies and Procedures whenever necessary. You will be notified of these changes. Most changes will be posted on our website: www.irc123.com.

I have read and accept these Policies and Procedures: _____

(Sign here)