



1301 East Gurley Street
Prescott, AZ 86301

INDEPENDENT CONTRACTOR AGREEMENT

This Agreement is entered into this _____ day of _____, 200__, at _____, Arizona under and pursuant to the Laws of the State of Arizona between ERN, LLC, an Arizona LLC, doing business as ERN Associates, (hereinafter referred to as the “Company”) and _____ (hereinafter referred to as the “Independent Contractor”).

WITNESSETH:

WHEREAS, the Company is an established licensed real estate brokerage in the State of Arizona;
WHEREAS, the Independent Contractor is a duly licensed real estate sales person or broker in the State of Arizona;
WHEREAS, the Independent Contractor wishes to engage in the business of procuring prospects for real estate purchases and sales to then refer to licensed brokers actively engaged in the business of listing and selling real estate;
NOW THEREFORE, in consideration of the foregoing recitals, other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and the mutual covenants and agreements herein set forth, the parties do hereby covenant and agree as follows:

1. TERM, OPTION AND TERMINATION.

- a) The term of this agreement shall be for a period of one (1) year from the date hereof, provided however, this agreement may be extended, at the option of the Independent Contractor, for like periods of time upon written notice to the Company thirty (30) days prior to the expiration of the term or any extension, and further provided that during the term or any extension of the agreement it shall be deemed earlier terminated (i) upon the occurrence of the expiration, suspension, revocation or termination of the Independent Contractor’s real estate license for any cause or reason whatsoever, (ii) upon the voluntary or involuntary dissolution of the Company (iii) upon notice from either party hereto to the other party of its intent to terminate this agreement with or without cause.
- b) Upon expiration or termination of this agreement, for any cause, Independent Contractor agrees to return to Company all sales materials or similar items which bear the name or inscription, in any manner whatsoever, of the Company and that the Company shall be deemed released from all claims for commissions not yet earned under the law by the Independent Contractor.

2. PAYMENT OF MONIES.

a) The Independent Contractor agrees to pay the Company a non-refundable sum of One Hundred Dollars (\$ 100.00) upon the execution of this agreement, and each annual extension, as a fixed management fee.

3. COVENANTS OF THE COMPANY.

a) To pay to the Independent Contractor when collected by the Company, 100% received on the referred side of the transaction, as a result of the Independent Contractor's conduct as a referral associate, less a Referral Transaction Fee of Three Hundred dollars (\$ 300.00). The Company shall have the right to deduct from the payment of said commission monies any indebtedness owing the Company by the Independent Contractor and neither party hereto shall be liable to the other for any commission not collected.

4. COVENANTS OF THE INDEPENDENT CONTRACTOR.

- a) To conduct their business as an independent licensed real estate salesperson with the Company, pursuant to the requirements applicable to the Independent Contractor's and Company's real estate licenses, and to assume and retain full responsibility to conform and abide by the laws, rules and regulations and code of ethics that are binding or applicable to real estate salespeople and brokers in the real estate office where licensed.
- b) To maintain their real estate license in good standing.
- c) To indemnify and hold harmless the Company from and against and in respect of any and all liabilities, obligations, assessments, suits, actions, proceedings, claims or demands asserted against the Independent Contractor and or the Company, or any judgments, damages, losses, including reasonable attorney's fees, incurred by the Company as a result of the Independent Contractor's conduct and/or negligence as a real estate agent or breach of or default in any provision of this agreement, including, without limitation, any costs, expenses, and fees incurred by the Company in enforcing any provision of this agreement.
- d) That the Independent Contractor has no right, title or interest of any nature whatsoever, in any system, procedure, mark, name or other matter relating to the Company's or Company's licensed business, and further, that they will not directly or indirectly contest the validity of any right, title, interest, patent, copyright, trade name, trademark or service mark, or any application thereof.
- e) Not to use, disclose or furnish, directly or indirectly, to any person, firm, company or corporation engaged in the real estate business, any confidential information or property rights of the Company or the Company's licensor and further, that the service marks of "ERN, LLC" and "ERN Referral Network" are the property rights of the Company.
- f) That the hereinabove covenants on the part of the Independent Contractor shall be construed as agreements independent of any other provisions hereunder, and the existence of any claim or cause of action of the Independent Contractor against the Company or the Company's Licensor, whether predicated on this agreement or otherwise, shall not constitute a defense to the enforcement of said covenants.
- g) To abide by the policies set forth in the Company's Policy and Procedure Manual.
- h) To acknowledge the Company's commitment and support for all state and federal fair housing, antitrust and agency laws and to conduct real estate business practices accordingly.
- i) To act solely as a Referral Associate and not engage in any other real estate activity for which a license is required with any other individual or entity.
- j) To strictly limit activities to the referring of the names of prospective buyers, sellers, or other referrals directly to fully qualified and currently licensed real estate professionals. ERN, LLC associates operate on a "referral only" basis and do not show, list, sell, represent, sit open houses or directly participate in the listing or sale of property. This includes properties in which they have personal real or equitable interest. Therefore, in order to insure their clients and customers receive the best professional real estate advice, service and guidance, it is strongly recommended that referrals be placed with Realty Executives®. Ultimately, the choice of the agent and brokerage with which the referral is placed is the prerogative and responsibility of the ERN, LLC associate, but the selection of a Realty Executives® associate is encouraged.
- k) To agree not to list any real estate for sale, exchange, or lease, or represent any prospective sellers or buyers in their real estate transactions.

5. AUTHORITY OF THE INDEPENDENT CONTRACTOR.

The relationship created hereby between the parties hereto, is that of an Independent Contractor and shall not be construed and deemed to be that of employer-employee, joint-venture, or partners. The Independent Contractor is not authorized to act as an agent of the Company, for or on behalf of the Company, in any manner whatsoever, and further, the Independent Contractor shall not in any manner advertise, represent or hold themselves out as so acting, or as being authorized to so act, or incur any liabilities or obligations on behalf on or in the name of the Company.

6. NOTICE.

Any notice required to be given under the provisions of this agreement shall be given in writing by certified or registered mail enclosing such notice in a postage envelope to the address set forth under the respective signatures herein below, or such other address as either party hereto shall designate by such notice.

7. WAIVER.

Waiver of, or failure to strictly enforce, by the parties hereto any provisions of this agreement or any default hereunder shall not constitute or operate as a waiver of such parties' rights to demand strict performance of this or any other provision hereof or any other default hereunder.

8. ASSIGNMENT.

This agreement may not be assigned in whole or in part by the Independent Contractor, except at the Company's prior written consent, but may be assigned by the Company to any successor to its business in whole or in part.

9. AGREEMENTS AND AMENDMENTS.

This agreement embodies the entire agreement between the parties hereto with relation to the subject matter hereof, and supersedes any previous agreement or understanding, whether verbal or otherwise, with relation hereto. This agreement may not be amended, changed revised, or altered except by any instrument in writing signed by all the parties hereto.

10. LEGAL CONSTRUCTION.

It is agreed and understood that this agreement shall be governed by and construed in accordance with the statutes, laws and decisions effective within the State of Arizona. Should any portion or provision of this agreement be deemed invalid or void at law, this agreement shall be construed as though such portion or provision had not been inserted herein, and the remainder of this agreement shall remain in full force and effect.

11. BINDING EFFECT.

This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representative, assigns and successors in interest and shall be enforceable with law or equity by specific performance, injunction or otherwise.

IN WITNESS WHEREOF, the parties have hereto executed this agreement as of the day and year first above written.

COMPANY:

ERN, LLC An Arizona LLC

By: _____
(Designated Broker)

Address:
1301 East Gurley Street
Prescott, Arizona 86301

INDEPENDENT CONTRACTOR:

(Print Name)

By: _____
(Signature)

Address:

Phone: _____

E-Mail: _____

Soc. Sec. #: _____

Date of Birth: ____/____/____
(mm) / (dd) / (yyyy)



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Prescott, AZ 86301

INDEPENDENT CONTRACTOR AFFIDAVIT

I, _____, swear or affirm that:

1. I have paid and will pay future license fees and membership dues.
2. I have paid and will pay my own automobile and transportation expenses without receiving any reimbursement from the broker.
3. I have paid and will pay future entertainment expenses in connection with obtaining referral clients without receiving reimbursement from the broker.
4. I have not been required by the broker to maintain any specific schedule nor to attend any mandatory sales or training meetings except to address specific individualized training needs.
5. I do not have to have permission of the broker to schedule my vacation.
6. I have received no minimum salary or sick pay.
7. I have paid and will pay future income and FICA taxes.
8. My association with the broker may be terminated by either party upon notice given to the other; but the rights of the parties to any fees which accrued prior to said notice shall not be divested by the termination of this arrangement.

The broker may set goals, define objectives, and specify results to be achieved but the mode and manner of such accomplishments shall be left to me.

The broker does not require set work hours or floor time, compel attendance at meetings, assign management responsibilities or compel my attendance at training or instructional presentations.

The Independent Contractor shall not be treated as an employee. Services performed under this agreement and commissions earned, shall be considered 1099 income for Federal Tax purposes.

Designated Broker

Independent Contractor

Date

Date