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TEXAS MANAGEMENT PARTNERS LLC

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement ("Agreement") is by and between TEXAS MANAGEMENT PARTNERS LLC, a Texas limited liability company, with its principal office at 7702 Hunters Point Dr, Houston TX, 77479 ("Broker" physical Address) and the undersigned independent contractor ("Contractor"), who will perform as a Salesperson, as defined by Section 1101.002(7) of the Texas Occupations Code. Broker and Contractor may be collectively referred to herein as the Parties.

Contractor agrees to work for Broker as an independent contractor, and not as an employee. Contractor is and shall be subject to all the rules and regulations of the Texas Occupations Code and Texas Real Estate Commission ("TREC"). Contractor shall adhere to the then current Texas Realtor Code of Ethics, and Multiple Listing Service ("MLS") rules and by laws pertaining to listings, lockboxes, and all professional practice rules and regulations. Contractor represents and asserts to Broker that he/she is a salesperson in good standing with TREC and that the license number provided herein is correct. Further, Contractor represents and asserts to Broker that he/she shall remain licensed and in good standing with TREC throughout the term of this Agreement.

Within one (1) day of receiving notice from any agency or person including, but not limited to TREC, regarding a dispute or complaint in services performed as a salesperson, Contractor shall provide Broker with written notice of the same and a copy of the notification. Contactor shall act immediately to remedy a complaint lodged against it or Broker as a result of Contractor's claimed actions or inactions. Contractor understands that Broker is legally accountable for the activities of the Contractor; therefore, Contractor shall not conduct activities beyond the authorized scope as outlined herein or in an express subsequent written communication. No oral communications shall serve as permission from Broker for Contractor to act outside of his/her authorized scope. Contractor shall not conduct real estate transactions or hold himself/herself out as a specialist in the area without the necessary education, competence, and experience. Contractor shall provide Broker with all necessary information regarding the proposed transaction and Contractor in order for Broker to properly monitor and supervise each real estate transaction for which the Contractor is engaged under Broker. Contractor shall not make any misrepresentations, of any type or nature, to buyers or sellers in a contemplated transaction. Contractor shall not act under Broker or use Broker's name without Broker's express knowledge and permission.

Contractors must upload all agent documents as required by broker at least 48 hours before closing(s). If unable to upload the documents on time, there will be a **$100.00 administrative fee** that is contractor's responsibility. Any and all costs and obligations incurred by the Contractor in conducting his/her independent business, of whatever type or nature, shall be Contractor's sole responsibility. Contractor shall hold Broker harmless and indemnify it from any and all such costs and obligations. Contractor shall act independently as to the management of his/her time and efforts, and will be responsible for all his/her expenses including, but not limited to industry association dues, licensing renewals, pagers, cellular telephones, marketing materials, emails., as they are incurred.

Contractor will exert his/her best effort in all activities related to the listing, selling, leasing or exchanging of real property in the State of Texas, and shall, in all ways, conduct himself/herself in full compliance with the statutes and rules of TREC and in a way which reflects the high standards of Broker. Should Contractor not conduct himself/herself in a manner that is considered professional and in compliance within Broker's standards and/or in compliance with the rules and requirements set out by Broker, Broker may, in Broker's sole discretion, terminate sponsorship of Contractor at anytime and without any type of liability, with written notice to Contractor. Written notice to Contractor may be accomplished by E-mail , fax or certified mail, return receipt requested to the contact information outlined below.

Within ten (10) days of the date of this Agreement, Contractor shall become and shall remain a dues-paying member of any local board of which Broker is a member. Contractor shall provide Broker with documentation showing the same. Failure of Contractor to comply with this provision shall be a breach of this Agreement whereby Broker may terminate Contractor.

If Contractor is REPRESENTING the BUYER on a transaction, Contractor must inform and present the buyer with documentation (Such as Form TXR-1928 HUD Notice to Purchasers: Importance of Home Inspections) of his/her/its right to inspect the subject property before closing on a transaction. Failure to do so is a breach of this Agreement. No transactions will be allowed when the buyer waives or declines to inspect the real estate with a licensed Real Estate Inspector. Contractor consents to Broker performing a background check on Contractor before or during the term of this Agreement.

ANNUAL FEE

The membership fees (if applicable to the chosen transaction fee plan) is due **July 1st and December 1st,** every year in the amount of **$350 each**. Forms of payment accepted are check or bank transfer. If fees are not paid by due date, there will be a **$100.00 late fee**. Broker has the right to cancel sponsorship if Contractor's fee is not received by the date mentioned. Listing agents are responsible for paying all fees charged by Centralized Showing Systems connected with their own listings.

TRANSACTION FEE PLANS

The fees outlined below are based on Contractor working independently as a salesperson. The below fees are subject to change and the Contactor hereby agrees to and accepts any future fee changes. Contractor agrees to pay Broker the following transaction fees (Check the Plan that Applies):

☐ **Plan 90%-10%.**

1. **RESIDENTIAL TRANSACTIONS: 10% of Sales Agent's Commission[1] per each Sale or Lease of**
2. **Administrative Fee: 350$/semester (payable July 1st and December 1st).**
3. **COMMERCIAL TRANSACTIONS: _____% for Agent and _____% for Broker**
4. **BROKER REFERRALS: 50% for Agent and 50% for Broker.**

☐ **Plan 85%-15%.**

1. **RESIDENTIAL TRANSACTIONS: 15% of Sales Agent's Commission[2] per each Sale or Lease**
2. **Administrative Fee: None**
3. **COMMERCIAL TRANSACTIONS: _____% for Agent and _____% for Broker**
4. **BROKER REFERRALS: 50% for Agent and 50% for Broker.**

E&O INSURANCE COVERAGE & WORKERS COMPENSATION

Broker shall choose an Errors and Omissions Insurance carrier at its sole discretion. Should there be a dispute as a result of Contractor's claimed actions or inactions for which coverage under the insurance policy may cover, Contractor agrees and is

[1] Agent-Owner sales and lease transactions are presumed at market (Eg. Sales: 3%, Residential leases: 50% of 1 month rent)
[2] Agent-Owner sales and lease transactions are presumed at market (Eg. Sales: 3%, Residential leases: 50% of 1 month rent)

responsible for payment of the then applicable deductible amount (currently $2500.00) upon demand. This provision is applicable for each Errors and Omissions ("E&O") claim made related to Contractor. This provision and the costs related thereto is in addition to any E&O fees which may be paid on sale or lease transactions**. Contractor shall immediately notify Broker of any circumstance likely to give rise to any kind of claim against Contractor, Broker or the E&O policy**. In the event of a claim or pursuit of a lawsuit, arbitration or mediation which is not wholly covered by the applicable insurance, Broker may withhold from Contractor's payable commission, an amount believed to be adequate to satisfy any amounts not covered by such insurance. Broker shall place such funds in its Claims and Disputes Account, pending settlement or other disposition of the matter. Broker may, in Broker's sole discretion, apply such sums as necessary to settle or to satisfy any such claim or award. This provision shall survive the termination of this Agreement. Contractor further understands and acknowledges that Broker provides no Worker's Compensation coverage. Contractor hereby specifically waives such coverage and represents to Broker that he/she understands that, if Contractor desires such coverage, Contractor must personally obtain such coverage from other sources. If Contractor is acting as a buyer or seller of property in a transaction, he/she shall complete an Acknowledgement Regarding **Seller's Disclosure Of Property Condition (FORM TXR-1406, 09-01-19)** prior to the closing.

INDEMNIFICATION

CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BROKER, TOGETHER WITH THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, TRUSTEES, BENEFICIARIES, PARTNERS, MEMBERS, EQUITY HOLDERS, SHAREHOLDERS, REPRESENTATIVES AND AGENTS (COLLECTIVELY, THE "BROKER PARTIES"), EVEN THOUGH CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE (WHETHER SOLE, JOINT OR CONCURRENT), GROSS NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL FAULT OF BROKER OR THE BROKER PARTIES (OR ANY SUCH INDEMNITEE), FROM AND AGAINST: (i) ANY DEFAULT, BREACH, MISREPRESENTATION, OR FAILURE TO PERFORM ANY WARRANTIES, REPRESENTATIONS, COVENANTS OR ANY OTHER OBLIGATIONS PURSUANT TO THE AGREEMENT, SALES/LEASE CONTRACT, EXCLUSIVE LISTING AGREEMENT, VIOLATIONS OF CONTRACTOR OF APPLICABLE LAWS, ETHICS OR AGENCIES INCLUDING, BUT NOT LIMITED TO TREC, OF OR BY CONTRACTOR AND/OR CONTRACTOR'S REPRESENTATIVES OR AGENTS, INCLUDING EMPLOYEES; (ii) ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT AND/OR FAILURE TO COMPLY WITH OTHER APPLICABLE LAWS (INCLUDING BUT NOT LIMITED TO STATUTES, REGULATIONS, RULES, CODES, AND ORDINANCES) OF OR BY CONTRACTOR AND/OR CONTRACTOR'S REPRESENTATIVES OR AGENTS, INCLUDING EMPLOYEES; (iii) FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, LIABILITIES, FINES, PENALTIES, CHARGES, JUDGMENTS, ADMINISTRATIVE ORDERS, REQUIREMENTS, ENFORCEMENT ACTIONS AND RELATED COSTS AND EXPENSES (INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND EXPENSES INCURRED BY BROKER IN ENFORCING THIS INDEMNITY), ARISING DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, OUT OF ANY CONDITIONS OR OPERATION OF CONTRACTOR'S ACTIONS IN ACTING AS A SALESPERSON IN WORKING WITH THE PURCHASE, SALE OR LEASE OF REAL PROPERTY, EXCLUSIVE LISTING AGREEMENT, PRE- OR POST CLOSING, OR ANY BREACH OF THE AGREEMENT, INCLUDING BREACH OF ANY REPRESENTATION, AND INCLUDING THOSE BASED ON STRICT LIABILITY OR NEGLIGENCE. THIS PROVISION IS INCLUSIVE OF ALL COSTS INCURRED BY BROKER PRIOR TO FORMAL LEGAL ACTION. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

TERMINATION

In the event that Contractor terminates his/her contractual relationship with Broker for any reason, any and all listings obtained through efforts of Contractor during the term of this Agreement, shall be transferred to Contractor or to Contractor's new sponsoring broker, on Contractor's behalf. Contractor agrees to continue to fully cooperate with Broker as necessary to resolve any transactions, claims, or disputes which are pending at the time, or which arise after, Contractor's contractual relationship with Broker terminates. Notwithstanding any other provision of this Agreement, the Parties agree that Contractor's claimed damages

against Broker, under any and all causes of action, are limited to the Transaction Fee paid for the particular real estate transaction in dispute. This provision shall survive the termination of this Agreement.

TAX REPORTING

Contractor understands and agrees that, because Contractor is an independent contractor and not an employee of Broker, Broker will not withhold any Federal or State Income Tax, Social Security (FICA) or Unemployment (FUTA) taxes from Contractor's paid commissions. Contractor is personally responsible for paying any and all Federal and State Income, Social Security and other taxes, and for maintaining all expense records as required by law, and represents to Broker that all such amounts will be withheld and paid. Contractor will receive from Broker a form 1099 that will also be reported to the IRS. Such form 1099 will not reflect all contractor income but rather (1) those payments directly made from Broker and/or (2) from 1099s received by Broker from any entity reporting Broker as recipient and/or (3) any income deemed necessary to comply with federal law. Contractor shall indemnify and hold Broker harmless from any liability or costs thereof.

TABLE FUNDING

In the event Contractor desires table funding of commissions then he/she must notify Broker, by e-mail or fax, no later than two (2) days prior to closing of transaction, during the regular business hours from 8:30 am to 5:00 pm Monday through Friday.

Agent is responsible for submitting complete and accurate Certificate of Disbursement to Broker for electronic Signatures.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year below written.

THE FOREGOING IS HEREBY AGREED TO:

Signature:_____

Print Name: _____

Independent Contractor, Sales Agent , **TREC#** _____

Signature:_____

Rod Allub, Managing Broker
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