

WindSun Realty
Luxury living at its finest

Manago Management, LLC
Real Property Management

Independent Contractor Agreement

V.04.22.16

ARTICLE 1: PARTIES AND TERM OF CONTRACT

1.01. This Agreement is entered into by and between Manago Management, LLC and/or WindSun Realty Hereinafter "Broker",

And

_____, a licensed real estate individual, hereinafter Sales Person, Sales Associate, or Agent, who will perform real estate transaction pursuant to state laws as a Nevada licensed salesperson or broker/salesperson.

This Agreement will become effective on: _____, 20____,

And will continue in effect until such time sales agent severs their affiliation with the broker by moving their real estate license to another real estate brokerage or forwards their license to the Nevada Real Estate Division (NRED), OR Broker forwards agent's real estate license to the NRED for any reason, OR if a sales agent allows their real estate license to expire, OR if the NRED suspends, terminates, revokes an agent's real estate license or demands the return of the real estate license OR a court of authorized jurisdiction orders the broker to sever their affiliation with sales agent OR an agent does not maintain his/her real estate license in good standing.

ARTICLE 2: SERVICES TO BE PERFORMED BY SALES AGENT AND OTHER TERMS and/or OBLIGATIONS

- 2.01.** Sales Agent understands that the Broker is legally accountable for the activities of the Sales Agent who agrees to always conduct themselves in full compliance with the statutes and rules set forth by the State of Nevada Real Estate Division and other governing agencies that have jurisdictional authority over the Sales Agent's actions and activities.
- 2.02.** Sales Agent will solely determine the methods, details, time allotment, and means of performing their licensed task and other real estate services that the Sales Agent chooses to perform.
- 2.03.** Occasionally there will be problems associated with the Sales Agent's transactions. Sales Agent specifically agrees to fully cooperate with the Broker as necessary to resolve any transactions, claims or disputes caused by the Sales Agent, and are pending at the time, or which arises after Sales Agent's contractual relationship with the Broker terminates. The Broker may withhold closing funds in part or in whole until such dispute(s) are resolved. It is understood that if issues resulting from a real estate transaction remain unresolved, Broker may withhold commissions and other funds from agent until the resolution of those issues.
- 2.04.** Sales Agent enters into this Agreement, and will remain throughout the term of this Agreement, as an independent contractor. Sales Agent agrees that Sales Agent is not and will not become an employee, partner, agent, or principal of Broker while this Agreement is in effect. Sales Agent is not entitled to the rights or benefits afforded to Broker's employees, including disability or unemployment insurance, worker's compensation, medical insurance, sick leave, or any other employment benefit.
- 2.05.** Sales Agent is responsible for providing, at Sales Agent's own expense, disability, unemployment, worker's compensation, and other insurance, training, permits, and licenses for Sales Agent and for Sales Agent's employees and sub-sales Agents, if any.
- 2.06.** Sales Agent is responsible for paying when due all income taxes, including estimated taxes, incurred as a result of the compensation paid by Broker to Sales Agent for services under this

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Agreement. For all compensations earned by the sales agent, an Internal Revenue Service Form 1099 (IRS Form 1099) will be given and the agent must file their IRS tax return accordingly.

- 2.07. Sales Agent agrees to indemnify Broker for any claims, costs, losses, fees, penalties, interest, or damages suffered by Broker resulting from Sales Agent's failure to comply with this provision. Sales agent will indemnify, defend, and hold harmless the broker from any and all liabilities, obligations, suits, actions, claims, losses, or demands against the agent for any negligent acts, wrongful acts, omissions, and any other alleged wrongful conduct. Sales agent agrees to reimburse broker for any deductible or premium upon the broker's liability policy or any insurance policy incurred by reason of any transaction of the agent wrongdoings, to include attorney's fees and costs incurred in defending against agent's actions.
- 2.08. Sales agent agrees not to bind and/or commit broker to any agreement, representation or promise without the broker's authorization in writing; any solicitation for transactions will be considered an "offer for business" which the broker must accept in writing via contractual written agreement.
- 2.09. Sales agent acknowledges that any listing, transactions in progress, other professional activities, commissions payable and business opportunities belong to the broker pursuant to state laws.

ARTICLE 3: FILES

- 3.01. All Sales agents will turn into broker a completed transaction file for any and all real estate transaction consummated, No exceptions.
- 3.02. The state of Nevada Real Estate Division requires real estate transaction files to be stored for no less than five years (**NAC 645.650**). No incomplete files will be accepted and no commissions checks or other payment(s) will be issued if files are turned-in incomplete. No exceptions.

ARTICLE 4: COMPENSATION, PAYMENTS, FEES, and Broker Splits

- 4.01 It should be understood that all transaction compensations, commission splits, referral checks, and any other moneys paid to the broker, shall be paid out after the close of escrow or consummation of the transaction and after the broker has received all funds from such transaction. Dissemination of Sales Agent's check will also be subject to turning in a completed transaction file (listing, sales, or referral file).
- 4.02 It is unlawful for any licensed real estate agent to pay a commission to any person other than through their broker and a real estate agent shall not be associated with or accept compensation from any person other than their broker (**NRS 645.280**).
- 4.03 For real estate commissions earned and/or referrals fees earned and/or any other transactions closed and completed by Sales Agent: sales, listings sold and referral fees, the broker will receive a 10% "split" or a minimum amount of \$150 from all transactions completed whichever is greater.

Therefore: The compensation arrangement or split between broker and Sales Agent is to be: 90 / 10 split, with a \$150 minimum paid to broker.
90% commission to agent + 10% to Broker or \$150, whichever is greater.

- 4.04 All fees paid to Broker are Non-Refundable.
- 4.05 There will be a fee for real estate license hanging.
That fee will be in the amount of: **\$60.00 per year**.
- 4.06 All fees paid to Broker regarding license-hanging are: Non-refundable, non-prorated, not assignable, and not applicable towards future agent's debt. If an agent terminates their affiliation with the broker, prior to their annual anniversary month, no portion of their annual fee will be refunded.
- 4.07 If an agent allows their real estate license to expire, transfer's their real estate license to another real estate brokerage or forwards their real estate license to NRED, their affiliation with the brokerage terminates on the date of the license expiration or de-affiliation with our organization (broker); all payments paid to the broker, present and/or prior are not refunded or prorated. If an agent reinstates or renews an expired real estate license with NRED or re-affiliates with our

Sales Agent's Initials:

organization (broker), a new brokerage/ independent contractor's agreement must be initiated with the broker and the terms and conditions of the new agreement will take effect; all past agreements and/or contracts prior to the reinstatement will be considered invalid. The agent will therefore have a new contract date, a new affiliation date, and a new billing date for annual dues.

ARTICLE 5: BUSINESS EXPENSES

- 5.01.** It is recognized and agreed that in connection with the services to be performed for their clients, Sales Agent may be obligated to expend money for travel or other business expenses, including expenses for: Telephone, Automotive, Insurance, Advertisement, Education, and other business and personal related expenses. Sales Agent shall be solely liable and responsible for payment of same, and shall indemnify and hold Broker harmless from claims made by any entity for payment for such expenses incurred; all expenses incurred by agent are the agent's sole obligation and sole responsibility.

ARTICLE 6: AUTOMOBILE

- 6.01.** Sales Agent shall maintain automobile insurance coverage for liability and property damage and shall name the Broker as an additional insured party on Sales Agent's policy if such vehicle is utilized for client's transport. This amendment to Sales Agent's insurance policy is usually NOT an extra cost and usually does NOT increase the premium a person pays to their insurance company. A copy of the endorsement showing the Broker as an additional insured shall be provided to the Broker and maintained in the Broker's office and filed with the Sales Agent personal file.

ARTICLE 7: TRADE SECRETS AND COMPANY CLIENTS

- 7.01.** If a Sales Agent is a member or a part of a team structure, then ALL clients that the Agent came into contact with belong to the team leader and the broker. Sales Agent agrees that the names and addresses of the team leader's customers and/or clients constitute trade secrets of the team leader and that the sale or unauthorized use or disclosure of any of team leader's trade secrets obtained by Sales Agent during the tenure of their affiliation with the specific team leader constitute unfair competition. Sales agent must not engage in any deceptive business practices, which may affect their affiliated team leader and broker. Sales Agent must not steal, take, copy, imitate, emulate, and/or disseminate any information, systems, client base, marketing materials and/or good-will of the team leader and/or broker.

ARTICLE 8: TERMINATION

- 8.01.** The Broker, for any cause that the Broker deems appropriate, may terminate an Agent's affiliation from the brokerage. The Agent understands that any violation of any Agent's obligation is to be considered just cause for immediate termination. The Broker will immediately terminate an Agent from the brokerage if the Broker solely determines that an Agent's actions are unethical, illegal or unjust towards others.
- 8.02** The Broker may unilaterally terminate a Sales Agent for failure to pay all financial obligations due Broker, such as: Annual License Hanging Fee, referral fees, and any other financial obligations that Sales Agent fails to pay when due or demanded upon by the broker.
- 8.03** The Broker may unilaterally terminate a Sales Agent for failure to maintain their real estate license in good standing or for failure to maintain their membership with the Realtor Association if such membership is so required.

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ARTICLE 9: Property Management, Business Brokering, Commercial real estate, and other real estate activities within the brokerage

- 9.01.** Property Management activities, Business Brokering, and commercial real estate activities are strictly prohibited with Manago Management, WindSun Realty and all affiliated brokerage without broker's consent. Under no circumstance will any agent affiliated with WindSun Realty or Manago Management, LLC engage in property management activities, commercial real estate, or Business Brokering, this includes, but not limited to: Signing contracts (leases and management agreements), handling management related funds, operating a trust account, providing business brokering functions, and soliciting management and business accounts.
- 9.02** Property management activities, business brokering, and commercial real estate transactions are highly litigious activities, therefore, agents will not be allowed to engage in those specific real estate activities without broker's prior written consent; this provision even applies to agents that possess a property management permit and/or business broker permit. Property management, commercial real estate transactions, and business brokering activities as defined in Nevada Revised Statute 645 are strictly forbidden without prior written authorization from the broker.
No Exceptions.

ARTICLE 10: Realtor Affiliation - WindSun Realty (WindSun)

- 10.01 Realtor Membership:** All WindSun Realty agents will be members of The Greater Las Vegas Association of REALTORS (GLVAR); No exceptions.

If a WindSun Realty agent fails to affiliate with GLVAR or fails to establish membership with GLVAR, or fails to maintain their financial commitment with GLVAR, the entire brokerage risk the possibility of being suspended to include brokerage membership suspension and multiple listing services (MLS) denial of access. Therefore, if an agent fails to affiliate, join, or become a member of GLVAR and/or fulfill their financial obligation with GLVAR the broker will unilaterally terminate the agent from the brokerage and forward the agent's real estate license to the NRED; NO EXCEPTIONS.

This provision does not apply to Manago Management agents since Manago Management, LLC has no affiliation with the REALTOR organization.

ARTICLE 11: Errors and Omissions Insurance (E & O)

- 11.01 Errors and Omissions Insurance (E & O):** Agents that close any real estate transactions are charged E & O. E & O was charged to our company by our insurance carrier as a blanket policy on an annual basis. This wasn't fair to agents wishing to only hang their real estate license and close none or very few real estate transaction(s), thus we do not collect E & O fees from every agent, only the agents that consummate real estate business.

Agents that close a real estate transaction are charged an E & O fee for that specific transaction; **the E & O fee is presently at \$45 per transaction.**

The agent is responsible for the payment of any deductible amount applicable to any payment made for a claim covered by the insurance.

This provision authorizes the broker to withhold any amounts from the agent's commissions that will satisfy any liabilities not covered by the insurance that include but are not limited to: Egregious forms of liability such as fraud, claim for certain property conditions, or any acts or omissions occurring prior to the time of the association of the agent with the broker or after the agents departs or disassociates from the brokerage.

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Since insurance companies revise their fee schedule routinely, this fee is subject to change.
NOTE: Our E & O fee collected from each closed transaction has remained at \$45 since 2003.

ARTICLE 12: GENERAL PROVISIONS

- 12.01 Entire Agreement:** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto and contains all of the covenants and agreements between the parties. The Broker or anyone acting on behalf of the Broker acknowledges that no representation, inducements, promises, or agreements, orally or otherwise, have been made. No other agreement, statement, or promise not contained in this agreement shall be valid or binding on either party.
- 12.02 Modifications:** Any modification of this Agreement will be effective only if it is in writing and signed by both parties. Strikethrough, superscript, and any alterations to the contract or altering the language of the contract shall effectuate that specific provision of the contract to become null and void. This contract and/or agreement between broker and sales agent must not contain any modification(s), improvements, and/or deletions; such corrections render the corrected provision void.
- 12.03 Waiver:** The failure of the Broker to insist on strict compliance with any of the terms, covenants or conditions of this agreement shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.
- 12.04 Partial Invalidity:** If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- 12.05 Governing Law:** This Agreement shall be governed by the laws of the State of Nevada.
- 10.06 Acknowledgement:** The undersigned agree to the preceded terms and conditions set forth and acknowledge receipt of a copy hereof.

IN WITNESS WHEREOF, The Broker and

(Sales Agent printed Name and Signature) **DATE**

have duly executed this Agreement on the date as set forth above.

_____ _____

Managing Broker or Authorized Designee Date
 Manago Management LLC, and/or WindSun Realty

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