

NOTE: This Independent Contractor Agreement exemplar is intended for use as a working model only. This exemplar should not be used without consulting legal counsel. The laws and rules governing independent contractor status are subject to change and vary depending on the legal context within which the status is tested. In addition, the existence of a written independent contractor agreement may not be sufficient to establish the status of independent contractor if the actions of the parties are not consistent with independent contractor status. Significant tax penalties and other monetary consequences may result from failing to properly establish and maintain an independent contractor relationship. The Oregon Association of REALTORS® cannot and does not guarantee or imply that use of this exemplar will prevent an adverse finding or ruling with respect to the status of any party.

INDEPENDENT CONTRACTOR AGREEMENT

THIS IS A LEGALLY BINDING CONTRACT - READ CAREFULLY BEFORE SIGNING

THIS AGREEMENT is made this _____ day of _____, _____,
by and between _____ (“PRINCIPAL
BROKER”) and
_____ (“BROKER”)

RECITALS

PRINCIPAL BROKER is licensed as a real estate broker by the State of Oregon and maintains an office for the purpose of conducting real estate activity properly furnished and equipped as necessary to that purpose and suitably staffed to serve the public as a real estate broker, and

BROKER is presently engaged in business as a real estate broker properly licensed by the State of Oregon,

THEREFORE, in consideration of the mutual promises and covenants contained herein, it is agreed as follows:

AGREEMENT

1. **Independent Contractor Relationship:** PRINCIPAL BROKER and BROKER intend that the relationship established by this Agreement be one of independent contractor and not that of employee, servant, joint venturer or partnership. BROKER will exercise their own judgment and discretion in the manner in which BROKER carries out listing and selling

activities subject to compliance with Oregon state statutes, Real Estate Agency rules and the terms and conditions of this Agreement. BROKER will maintain their status as a properly licensed real estate broker during the term of this Agreement. It is expressly understood that BROKER will not be subject to PRINCIPAL BROKER's control as to the manner and means of conducting listing and sales activity and is bound only by applicable laws and regulations and the terms of this Agreement in procuring the results stated herein.

2. **Listing and Sales Activity:** PRINCIPAL BROKER agrees to make all current listings not otherwise temporarily assigned exclusively to another broker associate available to BROKER and provide BROKER with other information regarding prospective purchasers, lessees and renters. PRINCIPAL BROKER will provide BROKER with a copy of suggested office policies and otherwise cooperate with BROKER in obtaining the results stated in this Agreement. However, nothing in this Agreement shall be construed to require BROKER to follow any recommended office policy or accept any particular listing or sales assignment, nor will PRINCIPAL BROKER have any right to require BROKER to represent or otherwise provide services to any particular person or restrict BROKER'S efforts to particular parties or areas. PRINCIPAL BROKER shall exercise no control, unless required by law, over BROKER'S floor time, sales techniques, client or customer services, schedule, hours, inventory, time off, training or vacations.

3. **Best Efforts:** BROKER agrees to use their best efforts and work diligently to solicit additional listings and customers on behalf of PRINCIPAL BROKER, to sell, exchange, lease or rent properties listed by PRINCIPAL BROKER or cooperating brokers and promote the real estate transaction business to the mutual benefit of both parties. BROKER shall assume full responsibility and discretion regarding the means and methods used in this regard and it is expressly understood that PRINCIPAL BROKER, subject to the real estate laws of the State of Oregon and rules of the Oregon Real Estate Agency, does not hereby gain any right to direct or control BROKER in the means and methods by which BROKER obtains additional listings and customers, sells, leases or rents properties or otherwise promotes the real estate transaction business.

4. **Office Facilities:** PRINCIPAL BROKER shall make available for BROKER use, equally with other licensees, office facilities maintained by PRINCIPAL BROKER for the conduct of real estate transactions. Such facilities are provided by PRINCIPAL BROKER as part of the negotiated commission sharing agreement memorialized by EXHIBIT A, attached hereto. BROKER shall be responsible for providing all other equipment, tools, supplies, service and other items necessary to obtain the results specified by this Agreement. PRINCIPAL BROKER shall make no advance on commissions to defray BROKER expenses.

5. **Personal Assistants:** BROKER, subject to the laws of the State of Oregon and rules of the Oregon Real Estate Agency, may hire others to assist them in performance of their obligations under this Agreement provided, however, BROKER has entered into a separate written agreement with PRINCIPAL BROKER regarding assistants. Other than supervision

by PRINCIPAL BROKER to the extent required by real estate statute and rule, or pursuant to a separate Control and Supervision Agreement, BROKER shall supervise and be responsible for any personal assistant hired or engaged by BROKER. BROKER shall enter into such written agreements with their assistants as

are required by law. BROKER agrees to perform all the duties of an employer should BROKER establish such a relationship with a personal assistant. BROKER shall indemnify, defend and hold harmless PRINCIPAL BROKER from any claim or liability resulting from BROKER hiring of a personal assistant.

6. Authority, Liability, Costs and Expenses: BROKER shall have no authority to bind PRINCIPAL BROKER by any promise or representation except by operation of law or when specifically authorized by PRINCIPAL BROKER. Other than as provided in this Agreement, BROKER shall bear all costs and expenses necessary to obtain the results specified in this Agreement including, but not limited to, all business license fees, professional dues and license fees, insurance, business cards, taxes and similar expenses. All advertising of any kind, including on-line communications, shall be consistent with PRINCIPAL BROKER'S Office Manual advertising policy. BROKER shall carry, and provide PRINCIPAL BROKER with proof of, automobile and other insurance suitable to the risks created by BROKER business activities. As an independent contractor, BROKER acknowledges that PRINCIPAL BROKER is not BROKER employer and will not be responsible for withholding state or federal taxes, providing workers' compensation insurance, unemployment insurance or other state, federal or local employer/employee requirements. BROKER warrants that as an independent business entity they will comply with all state, federal and local regulations regarding the operation of BROKER business and defend, indemnify and hold harmless PRINCIPAL BROKER from any liability arising from BROKER business activities unless otherwise provided for under law or the terms of this Agreement.

7. Compensation: When BROKER performs any services under this Agreement for which a commission is earned and collected, the commission shall be divided between PRINCIPAL BROKER and BROKER as set out in Exhibit A attached hereto and expressly incorporated by this reference. Commissions to be charged clients for any services performed under this Agreement shall be those determined by PRINCIPAL BROKER unless it is first expressly agreed otherwise in writing. In the event of special arrangements with clients regarding commissions, PRINCIPAL BROKER and BROKER may agree in advance, and in writing, to a division other than that set out in Exhibit A. Should two or more broker associates participate in services for which a commission is paid, or claim to have done so, the commission, over and above that accruing to PRINCIPAL BROKER, shall be divided between the participating broker associates according any agreement between them. If no agreement is made regarding the division between or among participating broker associates, the matter shall be decided pursuant to the Dispute Resolution Clause of this Agreement. Any distribution of commissions earned and collected by PRINCIPAL BROKER shall take place as soon as practical after collection of such commissions. Neither PRINCIPAL BROKER nor BROKER shall be liable to the other for any commission, or portion

thereof, not collected. BROKER is not entitled to any advance payment for future commissions and any action against third- parties for collection of any commission can be maintained only in the name of PRINCIPAL BROKER.

8. Termination of Agreement: This Agreement may be terminated in writing by either party upon notice of days. Associate agrees to conduct all professional real estate activity in accord with PRINCIPAL BROKER'S Office Policies concerning professional real estate activity. BROKER shall be entitled to any commissions earned under the Agreement which accrued prior to termination. BROKER acknowledges that all listings and prospects are those of PRINCIPAL BROKER as its sole property and no commission or other compensation will be paid by PRINCIPAL BROKER for any services rendered for which the right to a commission has not already accrued except as provided under Exhibit A. BROKER shall return all listings, manuals, materials, forms, and other property of PRINCIPAL BROKER immediately upon termination of this Agreement. BROKER shall not use to their advantage, or the advantage of others, any proprietary or confidential information gained as a result of BROKER business association with PRINCIPAL BROKER. It is expressly agreed that, following termination, this Agreement shall continue to govern all disputes and claims between PRINCIPAL BROKER and BROKER arising from or connected with the business relationship created by this Agreement.

9. Dispute Resolution: All disputes or claims of any kind between PRINCIPAL BROKER and BROKER, or between BROKER and other BROKER'S licensed with PRINCIPAL BROKER, connected with or arising from this Agreement, shall be submitted to binding arbitration unless otherwise adjusted by mutual agreement of the parties. If the dispute is covered by the Bylaws of a Board of REALTORS[®] of which all disputants are members, the matter shall be submitted to the Board for resolution pursuant to the Bylaws of that Board. If no Board of REALTORS[®] has jurisdiction, or will accept jurisdiction, the dispute shall be submitted to arbitration under the rules of the American Arbitration Association, or to such other arbitration rules as the parties shall mutually agree. Arbitration shall be final and binding. The prevailing party in any dispute shall, in the discretion of the arbitrator, be entitled to attorney fees in addition to other relief.

10. **Entire Agreement:** This Agreement is the entire Agreement between PRINCIPAL BROKER and BROKER. The terms of this Agreement are the complete, final expression of the Agreement between PRINCIPAL BROKER and BROKER and cannot be contradicted by evidence of any prior agreement or contemporaneous oral agreement. This Agreement cannot be modified, altered or amended other than by further written agreement signed by both PRINCIPAL BROKER and BROKER.

PRINCIPAL BROKER

BROKER

(Signature)

(Signature)

(Printed Name)

(Printed Name)

(Address)

(Address)

(City, State, Zip)

(City, State, Zip)

(Phone)

(Phone)

DATED THIS _____ day of _____, _____

EXHIBIT A

This EXHIBIT shall be part of the Agreement between _____ (“PRINCIPAL BROKER”) and _____ (“BROKER”), dated _____

_____,
_____. This EXHIBIT may be revised or amended only in writing and if so revised or amended, a signed and dated copy of the revisions or amendments shall be attached hereto.

PRINCIPAL BROKER and BROKER AGREE:

1. Any listing commission collected by PRINCIPAL BROKER as a result of BROKER’S efforts under the Agreement noted above shall be divided as follows:

BROKER _____ %

PRINCIPAL BROKER _____ %

2. Any sales commission collected by PRINCIPAL BROKER as a result of BROKER’S efforts under the Agreement noted above shall be divided as follows:

BROKER _____%

PRINCIPAL BROKER _____%

3. Any rental or lease commission collected by PRINCIPAL BROKER as a result of BROKER'S efforts under the Agreement noted above shall be divided as follows:

BROKER _____%

PRINCIPAL BROKER _____%

4. Any commission(s) collected by PRINCIPAL BROKER on listings, sales, rentals or leases resulting from BROKER'S efforts prior to termination of their Agreement shall be divided in accordance with the above provisions. PRINCIPAL BROKER may, however, offset BROKER share by an amount necessary to reasonably compensate PRINCIPAL BROKER, or another BROKER, if they provide services necessary to complete the transaction. Any dispute regarding this provision shall be subject to the Dispute Resolution Clause of the Agreement noted above.

PRINCIPAL BROKER

BROKER
