

A-Z Solutions/Todd Tucker Broker  
Independent Contract and Policy and Procedures

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## INDEPENDENT CONTRACTOR AGREEMENT and POLICY & PROCEDURE MANUAL

PLEASE READ THIS

### INDEPENDENT CONTRACTOR AGREEMENT

In consideration of the covenants and representations contained in this Agreement, Broker and Associate-Licensee agree as follows:

**1. BROKER:**

Broker represents that Broker is duly licensed as a real estate broker by the State of California, doing business as A-Z Solutions/Todd Tucker Broker – 9640 Hoylake Road, Desert Hot Springs CA 92240

**2. ASSOCIATE-LICENSEE:**

Associate-Licensee represents that: (i) he/she is duly licensed by the State of California as a real estate salesperson and (ii) has not used any other names within the past five years. Licensee shall keep his/her license current during the term of this Agreement, including satisfying all applicable continuing education and provisional license requirements.

**3. INDEPENDENT CONTRACTOR RELATIONSHIP:**

A. Broker and Associate-Licensee intend that, to the maximum extent permissible by law: (i) This Agreement does not constitute an employment agreement by either party; (ii) Broker and Associate-Licensee are independent contracting parties with respect to all services rendered under this Agreement; and (iii) This Agreement shall not be construed as a partnership.

B. Broker shall not: (i) restrict Associate-Licensee's activities to particular geographical areas, or (ii) dictate Associate-Licensee's activities with regard to hours, leads, open houses, opportunity or floor time, production, prospects, sales meetings, schedule, inventory, time off, vacation, or similar activities, except to the extent required by law.

C. Associate-Licensee shall not be required to accept an assignment by Broker to service any particular current or prospective listing or parties.

D. Except as required by law: (i) Associate-Licensee retains sole and absolute discretion and judgment in the methods, techniques, and procedures to be used in soliciting and obtaining listings, sales, exchanges, leases, rentals, or other transactions, and in carrying out Associate-Licensee's selling and soliciting activities; (ii) Associate-Licensee is under the control of Broker as to the results of Associate-Licensee's work only, and not as to the means by which those results are accomplished; (iii) Associate-Licensee has no authority to bind Broker by any promise or representation; and (iv) Broker shall not be liable for any obligation or liability incurred by Associate-Licensee.

E. Associate-Licensee's only remuneration shall be the compensation specified in paragraph 8.

F. Associate-Licensee who only performs as a real estate sales agent, shall not be treated as an employee for state and federal tax purposes. However, an Associate-Licensee who performs loan activity shall be treated as an employee for state and federal tax purposes unless the activity satisfies the legal requirements to establish an independent contractor relationship.

G. The fact the Broker may carry workers' compensation insurance for Broker's own benefit and for the mutual benefit of Broker and licensees associated with Broker, including Associate-Licensee,

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shall not create an inference of employment. Licensees are independent contractors for tax and other purposes.

### 4. **LICENSED ACTIVITY:**

All listings of property, and all agreements, acts or actions for performance of licensed acts, which are taken or performed in connection with this Agreement, shall be taken and performed in the name of Broker. Associate-Licensee agrees to and does hereby contribute all right and title to such listings to Broker for the benefit and use of Broker, Associate-Licensee, and other licensees associated with Broker. Broker shall make available to Associate-Licensee, equally with other licensees associated with Broker, all current listings in Broker's office, except any listing which Broker may choose to place in the exclusive servicing of Associate-Licensee or one or more other specific licensees associated with Broker. Associate-Licensee shall provide and pay for all professional licenses, supplies, services, and other items required in connection with Associate-Licensee's activities under this Agreement, or any listing or transaction, without reimbursement from Broker except as required by law. Associate-Licensee shall work diligently and with his/her best efforts to: (i) sell, exchange, or lease, with Broker or other cooperating Brokers; (ii) solicit additional listings, clients, and customers; and (iii) otherwise promote the business of serving the public in real estate transactions to the end that Broker and Associate-Licensee may derive the greatest benefit possible, in accordance with law. Associate-Licensee shall not commit any unlawful act under federal, state or local law or regulation while conducting licensed activity. Associate-Licensee acknowledges property management is not allowed while employed with A-Z Solutions/Todd Tucker Broker Realty. Associate-Licensee shall at all times be familiar, and comply, with all applicable federal, state and local laws, including, but not limited to, anti-discrimination laws and restrictions against the giving or accepting a fee, or other thing of value, for the referral of business to title companies, escrow companies, home inspection companies, pest control companies and other settlement service providers pursuant to the California Business and Professions Code and the Real Estate Settlement Procedures Acts (RESPA).

**California Department of Real Estate law requires ALL transactions be processed through the brokerage which include: lease transactions, personal real estate transactions, referral transactions and consulting services. If a closed transaction is not reported to the brokerage within 3 (three) business days of close of escrow, there is a \$15,000 fine per unreported transaction as well as the requirement by the DRE to report said agent to state enforcement, which may result in the loss of the agent's license and/or additional fines and disciplinary action.**

A-Z SOLUTIONS/TODD TUCKER BROKER members are permitted to process personal sales transactions with A-Z SOLUTIONS/TODD TUCKER BROKER. When selling a property that A-Z SOLUTIONS/TODD TUCKER BROKER agent has ownership, to be covered by insurance, A-Z SOLUTIONS/TODD TUCKER BROKER agent is required to obtain an addendum stating seller or buyer is a licensed real estate agent. Failure to provide the addendum will disqualify the transaction being covered by our insurance company and agent would be held liable should litigation arise.

### 5. **PROPRIETARY INFORMATION AND FILES:**

(A) All files and documents pertaining to listings, leads and transactions are the property of Broker and shall be delivered to Broker by Associate-Licensee immediately upon request or termination of this Agreement. (B) Associate-Licensee acknowledges that Broker's method of conducting business is a protected trade secret. (C) Associate-Licensee shall not use to his/her own advantage, or the advantage of any other person, business, or entity, except as specifically agreed in writing, either during Associate-Licensee's association with Broker, or thereafter, any information gained for or from the business, or files of Broker.

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### 6. SUPERVISION:

Associate-Licensee, within 24 hours after preparing, signing, or receiving same, shall submit to Broker, or Broker's designated licensee: (i) all documents which may have a material effect upon the rights and duties of principals in a transaction, (ii) any documents or other items connected with a transaction pursuant to this Agreement in the possession of or available to Associate-Licensee; and (iii) all documents associated with any real estate transaction in which Associate-Licensee is a principal.

### 7. TRUST FUNDS:

Licensee acknowledges and understands that all earnest money deposits shall NEVER ever be handled by Licensee. Licensee should notify escrow immediately to arrange for any earnest money deposits needing to be picked up or have client deliver directly to escrow. Licensee shall never receive ANY funds from clients nor receive ANY cash payments from clients.

### 8. COMPENSATION:

A. TO BROKER: Compensation shall be charged to parties who enter into listing or other agreements for services requiring a real estate license as follows:

FEES: Based on signed agreements with individual salesperson or corporation.

**E&O insurance is paid by licensee and A-Z Solutions/Todd Tucker Broker must be listed as additional Insured on policy.**

B. PARTNERS, TEAMS, AND AGREEMENTS WITH OTHER ASSOCIATE-LICENSEES IN OFFICE: If Associate-Licensee and one or more other Associate-Licensees affiliated with Broker participate on the same side (either listing or selling) of a transaction, the commission allocated to their combined activities shall be divided by Broker and paid to them according to their written agreement. Broker shall have the right to withhold total compensation if there is a dispute between associate-licensees, or if there is no written agreement, or if no written agreement has been provided to Broker.

C. EXPENSES AND OFFSETS: If Broker elects to advance funds to pay expenses or liabilities of Associate-Licensee, or for an advance payment of, or draw upon, future compensation, Broker may deduct the full amount advanced from compensation payable to Associate-Licensee on any transaction without notice. Broker may collect offset fee for processing of transactions requiring additional work for brokerage. If Associate-Licensee's compensation is subject to a lien, garnishment or other restriction on payment, Broker shall charge Associate-Licensee a fee for complying with such restriction.

D. PAYMENT: (i) All compensation collected by Broker and due to Associate-Licensee shall be paid to Associate-Licensee, after deduction of expenses and offsets, immediately or as soon thereafter as practicable, except as otherwise provided in this Agreement, or a separate written agreement between Broker and Associate-Licensee. (ii) Compensation shall not be paid to Associate-Licensee until both the transaction and file are complete. (iii) Broker is under no obligation to pursue collection of compensation from any person or entity responsible for payment. Associate-Licensee does not have the independent right to pursue collection of compensation for activities which require a real estate license which were done in the name of Broker. (iv) Expenses which are incurred in the attempt to collect compensation shall be paid by Broker and Associate-Licensee in the same proportion as set forth for the division of compensation (paragraph 8(B)). (v) If there is a known or pending claim against Broker or Associate-Licensee on transactions for which Associate-Licensee has not yet been paid, Broker may withhold from compensation due Associate-Licensee on that transaction amounts for which Associate-Licensee could be responsible under paragraph 14, until such claim is resolved. (vi) Associate-Licensee shall not be entitled to any advance payment from Broker upon future compensation. Any deviation by the agent which is not approved in writing in

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advance by Broker, shall be deducted from Associate-Licensee's compensation. (vii) There is a \$45 bank fee for outgoing domestic wires to Associate-Licensees.

E. UPON OR AFTER TERMINATION: If this Agreement is terminated while Associate-Licensee has listings or pending transactions that require further work normally rendered by Associate-Licensee, Broker shall make arrangements with another associate-licensee to perform the required work, or Broker shall perform the work him/herself. The licensee performing the work shall be reasonably compensated for completing work on those listings or transactions, and such reasonable compensation shall be deducted from Associate-Licensee's share of compensation. Except for such offset, Associate-Licensee shall receive the compensation due as specified above.

### 9. TERMINATION OF RELATIONSHIP:

Broker or Associate-Licensee may terminate their relationship under this Agreement at any time, with or without cause. After termination, Associate-Licensee shall not solicit: (i) prospective or existing clients or customers based upon company-generated leads obtained during the time Associate-Licensee was affiliated with Broker; (ii) any principal with existing contractual obligations to Broker; or (iii) any principal with a contractual transactional obligation for which Broker is entitled to be compensated. Even after termination, this Agreement shall govern all disputes and claims between Broker and Associate-Licensee connected with their relationship under this Agreement, including obligations and liabilities arising from existing and completed listings, transactions, and services.

### 10. DISPUTE RESOLUTION:

A. Mediation: Mediation is recommended as a method of resolving disputes arising out of this Agreement between Broker and Associate-Licensee.

B. Arbitration: All disputes or claims between Associate-Licensee and other licensee(s) associated with Broker, or between Associate-Licensee and Broker, arising from or connected in any way with this Agreement, which cannot be adjusted between the parties involved, shall be submitted to the Association of REALTORS® of which all such disputing parties are members for arbitration pursuant to the provisions of its Bylaws, as may be amended from time to time, which are incorporated as a part of this Agreement by reference. If the Bylaws of the Association do not cover arbitration of the dispute, or if the Association declines jurisdiction over the dispute, then arbitration shall be pursuant to the rules of California law. The Federal Arbitration Act, Title 9, U.S. Code, Section 1, et seq., shall govern this Agreement.

### 11. AUTOMOBILE:

Associate-Licensee shall maintain automobile insurance coverage for liability and property damage. (does not apply to inactive agents)

### 12. DBA:

A-Z SOLUTIONS/TODD TUCKER BROKER When using your own DBA you are required to confirm with the DRE the requirements for your DBA name in your marketing. [DRE allowable names.](#)

### 13. PERSONAL ASSISTANTS:

Associate-Licensee may make use of a personal assistant, provided the following requirements are satisfied. Associate-Licensee shall have a written agreement with the personal assistant which establishes the terms and responsibilities of the parties to the employment agreement, including, but not limited to, compensation, supervision and compliance with applicable law. The agreement shall be subject to Broker's review and approval. Unless otherwise agreed, if the personal assistant has a real estate license, that license must be provided to the Broker. Both Associate-Licensee and personal assistant must sign any agreement that Broker has established for such purposes.

### 14. OFFICE POLICY & PROCEDURE MANUAL:

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If Broker's office policy manual, now or as modified in the future, conflicts with or differs from the terms of this Agreement, the terms of the office policy manual shall govern the relationship between Broker and Associate-Licensee.

### 15. INDEMNITY AND HOLD HARMLESS; NOTICE OF CLAIMS:

A. Regarding any action taken or omitted by Associate-Licensee, or others working through, or on behalf of Associate-Licensee in connection with services rendered or to be rendered pursuant to this Agreement: (i) Associate-Licensee agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, awards, costs and attorney's fees, arising there from and (ii) Associate-Licensee shall immediately notify Broker if Associate-Licensee is served with or becomes aware of a lawsuit or claim regarding any such action. B. Any such claims, deductibles, or costs payable pursuant to this Agreement, are to be paid in full by Associate-Licensee, who hereby agrees to indemnify and hold harmless Broker for all such sums. Payment from Associate-Licensee is due at the time Broker makes such payment and can be offset from any compensation due Associate-Licensee as above. Broker retains the authority to settle claims or disputes, whether or not Associate-Licensee consents to such settlement.

### 16. DEFINITIONS:

As used in this Agreement, the following terms have the meanings indicated:

(A) "Listing" means an agreement with a property owner or other party to locate a buyer, exchange party, lessee, or other party to a transaction involving real property, a mobile home, or other property or transaction which may be brokered by a real estate licensee, or an agreement with a party to locate or negotiate for any such property or transaction.

(B) "Compensation" means compensation for acts requiring a real estate license, regardless of whether calculated as a percentage of transaction price, flat fee, hourly rate, or in any other manner.

(C) "Transaction" means a sale, exchange, lease, or rental of real property, a business opportunity, or a manufactured home, which may lawfully be brokered per real estate licensee.

### 17. TRANSACTION COORDINATORS:

All Transactions require a Transaction Coordinator unless written notice is given,

### 18. ATTORNEY FEES:

In any action, proceeding, or arbitration between Broker and Associate-Licensee arising from or related to this Agreement, the prevailing Broker or Associate-Licensee shall be entitled to reasonable attorney fees and costs.

### APPLICABLE LAW

This Agreement is entered into in the state of California, and shall be governed by the laws of the State of California. Any lawsuit filed which arises out of or relates to this Agreement must be filed in Santa Clara County, State of California.

### ASSOCIATE-LICENSEE AGREES AND UNDERSTANDS THAT:

In addition to the terms set forth in this Agreement, A-Z Solutions/Todd Tucker Broker Policies & Procedures Manual is hereby incorporated by reference into this Agreement, and Licensee is expected to read and understand it. Broker may, in its sole and absolute discretion, change any policies, benefits, or practices in the manual, with or without prior notice.

Licensee's acceptance of terms & conditions below certifies that they have read this agreement and the Office Policy & Procedure Manual and agrees to abide by its provisions during their association with A-Z Solutions/Todd Tucker Broker. It supersedes all prior agreements, understandings, and representations concerning Licensee's association with A-Z Solutions/Todd Tucker Broker. Broker of record is Ronny Santana. Licensee acknowledges receipt of a copy of this agreement for their records.

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# A-Z Solutions/Todd Tucker Broker

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### **POLICY & PROCEDURE MANUAL**

#### 1. About the Company

##### 1.1 General

The Company is licensed by the BRE under the following name: A-Z Solutions/Todd Tucker Broker.

#### 2. Policy Manual

##### 2.1 General Purpose

The purposes of this policy and procedure manual are to establish a uniform system of daily conduct by and between us when dealing with each other, other members of the Company, our clients and members of the public.

##### 2.2 Responsibilities

You are responsible to work in accordance with Company policies and procedures. Your failure to comply with the policies and procedures within this manual may result in your termination from this Company.

##### 2.3 Changes in Manual

This Policy manual may be changed from time to time by the Company. Changes may be made at any time. The policies on-line at any time represent the Company's current Policy Manual.

##### 2.4 Exclusions from the Manual

This Manual applies only to salespersons and does not apply to Company staff employees.

##### 2.5 Conflict with Salesperson/Broker Independent Contractor Agreement

In the event of a conflict between this Policy Manual and your Salesperson/Broker Independent Contractor Agreement, the terms of this Policy Manual shall prevail.

#### 3. Independent Contractor Relationship

##### 3.1 Independent Contractor

You have signed an Independent Contractor Agreement with the Company and are associated with this Company as an Independent Contractor. You do not have an employee-employer relationship with this Company. You are considered to be an Independent Contractor for tax purposes and you may receive a 1099 at the end of each calendar year. The Company will NOT withhold taxes or Social Security from your compensation. Payment of taxes and Social Security contributions are your responsibility. You are also considered an independent contractor for purposes of Unemployment Insurance. You are not subject to the minimum wage laws.

##### 3.2 At-Will Status

You are associated with the Company for an unspecified term on an at-will basis. Except where it is otherwise expressly agreed in writing with the Company, either party may terminate your association at any time with or without cause or reason.

#### 4. General Office Procedures

##### 4.1 BRE License and Requirements

You are required to maintain a valid California real estate broker or salesperson license in good standing while associated with this Company. If your license expires, you may not engage in any activities on behalf of the Company for which a real estate license is required. The Broker may designate another Company salesperson to handle your prospects, listings and transactions during any time your license lapses, and allocate such reasonable compensation to that salesperson for work performed.

Your Company's Broker is charged by California law to review, supervise and manage the activity of all salespersons. The Broker may rely on management and staff support to perform this function.

You are expected to cooperate with Broker's assistants in the handling of files, documents and procedures in accordance with this Policy Manual and California law.

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It is your responsibility to keep current on changes in industry practices and to take advantage of available education and training programs to maintain your professionalism and your ability to properly represent your clients. It is also your responsibility to obtain all Continuing Education courses so as to renew your license in a timely manner.

### 4.3 Business Cards, Signs

A-Z SOLUTIONS/TODD TUCKER BROKERREALTY does not supply or reimburse expenses for any business cards, signs or any other office expenses. Agent when ordering materials need to follow the rules provided in this manual under "Advertising" section.

BE AWARE: Certain municipalities, housing developments and Homeowners' Associations have strict guidelines, rules, and ordinances regarding the size and placement of signs. You must determine whether or not the Company's sign and its placement will conform to these requirements BEFORE installation. You are responsible to have the sign removed immediately once the listing expires or the property sale is closed.

### 4.4 Professional Conduct

As a License Real Estate Agent of the California Department of Real Estate, you are expected to be familiar and comply with the Code of Ethics.

### 4.5 Working Place

Our Company does not provide any office space for our agent. As you are independent contractor, it is permissible to work from your home, own office, car or other places. However, remember that the Broker is required to supervise your activity. Be sure that all files and documents that you work on are in safe place and can be represented to Broker in 24 hours. You must to be reachable by phone, email and regular mail and respond to voicemails maximum in 24 hours. You need to provide us an address of your office or home.

### 4.6 Alcohol and Drugs

Possession, use, sale or being under the influence of alcohol or drugs on or off company premises while conducting Company business is prohibited. Use good judgment. NEVER DRINK AND DRIVE.

### 4.7 Professional Associations

A. Multiple Listing Service - As an associate with this Company, you can join the MLS. As an MLS member, you are required to be familiar with, and adhere to, the rules and regulations of the MLS. A copy of those rules and regulations are on file in the office or through the MLS. If you fail to comply with those rules and regulations, or fail to pay your MLS bill when due, you and/or the Company may be fined, suspended or expelled, and your listings may be removed from the MLS. You will be responsible for payment of any and all fines levied against you and/or the Company resulting from your noncompliance. Furthermore, your noncompliance may result in your termination from Company.

B. NAR, CAR, & Local Associations - National, California, and Local Associations of REALTORS® It is not required but you may maintain a current membership in the National, California and Local Associations of REALTORS® at your own expense. Membership is billed annually through your local association of REALTORS®.

### 4.8 Fees and Commissions

All fees and commissions must be made payable to the Company. You will be paid out of the fees and commissions earned by you, and for which you are the procuring cause, based on the terms mentioned in your Independent Contractor Agreement.

### 4.9 Tax Reporting

At the end of each calendar year or as soon thereafter as possible, the Company may provide you with an Internal Revenue Service Form 1099 (depending on received commissions) setting forth compensation paid to you. Your income earned and expenses incurred have significant tax consequences. You are encouraged to get competent independent tax advice and keep accurate records of earnings and expenses.

### 4.10 Deductions

All expenses of any kind incurred by you with the Company; or incurred by the Company on your behalf, including unpaid draws and advances, expenses for advertising, supplies, signs, etc., and/or

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any such expenses that you have agreed to pay the Company but have not paid in accordance with Company policy, will be deducted from the next commission payments due you.

#### 4.11 Trust Fund Handling

Licensee acknowledges and understands that Broker does not maintain a trust fund account and that all earnest money deposits shall never ever be touched by Licensee. Licensee should notify escrow immediately to arrange for any earnest money deposits needing to be picked up or have client deliver directly to escrow, then be reported to the Broker within 24 hours. Licensee shall never receive ANY funds from clients nor receive ANY cash payments from clients.

Trust funds are defined as "money or other things of value that are received by a Broker or salesperson on behalf of a principal or any other person, and which are held for the benefit of others in the performance of any acts for which a real estate license is required." The most common types of funds are earnest money deposits. Improper trust fund handling may lead to civil, criminal and Real Estate Commission action against you and the Company. Remember, you are handling someone else's money. When you representing a buyer you must ensure that earnest money deposits are made payable directly to escrow and reported to Broker within 24 hours with the DEPOSIT NOTIFICATION form included in the New Agent Package. **IT IS ILLEGAL AND UNPERMISSIBLE TO RECEIVE FUNDS IN YOUR PERSONAL NAME OR ACCEPT CASH PAYMENTS FROM CLIENTS.**

#### 4.12 Identity Theft

Identity theft is a growing concern. So, it is essential that you treat with care and confidentiality all files containing names, addresses, phone numbers, social security numbers, credit card information or any other personally identifiable information. You must assure that any files containing such information that remain in your possession be kept in a secure location and disposed of properly.

#### 4.13 Safe Driving

You are expected to keep your automobile in a clean, properly maintained, and safe operating condition at all times. Remember: You are responsible for damage or injury caused while driving. It is your obligation to drive in a safe, responsible and alert manner.

#### 4.14 Personal Transactions

You must disclose in writing that you are a real estate licensee whenever you buy or sell property in which you have an ownership interest, or where you have a special relationship with a buyer, or where there is a possibility that you could acquire indirectly a financial or legal interest in the property. The standard transaction fee above applies. (Selling side and Buyers side is considered 2 transactions), per million dollars.

#### 4.15 Vacations

As an Independent Contractor, you are entitled to schedule vacations. However, if there is any pending transaction, please advise the Broker of your vacation schedule and how any pending business will be handled in your absence.

#### 4.16 Anti-Trust Guidelines

Do not engage in any verbal or written conversations with agents or brokers with other companies regarding: The setting of commissions, charges or other fees to the public; Boycotting or not doing business with a particular competitor;

The setting of rates or percentages of shared commission compensation to cooperating brokers.

#### 4.17 Transaction Coordinators

Our company provides a transaction coordinator (T.C.) service. There is no requirement to use our Transaction Coordinator but if you are not using our T.C. you are liable that transaction file is completed and match all Company requirements.

#### 4.18 Referral, & Recruitment Program

Broker agrees to pay Licensee \$100 for every agent that joins A-Z SOLUTIONS/TODD TUCKER BROKER that Associate-Licensee refers to A-Z Solutions/Todd Tucker Broker while referring agent was employed with A-Z Solutions/Todd Tucker Broker.

#### 4.19 Property Management



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Property Management services are not covered by A-Z SOLUTIONS/TODD TUCKER BROKER insurance policy and agents are not allowed to contract property management clients, unless approved in writing by Todd Tucker. Agent's privately held properties also are not covered by A-Z SOLUTIONS/TODD TUCKER BROKER insurance and are considered independent from A-Z SOLUTIONS/TODD TUCKER BROKER.

### 4.20 Agent's Personal Transactions

A-Z SOLUTIONS/TODD TUCKER BROKER allows agent owned buyer and seller transactions. They are processed through A-Z SOLUTIONS/TODD TUCKER BROKER at standard transaction fees. A-Z SOLUTIONS/TODD TUCKER BROKER E&O insurance policy does not cover agent buyer transactions. You may obtain an independent E&O policy for your transaction if desired.

For transactions where the A-Z SOLUTIONS/TODD TUCKER BROKER agent is the seller, the agent must; 1) Obtain a termite and home inspection 2) Obtain a home warranty 3) Obtain seller signed addendum acknowledging buyer is licensed real estate agent.

## 5. Handling Clients

### 5.1 Proprietary Information

Treat all client information as confidential and proprietary. You have a fiduciary duty to your clients and must never use any information learned during the course of your representation of your clients in any manner adverse to their interests.

### 5.2 Fair Housing

The Company is committed to equal opportunity, fair housing and complying with all applicable local, state and federal fair housing laws. To that end, we do not discriminate on the basis of any arbitrary classification, including, but not limited to, the following: Race, Color, Religion, Sex, Handicap or disability, Familial status, National origin, Sexual orientation.

### 5.3 Agency Relationships and Duties

A. Recognized Forms of Agency The Company generally recognizes two forms of agency:

- \* Single Agency (Seller's Agent exclusively or Buyer's Agent exclusively)

- \* Dual Agency If the Company has the listing, we represent the seller only, unless you or another licensee working for the Company also brings in the buyer, in which case the office represents both the buyer and the seller and is a dual agent.

If the Company is working with the buyer and does not have a listing agreement with the seller, we represent the buyer exclusively.

Remember, the agency relationship is created through the Broker. If you have listed the property and another salesperson from this Company brings an offer from a buyer, a dual agency will be created.

#### A. Duties and Standards of Conduct

When you represent a principal in a transaction you have a fiduciary duty to that person. This means you have a duty of utmost care, integrity, honesty and loyalty in dealings with that principal. In addition, a listing agent owes the buyer, and a buyer's agent owes the seller the following duties:

- \* Honesty, Good faith, and fair dealing

- \* Disclosure of known facts materially affecting the value or desirability of the property that are not within the diligent attention or observation of the parties

- \* The exercise of reasonable skill and care in performance of your duties

#### C. Agency Disclosure Requirements

You must provide a statutory disclosure form entitled "Disclosure Regarding Real Estate Agency Relationships" (California Association of REALTORS® form AD or similar form) in every applicable transaction.

If you represent the seller, you must provide the disclosure form to the seller BEFORE entering into the listing agreement. Inform the seller of our policy regarding agency as set forth above. If you represent the buyer, the law requires that you must provide the buyer with an agency disclosure as soon as practicable BEFORE executing an offer to purchase. When you present an offer and this office is not the listing agent, you must also provide a new agency disclosure to the seller as soon as

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practicable BEFORE presenting an offer. Delivery of the disclosure to the listing agent is generally sufficient.

### 5.4 Taking Listings

California law requires that a compensation agreement be in writing and signed by the party to be charged in order to be enforceable.

If someone signs on behalf of another, you must have written evidence of the authority to act, such as a power of attorney or letter of administration.

If the property is in escrow, make sure the listing does not expire before close of escrow. Get all modifications or extensions in writing.

All listings are taken in the name of the Company, which reserves the right to reassign the listing upon request of the seller, or if the listing has not been handled properly.

### 5.5 Negotiating Commissions

The commissions pay by principal is negotiable. You will receive 100% commission minus the Company charges for services if any. The Company reserves the right to set any fees when it is necessary.

### 5.6 Conducting Open Houses

Open houses are a great way to expose your listing for sale and to meet prospective buyers. Plan your open houses in advance. Be sure they are advertised. In order to assure a successful open house, follow these guidelines:

- Prepare and take sufficient property flyers and information about you and the Company.
- Prepare and take a list of comparable sales and properties for sale in the immediate area of the open house.
- Suggest that the sellers not be present and that they lock away all valuables that could be targets of theft.
- Place your A-Frames in strategic, but permissible, locations.
- Open the house, turn on the lights, and make the house look fresh and inviting.
- Have a sign-in sheet.
- Greet visitors in a friendly manner.
- Be aware of your personal safety. Let someone know where you are and have a plan if a visitor starts to make you feel uncomfortable or threatened.
- Accompany the visitors through the property, especially in furnished properties.
- When the open house is over, close up the home, making sure that all doors and windows are locked.

### 5.7 Showing Properties

Whenever possible, preview a property before showing it to prospective buyers. If you are familiar with the property you will be more effective when showing it to your client. Also, you may find that despite contrary representations, the property really is not suitable after all. Your time and your client's and the seller's time are valuable, don't waste it:

- Whenever possible, call the listing agent to alert the seller before showing.
- Give the seller reasonable time to make the property ready for you and your client.
- Listing agents should give the seller an estimated time frame within which you expect to arrive. Be prompt. If you will be considerably late, call the seller.
- If you have not heard from the seller before arriving, or if you are using the lockbox, go to the door first without your client.
- If the seller is home, explain the situation and ask for access. Remember, be respectful.
- When using a lockbox, always ring the doorbell and/or knock loudly several times and allow time to respond.
- Enter the property first and verify no one is there. Open curtains and turn on lights as necessary.
- Allow sufficient time for your clients to view each room and the property. Be mindful to look for any potential "red flags" about the property. (Disclosure)
- Do not leave your clients unattended in or on the property. You don't want to be blamed if any items are missing from the property later.

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- When you are finished, leave your card inside the property in a conspicuous place, and return the property to its original state (turn off appropriate lights, reset any alarms and lock the doors).
- If for some reason you don't show the property, call the listing agent as soon as possible to cancel.

#### 5.8 Drafting and Negotiating Contracts

A. When preparing an offer to purchase on a purchase agreement form, or completing an addendum or counter-offer form:

- Fill in all blanks or place a line through them.
- Review any written sentences or paragraphs to see if they can be clearly understood by someone who is not familiar with the discussions you may have had with your client.
- Review this document in light of all prior offer terms, addenda and/or counter-offers to make sure that there are no ambiguities or conflicts between the various terms.
- Review the document to be sure it reflects your client's wishes prior to asking them to sign.

B. Remember, as a listing agent, you must present ALL offers to the seller, even if the property is in escrow, unless the seller has given you written instructions to the contrary. Upon receiving the offer, review it thoroughly for completeness, accuracy and clarity. Pay close attention to time limits set out in the offer, ESPECIALLY the time within which the seller must respond. Make an appointment as soon as possible to present the offer.

C. As with all contracts, you must obtain all parties' signatures. If a party signs on behalf of another, you must have evidence of that person's authority to do so in writing. If you must present an offer missing a signature, you must disclose this fact to the seller or listing agent. Be sure to condition the offer on obtaining any missing signature(s).

D. If your clients receive a counter-offer, be sure the terms are clear and complete. Be sure to review it against the original offer to purchase and all previous counter-offers. Act expeditiously to present the counter-offer for consideration, signature and timely delivery to the other agent.

#### 5.9 Referral Fees

The Real Estate Settlement Procedures Act (RESPA) prohibits the payment of cash or anything of value from one settlement provider to another settlement provider (real estate agent, lender, title company, etc.). One exception is between real estate brokers for the referral of clients, in which case referral fees may be paid or received.

### 6. Maintaining Files (This is a biggy!)

6.1 Your files are a record of every event relative to your dealings with your client on a listing or sale transaction. You must retain copies of all listings, deposit receipts, cancelled checks, trust records, and other documents executed by you or obtained by you in connection with a real estate transaction, whether the sale is consummated or not. You must maintain a neat and orderly file on every listing and sale on which you work. All files are the property of the Company and are to remain either in your possession or the Company's possession until the file is closed. All closed files will be promptly returned to and remain with the Company for storage. All files will be held in storage a minimum of three (3) years in accordance with real estate law after which time they may be destroyed in accordance with the Company's document storage policy.

#### 6.2 Broker Review

You must submit all required documents to the Broker or his/her designee in 48 hours after receipt by you. The Broker will review the document for completeness and accuracy.

Remember, your file must be full complete to receive compensation.

#### 6.3 File Requirements

A. Transaction file requirements are Transaction Coordinator is mandatory for each transaction unless otherwise noted in writing by Broker.

B. Be sure all documents contain signatures of all parties required to sign and dated correctly.

#### 6.4 Get It In Writing !

As a general rule, all agreements must be in writing. In fact, if you don't have a written agreement with the principal, you may not receive your commission. If you discuss anything with any party or another broker/agent, always confirm your discussions and understanding with a written follow-up to

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that party or broker/agent. Never sign anything on behalf of your client, another agent, broker or anyone else.

6.5 Do Not Use Outdated Forms. Always use current forms. Keep your on-line forms database up to date with the most current forms.

### 7. Personal Assistants

#### 7.1 General

Generally, as your business increases, you may find hiring a personal assistant to be helpful. In hiring a personal assistant, you become an employer and have employer responsibility in that relationship. Interviewing, hiring and contracting with the assistant will be solely up to you. You agree that any assistant you hire will be required to abide by this Policy Manual.

Any compensation due the assistant shall be arranged between you and your assistant, and will be your responsibility.

#### 7.2 Unlicensed Assistant

It is strongly suggested to hire a real estate licensed assistant. Unlicensed personal assistant may not engage in any activity which requires a real estate license.

#### 7.3 Salesperson – Personal Assistant Contract

You are required to have a written agreement with your personal assistant that expresses the nature of the relationship and each party's duties and responsibilities.

#### 7.4 Workers Compensation

No Workers Compensation insurance is provided by the Company for assistants hired by agents. Agents who hire assistants shall be responsible for providing Workers Compensation insurance for those assistants where required. Agents should discuss this situation with a Workers Compensation insurance representative, and/or check out the State of California Workers Compensation website at: [http:// www.dir.ca.gov/dwc/](http://www.dir.ca.gov/dwc/)

### 8. Advertising Guidelines

#### 8.1 General

All advertising must be approved by the Company before your placement or use.

Anytime you advertise property you must include the term "Broker," "agent," "licensee" or "REALTOR ." Your DRE license number must appear on all correspondence with the public.

**\* The Department of Real Estate requires agents to include the brokerage name and the agent's DRE number on ALL signage, email, and marketing materials. Failure to comply with the rules referenced in the DRE advertising guidelines can result in the offending REALTOR® receiving a Multiple Listing Service (MLS) violation, an Ethics violation, and a fine of up to \$15,000. A real estate agent may also be subject to additional penalties and fines as well.**

#### 8.2 Legal and Ethical Considerations

As an associate and licensee, you have both a legal and ethical obligation to be truthful when advertising property or services. All advertising must comply with all state and federal advertising requirements as well as the NAR Code of Ethics. Any false or misleading advertisement will immediately be withdrawn by the Company. Legally, you may be held liable for fraud, intentional misrepresentation, or negligent misrepresentation if you make material false statements or material omissions in an advertisement. Additionally, you may face disciplinary action from the BRE.

#### 8.3 Company Name and Logos

The Company's name and/or logo **must** be include in all advertisings and conform to the City, County and local ordinances standards regarding the style, color and uses of the name and logo.

#### 8.4 REALTOR® Trademark

The use of the name REALTOR® must be used in compliance with the National Association of REALTORS® guidelines governing the use of that name and mark. Those guidelines are available on- line at: [www.realtor.org](http://www.realtor.org).

#### 8.5 Telephone: Do-Not-Call Compliance

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You are required to comply with the do-not-call laws which generally prohibit “telephone solicitations” to residential and cell phone numbers registered on the National Do-Not-Call Registry.

A. You may not call anyone at their home or cell phone number if listed on that Registry unless an exemption applies. Exemptions include written permission or an established business relationship in the past 18 months.

B. Cold Calling: You are encouraged to explore cold calling as a method of business promotion, but you must comply not only with the do-not-call rules, as well as other cold calling requirements as follows:

1. You may not call a residence before 8:00 AM or after 9:00 PM.
  2. You must provide the called party with your identity and telephone number where you may be contacted.
  3. You may not call any emergency lines, health care facilities, radio common carrier services (cellular or paging services) or any service for which the called party will be charged for the call.
- C. It is your responsibility to adhere to this policy and will be solely responsible for any violation, including any fines, penalties, damages recovered, settlements or attorney’s fees and costs.

### 8.6 Fax Advertising ..(What's a fax ?)

There are state and federal laws prohibiting faxing to recipients with unsolicited commercial advertisements or solicitations. Exemptions include prior permission or an established business relationship.

### 8.7 Fair Housing

The Company is committed to equal opportunity and fair housing in all of its advertising. Be aware that the selective use of words, phrases, symbols, visual aids and media in the advertising of real estate may indicate preferences held by the advertiser and lead to allegations of discriminatory housing practices. Words in a real estate advertisement which indicate a particular race, color, sex, handicap, familial status or national origin are considered likely violations of the Federal Fair Housing Act and may not be used in Company advertisements.

8.8 The National Association of Realtors - NAR has implemented a requirement for posting listings called; Clear Cooperation Policy. The NAR policy states that **listings must be posted on the MLS within 1 business day**. Every MLS has a different penalty for not adhering to this policy, typically 1% of the listing price not exceed **\$15,000**.

## 9. Policy Against Harassment

### 9.1 Company Policy

It is the policy of the Company that its employees, associates and visitors be free of harassment. Harassment is damaging to morale, serves no legitimate business purpose, is unlawful, and exposes the Company and the individuals involved to significant legal liability.

### 9.2 Enforcement

If you believe that you have been harassed, please bring the problem to the attention of the Broker. You do not have to put your complaint in writing, but it is helpful to provide details about dates, times, places, and witnesses to the harassment. All complaints will be investigated promptly by designated Company management. If your complaint of harassment is found to be totally and completely without basis, appropriate measures may be taken against you.

## 10. Litigation and Claims Handling

You are required to:

- A. Promptly notify your Broker of any claim or potential claim made against you and/or the Company, including any demand received by you for money or services alleging a negligent act or omission; any notification of the commencement of a lawsuit, arbitration or mediation process; or any written or verbal notice or threat that anyone intends to hold you and/or the Company responsible for any alleged wrongdoing.
- B. Cooperate with the Company in the defense of a claim.
- C. Promptly pay to the Company any amounts due hereunder upon notice to you from the Company.

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### 10.2 Legal Defense

D. When a claim or demand is made, or a lawsuit or other action is filed, against either you or the Company by a third party which alleges any breach of any duty, error or omission, or negligence in the performance of "Professional Services," as that term is defined in the Company's Errors & Omissions.

Policy of Insurance, for activities covered by the Insurance Policy, then the Company shall defend the claim, and the cost of such defense shall be allocated as set forth herein.

E. The Company has the right to make all decisions concerning the defense of the claim, including choice of counsel. In the event you object to any decision made by the Company, you may obtain your own attorney at your own expense; however, you shall not be relieved from the obligation to pay your portion of the cost of the claim as set forth herein.

### 10.3 Allocation of Costs of Defense

A. Except as provided below, the cost of defense of the claim, or to defend or protect against any potential or possible Claim where the Company or you are not involved as a party, including attorney's fees, and the cost of any settlement or a judgment (collectively the "Costs of Defense"), shall be allocated between the Company and you in the same percentages as per your Independent Contractor Agreement or prospective transaction that led to the Claim, whether or not the transaction actually closed.

B. You shall be responsible for all Costs of a claim if you fail to follow any law, regulation or Company policy as set forth in this Policy Manual or Company website, and that failure results in a judgment or other final adjudication based on that failure.

C. You shall be solely responsible, and shall reimburse the Company, for all of the Company's Costs of Defense if a judgment or other final adjudication on any claims adverse to the Company and/or you:

1. establishes that dishonest, fraudulent, criminal, or malicious acts, errors or omissions were committed;
2. results in a finding of intentional tort, slander, defamation or any conduct which leads to the imposition of punitive, exemplary or multiple damages, or fines or penalties; or,
3. establishes discrimination on the basis of race, creed, religion, ethnic background, national origin, age, sex, handicap, familial status, physical disability, sexual preference, or any other unlawful classification; or,
4. results in a finding of pollution or any wrongful act in connection with any such pollution, including the discharge release or escape of any hazardous materials as defined in the Insurance Policy; or,
5. result in a finding of any liability for claims for damage to property or death or injury to persons arising out use, removal or exposure to goods or products, in any form, composed in whole or in part of lead, asbestos or asbestos related materials.

### 10.4 Disputes During Escrow

If a dispute arises during an escrow between seller, buyer, the cooperating broker and/or the Company:

A. Which cannot be resolved by negotiations between the parties and the agent(s) involved; and

B. The Company determines that it is in the best interest of the Company to resolve the matter during escrow rather than risk a potential claim or litigation after close of escrow; then

Company Broker has the right to negotiate a resolution of the dispute which may involve a reduction in the commission to be received, or a credit given to one of the parties. In that event, and regardless of actual Company or agent liability or responsibility in the dispute, the agent(s) and the Company will participate in the commission reduction or credit pro rata.

### 10.5 Agent-Owned Property

Any property in which you have, or will acquire, an ownership, financial or other legal or other interest, is "Agent-Owned Property." The Company's E&O Insurance Policy governs coverage of the sale or purchase of any Agent-Owned Property. In any sale or purchase of Agent-Owned Property not covered by the E&O Insurance Policy, you shall be solely responsible for costs of defense, settlement or judgment on any claim, suit or action of any nature arising therefore.

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In the event you are selling or purchasing Agent-Owned Property, you must:

- A. Notify the Broker in advance;
- B. Obtain a Pest Inspection Report as well as a Home Inspection Report;
- C. Obtain, in advance, your Broker approval of all marketing material and disclosure documents; any purchase contract provisions prior to their execution; and any correspondence or other writings that pertain to the purchase or sale;
- D. Not representing buyers or prospective buyers in the sale of Agent's Property;
- E. Notify the Broker immediately in the event that any of the Company's agents writes an offer on your property.

### 11. Dispute Resolution

#### 11.1 Intra-Office Dispute Resolution

All disputes involving you and another associate of the Company will be promptly reported to the Broker. The Broker, or designated members of the management team, will attempt to resolve the dispute through informal mediation in which all affected salespersons are expected to participate. You agree that all disputes involving another associate which cannot be resolved by the Company, and disputes involving the Company, will be resolved by binding arbitration with the local Association of REALTORS® in accordance with the bylaws and rules in effect.

#### 11.2 Third Party Disputes

You are required to immediately notify your Broker of any dispute or claim involving you, another associate of this office, the office itself, the Company, and a third party, including brokers and associates of other brokerages.

The Company will make all reasonable efforts to resolve the dispute informally. Any such resolution will be binding on the agents involved in the dispute or claim.

### 12. Termination

#### 12.1 Grounds For Termination

Your association with the Company can be terminated by either party, with or without cause, at any time.

#### 12.2 Associate's Compensation on Termination

If Association with the Company is terminated while you have any listings or pending transactions that require further work normally rendered by you, the Broker will make arrangements with another salesperson or salespersons in the Company to perform the required work. The licensee performing the work shall be reasonably compensated for completing work on those listings or transactions, and such reasonable compensation shall be deducted from your share of the compensation. Except for such offset, you shall receive the compensation due as specified in the Independent Contractor Agreement.

#### 12.3 Listings

Listings are the property of the Company, even upon your termination. Within 24 hours after notice of termination by either party, you must provide your Manager with a list of all active listings taken by you, and all pending transactions in which, if completed, you will be entitled to compensation from the Company in accordance with the terms of your Independent Contractor, or other written, agreement.

### Associate licensee agrees and understands that:

In addition to the terms set forth in this Agreement, A-Z Solutions/Todd Tucker Broker's Policy & Procedures manual is hereby incorporated by reference into this Agreement, and Licensee is expected to read, understand it. Broker may, in its sole and absolute discretion, change any policies, benefits, or practices in the manual, with or without prior notice.

Licensee's acceptance of the terms & conditions below certifies that they have read this Independent Contractor Agreement and Office Policy & Procedure Manual and agree to abide by its provisions during their association with A-Z Solutions/Todd Tucker Broker. It supersedes all prior agreements,

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understandings, and representations concerning Licensee's association with A-Z Solutions/Todd Tucker Broker. Broker of record is Todd Tucker DRE# 02028975. Licensee acknowledges receipt of a copy of this agreement for their records.

Accept terms & conditions by Submitting the following:

Drivers License copy

Real Estate License copy