**MOM LOVES TRAVEL AGENCY & INDEPENDENT CONTRACTOR**

**AGREEMENT**

**This agreement made the \_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (the Effective date) between Dianna Graves (legal owner), doing business as MOM LOVES TRAVEL AGENCY, a host travel agency, having its principal place of business in Vallejo, CA, also referred to as “the Host Travel Agency” or “MLTA”, and of**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, herein referred to as “the independent contractor”.**

***1. Terms of the Agreement***

**Mom Loves Travel Agency hereby retains the Independent Contractor to act as an independent outside salesperson and the independent contractor agrees to act in such capacity on behalf of the Mom Loves Travel Agency on a month-to-month basis. At the end of each month period, this contract will automatically renew as long the independent contractor fees are paid, and unless either party serves the other with 30 days written notice of their intention not to renew.**

***2. Duties of the Independent Contractor***

**Mom Loves Travel Agency hereby retains the Independent Contractor as a self-employed businessperson to sell and promote travel and travel related products to the public on behalf of the Mom Loves Travel Agency.**

**As per CA AB5 legislation for independent contractors that reside in CA, the independent contractor will obtain a business license for their home-based travel business in the city they operate their home-based travel business by July 1, 2020, or if the independent contractor becomes an IC after July 1, 2020, within 30 days of signing this Independent Contractor agreement.**

**I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, operate my home-based business at the following address:**

**I will supply MLTA with a copy of my business license at the time of obtaining the license and the renewal business license each year.**

***3. Compensation to the Independent Contractor***

**As compensation for the services rendered, the Independent Contractor shall be entitled to a portion of the net sales commissions for any sales, made by the Independent Contractor, based on the following formula. \_\_\_\_% of net commissions from Independent Contractor generated sales leads. For new agents to the travel industry, to begin, the agent commission rate will be 80% to agent and 20% to agency until $5000 in SALES has been booked.**

***4. Fees*The Independent Contractor will pay the initial set up fee of $69 to the Mom Loves Travel Agency that allows them to operate as a home-based travel business and can sell travel through Mom Loves Travel Agency. The Independent Contractor will pay a monthly fee of $\_\_\_\_\_\_\_\_ to use the Mom Loves Travel Agency’s industry credentials. This fee will be due every 30 days from the day they enter into this contract.**

* **If the monthly fee is not paid within three days after it’s due date, the Independent Contractor will not have the accessibility to book travel under Mom Loves Travel Agency’s industry credentials.**
* **After the fifth day of non-payment of monthly fees there will be a reminder sent to pay your monthly fee.**
* **If payment is not received within seven (7) days of your due date, a $10 late charge will apply.**
* **If no payment is received by ten (10) days after due date, access to suppliers WILL be suspended and there will be a $25 reactivation fee, in addition to the agent’s monthly dues.**
* **If payment is not received by fifteen (15) days the IC agreement will be terminated.**

**The Independent Contractor is responsible for their own E&O, (Errors & omissions Insurance) and the cost of the coverage shall be paid by the Independent Contractor.**

**Expenses incurred in the booking, invoicing, and shipping of travel documents for clients sold by the independent contractor shall be paid by the IC, which includes processing fees by the various suppliers.**

**It will be the Independent Contractor’s responsibility to make sure all client information is correct and entered into (Agency accounting system) and a booking form is submitted to Mom Loves Travel Agency in a timely manner before any commissions will be paid. Commission amounts will be based on what is entered by the IC.**

* **If a booking form is not received by Mom Loves Travel within 72 hours (3 days) from the date the booking was made, MLTA will decrease your commission by $25.**
* **If the commission does not amount to $25, the commission will be forfeited. If the booking was at an agent rate, the right to book agent rates will be terminated.**
* **Any commission that is received by MLTA for an agent, and there is no booking form, the commission will be considered abandoned and is forfeited.**

**All client issues concerning the client booking are the responsibility of the Independent Contractor.**

**\*\*the CRM (client record management) program, TESS is available under Mom Loves Travel Agency for a fee of $10 per month for basic or premium for $25 per month cost paid by IC. Initials \_\_\_\_\_\_\_\_\_\_\_\_\_ (this is optional)**

***5. Commission Compensation***

**The net commission is defined as the commission to Mom Loves Travel Agency and minus any commission rebated to a commercial account or individual client. The Independent Contractor shall not enter into any net or rebate agreement or other agreement with any client, potential client, or supplier using the Mom Loves Travel Agency name, without the written consent of Mom Loves Travel Agency. Any administration fees, ticketing fees, CRS charges, delivery fees, accounting research fees, debit memos, charge backs, etc., will be deducted from the agents’ commissions.**

**The Independent Contractor if paid by check, must cash their commission checks 60 days from the date of the check. If the commission check is not cashed, the commission amount will be forfeited. If an independent contractor loses or has a check stolen, the independent contractor will pay Mom Loves Travel Agency the stop payment fee amount charged by the bank, for a new check to be issued.**

***6. All Commissions to be sent to Mom Loves Travel Agency***

**The Independent Contractor agrees that all check and cash monies are to be transacted through Mom Loves Travel Agency and never directly to the supplier when using Mom Loves Travel Agency CLIA, IATAN or other consulting Identification Numbers. In the event the Independent Contractor or his/her clients send any monies directly to the supplier for booking made using Mom Loves Travel Agency CLIA, IATAN or booking identification number, this Independent Contractor agreement will be deemed in breach and may be terminated.**

**All credit card transactions are to be transacted and processed by the Independent Contractor directly with the supplier/vendor. If the Independent Contractor authorizes or requests any supplier to send commission directly to the Independent Contractor when using Mom Loves Travel Agency’s CLIA, IATAN or booking identification number, by passing Mom Loves Travel Agency, this Independent Contractor agreement will terminate, and Independent Contractor will forfeit any and all unpaid commissions.**

**While the Independent Contractor is free to do business with any entity or individual, Mom Loves Travel Agency shall receive all the commission paid by any supplier for any sale in which the Independent Contractor uses Mom Loves Travel Agency’s CLIA, IATAN or booking identification number to process the sale. The commissions will then be paid to the Independent Contractor.**

***7. Lead Generation***

**From time-to-time overflow leads may be provided to the Independent Contractor. If there are leads available for the independent contractor, the cost of the lead is TBD and put in writing what the commission split for sales from Mom Loves Travel Agency supplied leads. An Independent Contractor should not base their business goals solely on Mom Loves Travel Agency supplied leads.**

***8. Method of Payment***

**The Independent Contractor shall be paid monthly by Mom Loves Travel Agency, when commissions for the IC are paid by the supplier. Mom Loves Travel Agency shall, within 25 days of the end of each month, provide the Independent Contractor with a statement and check for all commissions earned on sales made by the Independent Contractor, that the Mom Loves Travel Agency has received commission payment for during the previous month. Payment shall be in accordance with the payment schedule set forth in the “Compensation to the Independent Contractor” section of this contract. Booking forms must be submitted to track commission payment to Independent Contractor and commissions cannot be paid without the agent having submitted a booking form to MLTA.**

**The Independent Contractor shall be paid the gross portion of their commissions. All commissions paid to the Independent Contractor shall be reported to the IRS**

**(form 1099, if over $600) annually. All taxes and government liabilities for these earnings are the responsibility of the Independent Contractor.**

***9. Examination of the books***

**The Independent Contractor shall have the right, either personally or by an accountant retained and paid for by the Independent Contractor, at times mutually convenient to Mom Loves Travel Agency and the Independent Contractor, to examine the books and accounts of Mom Loves Travel Agency insofar as they relate to transactions affecting the amount of the Independent Contractors compensation.**

***10. Rights of the Independent Contractor***

**The Independent Contractor shall provide their own business supplies and be responsible for all of their own expenses except for those covered by this agreement. The Independent Contractor shall provide their own business cards, and other promotional and marketing material. The Independent Contractor shall be responsible for all business expenses not provided by Mom Loves Travel Agency under this contract, in performing their duties under this agreement.**

***11. Places of Work***

**The Independent Contractor may choose where the work is to be performed, is not required to work on the premises of Mom Loves Travel Agency and is not required to answer the phones or perform any other office duties at Mom Loves Travel Agency.**

***12. Hours***

**The Independent Contractor may work whatever hours they wish. No fixed hours may be required by Mom Loves Travel Agency. Although training and meetings may be provided by Mom Loves Travel Agency, the Independent Contractor is not required to attend meeting or training sessions. It is recommended that Independent Contractors make use of these travel industry development opportunities to deepen their knowledge and continue their travel industry continuing education.**

***13. Risk of Loss/Profit Potential***

**The Independent Contractor assumes the risk of incurring a loss if the sales commission does not cover the expenses incurred with the supplier or provider, or the Independent Contractor’s expenses in making the sale, similarly, the Independent Contractor enjoys the right to earn a profit yielded by commissions shared pursuant to this agreement.**

***14. No Entitlement to Vacation or Health Benefits as an Independent Contractor***

**The Independent Contractor is not entitled to benefits provided by Mom Loves Travel Agency to its employees such as paid vacation, paid sick time, and medical or dental insurance.**

***15. Entering into Contracts and Ability to Hire Assistants***

**The Independent Contractor retains the right to enter into contracts with other Travel Agencies for the purpose of selling travel and travel related products. Mom Loves Travel Agency name is not to be used in any contract with other Travel Agencies.**

**The Independent Contractor also retains the right to employ whatever assistants or bring in whatever partners they require, at the independent Contractor’s expense,**

**in order to accomplish their goal of travel and travel related products sales within the terms of this agreement. Independent contractors cannot hire subagents or other Independent Contractors to use Mom Loves Travel Agency credentials to sell travel.**

***16. Responsibility for Filing of Federal, State and Local Taxes on Commission***

**The Independent Contractor shall be responsible for the filing of Federal, State, Local, and other assessments and taxes on commissions received from Mom Loves Travel Agency.**

**The Independent Contractor agrees to be fully responsible for complying with all International, federal, State, and Local business laws in connection with the**

**performance of this agreement, including, but not limited to, payment of any estimated or other federal, state, local income taxes, payment of applicable charges for social security, FICA, worker’s compensation and obtaining any required state or local license or registration as a self-employed seller of travel/independent contractor. The Independent Contractor will comply with their states Workmen’s Compensation laws. The Independent Contractor agrees to indemnify and hold the Mom Loves Travel Agency harmless for any assessments against Mom Loves Travel Agency because of failure by the Independent Contractor to properly pay any, International, Federal, State, or local taxes or assessments. The Independent Contractor also indemnifies and holds Mom Loves Travel Agency harmless in any disputes over International, Federal, State, or local business laws in connection with performance of this agreement.**

***17. Ownership of Customers***

**The Independent Contractor and Mom Loves Travel Agency acknowledges that all customers of the Independent Contractor, whether generated from the Independent Contractor lead or an agency lead are and shall remain the property of the Independent Contractor. If the Independent Contractor ceases to be associated with Mom Loves Travel Agency, for any reason, all clients of the Independent Contractor shall be free to continue doing business with the Independent Contractor independently, or through any other Travel Agency.**

***18. Termination of the Agreement***

**This agreement may not be terminated by Mom Loves Travel Agency except on the following grounds.**

**A. The occurrence or circumstances that make it impossible or impractical for the Mom Loves Travel Agency to conduct its business under the terms of the agreement.**

**B. The death of the Independent Contractor**

**C. The willful or negligent breach of duty by the Independent Contractor in the course of his/her performance under this agreement.**

**D. The continued incapacity on the part of the Independent Contractor to perform their duties.**

**E. The desire of Mom Loves Travel Agency to discontinue doing business with the Independent Contractor.**

**F. Nonpayment of Mom Loves Travel Agency fees.**

**H. Failing to obtain a business license for the Independent Contractor in the city where the home-based travel agency is being operated, renew every year and provide a copy of the business license each year to Mom Loves Travel Agency.**

***19. Indemnity***

**The Independent Contractor agrees that they will indemnify and hold the Mom Loves Travel Agency harmless from all fines, suits, claims, demand obligations, or actions of any kind including costs & reasonable attorneys’ fees by anyone arising from or connected with the Independent Contractors’ operation of their business including transactions entered into wrongly. The Independent Contractor shall be liable for any expenses connected with any disputes.**

**In the event of termination of the contract by either party, the Independent Contractor shall be entitled to the compensation earned by them prior to the date of the termination as provided for in the terms of this agreement. The Independent Contractor shall not be entitled to any compensation for sales made after the contract termination date or failure to pay monthly fees.**

***20. Professionalism of the Independent Contractor***

**Contractor, its employees, agents, independent contractors, and representatives shall at all times maintain high ethical/professional travel industry standards and avoid conflicts of interest in the conduct of your work/business. In conjunction, with its performances of your work/business, Mom Loves Travel Agency and the independent contractors shall be respective to clientele, agents, suppliers, contractors and comply with all applicable laws, statues, regulations and other requirements prohibiting corruption, fraud, kick-backs or similar unethical practices including: *no solicitation of family or friends of other agents without the permission of the agent that is connected to the prospective agent or prospective client.***

**Independent Contractors will have professional behavior, business cards and attire when attending supplier events, including FAMS. There will be no solicitation for clients at these events.**

***21. Seller of Travel***

**If the Independent Contractor operates, sells, or markets in a State that has Sellers of Travel Laws, the Independent Contractor agrees to abide by those applicable laws as currently written and/or amended. It is the responsibility of the Independent Contractor to check with the applicable government authority regarding these consumer protection laws.**

***22. Non-Disclosure, Non- Disruption and Confidentiality***

**The Independent Contractor agrees not to disclose any information concerning matters effecting or relating to Mom Loves Travel Agency including selling, marketing and advertising procedures, clients, agents, independent contractors and affiliates, supplier and vendor commission, daily operations, and any information that is deemed confidential. The Independent Contractor agrees not to act or fail to act in any manner either directly or indirectly that causes disruption/discord of business or business relationships of Mom Loves Travel Agency. Any such breach will result in immediate termination of the Independent Contractor.**

***22. Non- Assignability***

**This is a personal service agreement that shall not be assignable by the Independent Contractor without the written consent of Mom Loves Travel Agency.**

***23. Amendment of the Contract***

**Mom Loves Travel Agency may make amendments and/or changes to this Agreement at any time 30 days in advance of the effective date by email notification. Amendments and/or changes to this contract shall be effective automatically 30 days after email notification. The Independent Contractor will have 10 days to provide Mom Loves Travel Agency Group Host with written notification of termination of the Independent Contractor Agreement. Independent Contractor’s failure to provide written notice of termination of the new Agreement within 10 days of the effective date of such amendment and/or changes will indicate that the Independent Contractor is agreeing to abide by the terms and conditions of the new Agreement.**

***24. Registration with Travel Industry Suppliers***

**Once an Independent Contractor has commissions of $5000, Mom Loves Travel Agency the Independent Contractor shall submit a request to Mom Loves Travel Agency to apply on behalf of the independent contractor for an IATAN Identification Card. This is an annual requirement from the effective date of this contract with an annual fee TBD with IATAN and paid to IATAN.**

***\*\*25. Obtaining Payment from clients by credit card only***

**All payments for bookings MUST be made with the client’s credit card to pay for travel services. A credit card authorization form must be used with each client’s deposit/payment to a supplier.**

**\*\**26. Offering Travel Insurance to Clients***

**Any agent not selling travel insurance to a client on a travel booking, must submit to MLTA:**

1. **A letter/form from the client/traveler declining travel insurance.**

***27. Complete Agreement***

**This agreement represents the complete understanding of the parties with respect to the described outside sales relationship. No amendment, modification, termination**

**or waiver shall be binding unless agreed upon and signed by both parties.**

**Mom Loves Travel Agency**

**I agree:**

**Independent Contractor\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**MLTA Owner Signature\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Updated 4/30/22**