



INDEPENDENT CONTRACTOR AGREEMENT (Addendum 1-Commission Schedule)

Transaction Coordinators

Associate-Licensee agrees to use a transaction coordinator, from our company approved list, on all real estate transactions. No commissions will be paid out until the complete DRE compliant file is received from the transaction coordinator, and reviewed by broker. In order to be paid directly from escrow at closing, the complete file must be submitted to Broker for review, a minimum of 2 business days prior to closing.

Broker Compensation (Exhibit A)

Choose your compensation package by placing a check mark and initialing in the space next to the corresponding package. Fees are assessed "Per Side" of transaction.

PLAN A

\$395 per transaction + \$99 Risk Management Fee per transaction* _____

Recommended for the agents closing 3 Real Estate or loan transactions or less per year

Initial

*Please see next page for schedule of Fees in detail.

PLAN B

\$99 per month + \$195 per transaction + \$99 Risk Management Fee per transaction* _____

Recommended for the agents closing 4 or 9 Real Estate or loan transactions per year.

Initial

(Agents will be required to fill out the attached credit/debit card authorization form.)

*Please see next page for schedule of Fees in detail.



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Associate-Licensee Compensation (Exhibit B)

Associate-Licensee shall receive 100% of compensation actually collected by Broker, once the applicable broker compensation and risk management fee has been deducted (Refer to Exhibit A). Applicable transaction fees & risk management fees are assessed “per side” of transaction. Associate-Licensee is an independent contractor, and will receive a 1099 at the end of the year. Please see the following schedule for all possible Broker charges in various transactions or situations.

Transaction Fees For Plan A and Plan B for All Real Estate and Residential Loan Transactions:

<u>TYPE OF CHARGE</u>	<u>FEES</u>		<u>DESCRIPTION</u>
	<u>Plan A</u>	<u>Plan B</u>	
When purchase price or loan amount is \$499,999 or less	\$395	\$195	Per closed transaction
When purchase price or loan amount is over \$500,000	\$395*	\$195*	*Per closed transaction plus \$50 for every \$100K price increment over \$500,000
Dual Agency (Representing buyer & seller) (Not Applicable for loan transactions)	\$790**	\$390**	**Per closed Dual Transaction plus \$100 for every \$100k price increment over \$500,000
Rental/Lease (if agent rents or leases a client's property)	10%	10%	Minimum fee of \$195 will be charged.
BPO (Broker's Price Opinion)	10%	10%	Broker will deduct a flat fee of 10%, and Associate-Licensee will receive the remaining 90%. (Max to Broker \$250)
Commercial Loans & Hard Money Loans	50%	50%	There will be a 50/50 split on these transactions. No transaction fee will be charged. E&O fees and loan processing fees will apply.



When the lead is produced by Broker for Real Estate and/or Loan Transactions	50%	50%	There will be a 50/50 split on these transactions. No transaction fee will be charged. E&O fees, transaction coordinator or loan processing fees will apply.
Where the Broker gets involved in the negotiations and closing for Real Estate and/or Loan Transactions	50%	50%	There will be a 50/50 split on these transactions. No transaction fee will be charged. E&O fees, transaction coordinator or loan processing fees will apply.

TYPE OF CHARGE

FEES

DESCRIPTION

Risk Management Fees (E&O)

Plan A

Plan B

When purchase price or loan amount is \$499,000 or less	\$99	\$99	Per closed Transaction
When purchase price or loan amount is over \$500,000	\$99*	\$99*	*Per closed Transaction plus \$15 for every \$100K price increment over \$500,000
Dual Agency both buyer & seller)	\$225**	\$225**	**Per closed Dual (representing Transaction plus \$30 for every \$100K price increment over \$500,000
Commercial Property and Non-Residential Property. Minimum E&O FEE	\$250 ⁺	\$250 ⁺	⁺ Per closed Transaction plus \$15 for every \$100K price increment over \$500,000
Dual Agency Commercial Property & Non-Residential Property. Minimum E&O FEE	\$500 ⁺⁺	\$500 ⁺⁺	⁺⁺ Per closed Transaction plus \$15 for every \$100K price increment over \$500,000
Commercial & Hard Money Loans	\$250	\$250	



Other Fees

Plan A & B

Transaction Coordinator Fee (TC)	\$395 Single Agency \$495 Dual Agency	Per closed Transaction
Loan Processing Fee (LP) - Residential Loans	\$695	Per closed Transaction - For loan amounts over \$500,000 the processing fee will be \$895
Loan Processing Fee (LP) - Commercial & Hard Money Loans	\$995	Per closed Transaction

Other Fees

Plan A & B

Referral Fee (referring a client to another Broker)	10%	90% of received referral goes to Associate - Licensee
Fee for listing a property on MLS	\$125	This is an optional service, provided at Associate-Licensee's request. All listing information must be provided by Associate-Licensee

TYPE OF CHARGE

FEES

DESCRIPTION

Fines & Penalties

Plan A & B

For not reporting all activities to the Broker	\$100 + \$10/day	Associate-Licensee must report all activities to the Broker within 48 hours (i.e. listings, properties/transactions under contract, etc.)
For signing escrow Commission Form	\$400	Only the Broker can instruct Distribution escrow about commission distribution, and sign the commission distribution form.
For cashing a commission check without knowledge/permission	\$1,000	Associate Licensee must inform Broker Broker of any check received by Associate-Licensee, and follow Broker's instructions.



TYPE OF CHARGE

FEES

DESCRIPTION

Fines & Penalties

Plan A & B

For any time spent resolving problems, addressing complaints, or dealing with third parties

\$100/hour

This fee only applies if Associate-Licensee is liable for the problem and cannot resolve the issue on their own.

Fees, charges, and penalties are assigned at the time of signing Independent Contractor Agreement, and may be changed by Magna Capital Group, Inc. with 30 days advance notice to Associate-Licensee. I have read, and agree to the terms set forth in this addendum.

Name: _____ **Date:** _____

Signature: _____