THIS INDEPENDENT CONTRACTOR AGREEMENT (this "*Agreement*") is made and entered into by and between HomeRiver Realty ("*Broker*"), whose address is 625 S. Stratford Drive, Meridian, ID 83642 and you as an individual ("*Contractor*").

WHEREAS, throughout the state of Idaho, real estate brokerage services are provided under the HomeRiver Realty.

WHEREAS, Broker is an independently owned and operated business and is operating as a real estate brokerage business at the above address to provide high quality real estate services to the general public.

WHEREAS, Contractor has been issued a real estate (broker/sales) license by the state of Idaho (this "*State*") and desires, in accordance with the terms and conditions of this Agreement, to become affiliated with the HomeRiver Realty by working as an independent contractor real estate sales associate exclusively for Broker and to use the services, facilities, programs and opportunities offered by Broker.

NOW, THEREFORE, in consideration of the foregoing recitals and the terms and conditions contained in this Agreement, the sufficiency of which consideration is hereby acknowledged, the parties hereby agree as follows:

1. HOMERIVER REALTY AFFILIATION, FULL BENEFITS.

Upon execution of this Agreement and the payment to Broker of the Monthly Fee provided for in Subparagraph 5, Contractor shall become a full participant in the HomeRiver Realty, and be formally recognized as an independent Contractor of HomeRiver Realty. Such affiliation will entitle Contractor to all of the benefits and privileges provided by Broker under this Agreement, together with those afforded by HomeRiver Realty, including, without limitation, the following: 100% commissions ; quality office facilities and support; independence in advertising and service and commission negotiation matters; participation in the HomeRiver Realty Referral Network; eligibility for HomeRiver Realty performance and recognition awards; the benefits of local and regional institutional advertising to promote the HomeRiver Realty name; and, the advantages of motivational and educational programming.

2. INDEPENDENT CONTRACTOR.

A. <u>Independent Contractor Relationship</u>. Pursuant to the terms and conditions of this Agreement, Broker hereby retains Contractor as an independent contractor real estate sales associate exclusively for Broker. Contractor shall be free to devote such portion of Contractor's entire time, energy, effort and skill as Contractor sees fit and to establish Contractor's own endeavors. Contractor shall not be required to keep definite office hours, attend sales meetings, adhere to sales quotas or participate in "floor time." Contractor shall not have mandatory duties except those imposed by law or regulation and those specifically set out in this Agreement. Contractor shall abide by all decisions and rules relating to the operations of Broker that are adopted by Broker. Nothing contained in this Agreement shall be regarded as creating any relationship (including, without limitation, employer/employee, joint venture, partnership, shareholder) between Broker and Contractor, other than the independent contractor relationship as set forth in this Agreement.

B. <u>Statutory Non-Employee for Federal Tax Purposes</u>. Contractor acknowledges and agrees that substantially all of Contractor's remuneration will be based upon commission income from Contractor's production and output as opposed to the number of hours Contractor may work and that Contractor will not be paid on an hourly basis or for time expended. Contractor acknowledges that Contractor will not be treated by

Broker as an employee with respect to the services performed hereunder by Contractor for federal tax purposes and, specifically, that Broker *will not* be contributing to FICA in regards to Contractor or paying taxes on behalf of, or withholding federal, state, county or local taxes with respect to, Contractor. Instead, Contractor will be treated in all respects as a "Statutory Non-Employee" for federal tax purposes and as an independent contractor for state, county and local taxes. Contractor also acknowledges and agrees that, as an independent contractor acting for Broker, Contractor is responsible for the payment of all of Contractor's own federal income taxes and Contractor's own self-employment taxes ("FICA") together with any and all corresponding state, county and local taxes, if any, and Contractor hereby agrees to satisfy in full all such responsibilities and to do so in a timely manner. Contractor hereby waives any claims Contractor has or may have against Broker now or in the future respecting such taxes and the right of Broker not to withhold, not to pay and not to contribute to such taxes on behalf of Contractor. Finally, Contractor agrees not to engage in any compensation arrangement in connection with any real estate service contract or other contract that would be contrary to the above acknowledgements and agreements without the prior approval and written consent of Broker.

C. <u>Rejection of Worker's Compensation Coverage</u>. Contractor has been advised that Broker has subscribed to a worker's compensation policy that meets minimum requirements for this State. Contractor hereby rejects coverage and gives Broker notice that Contractor elects not to be covered by the policy, and hereby waives claim to all rights of action in common law or under any statute or other law to recover from Broker damages for any injuries sustained in the course of Contractor's independent contractor relationship. Contractor shall acquire on Contractor's own behalf as a self-employed person such worker's compensation and disability insurance as Contractor deems appropriate and consistent with Contractor's status as an independent contractor hereby agrees not to claim or assert, or to support any third party assertion of, the existence of an employer/employee relationship between Broker and Contractor.

D. <u>No Liability</u>. Broker shall not be liable to Contractor for any expenses incurred by Contractor, nor shall Contractor have authority to bind Broker by any promise or representation, unless specifically authorized in advance and in writing by Broker to do so.

E. <u>Credit and Background Check</u>. Contractor may be retained subject to a credit report and criminal background check which Contractor hereby authorizes Broker to conduct.

3. BROKER RESPONSIBILITIES.

A. <u>Work Space and Services</u>. Broker agrees that in consideration of Contractor's real estate services in support of Broker's real estate brokerage business, and the fees, expenses and other amounts to be paid by Contractor under Paragraph 5, Broker shall, while this Agreement remains in force, make available to Contractor, for Contractor's non-exclusive use, administrative support and day-to-day management services, a conference room, first come first serve desk space, a reception area, access to listings, forms, advertising, copy machine, fax machine and transaction management software.

B. <u>Monthly Statement</u>. Broker shall submit to Contractor a monthly bill, statement or invoice reflecting Contractor's fees, expenses and other financial obligations set forth in this Agreement, including, without limitation, applicable Broker Service Fees, if any. Contractor agrees to have all expenses listed on the monthly bill automatically debited out of Contractor's bank account on the first weekday of the month.

C. <u>Commission Payments</u>. Broker shall promptly pay to Contractor one hundred percent (100%) of all from commissions or other compensation received by Broker as a result of the efforts of Contractor, and (i) amounts, if any, not paid at closing and thus still due to other Sales Associates and/or Competing Brokers and Agents (as defined below); and (ii) past due financial obligations owed by Contractor pursuant to Paragraph 5.

Contractor acknowledges that compliance with state laws, rules and regulations require that commissions and referral fees be paid to Broker rather than directly to Contractor. Contractor further acknowledges that such commissions and fees may have to be divided by Broker between Contractor and one or more other Sales Associates affiliated with Broker or with one or more licensed cooperating or assisting real estate sales associates or brokers that are not affiliated or licensed with Broker ("Competing Brokers or Agents") in accordance with the terms of listing or buyer agency agreements or referral arrangements procured by Contractor with the authority and approval of Broker.

D. <u>Multiple Listing Service</u>. Broker shall exercise reasonable efforts to maintain participation in the local or regional Multiple Listing Service (*"MLS"*), if any, for the market areas served by Broker and submit to MLS all listings and any other real estate service contracts involving Contractor that may be required to be submitted by the rules and regulations of such MLS.

E. <u>homeriverrealty.com</u> <u>Web</u> <u>Site</u>. HomeRiver Realty has developed and hosts the web site homeriverrealty.com, which includes all of the real estate listings in all areas in which HomeRiver Realty currently has a presence. Contractor shall submit to HomeRiver Realty for posting on homeriverrealty.com all MLS listings involving Contractor. Contractor also agrees to provide a brief bio and picture and authorizes HomeRiver Realty to publish both online.

4. CONTRACTOR'S RESPONSIBILITIES.

A. Listings and Other Contracts. Contractor shall act as a real estate sales agent exclusively on behalf of and in the name of Broker and, in such capacity, will procure listings or buyer agency and other real estate related service contracts, solicit purchasers and/or lessees for various interests in and to real estate and conduct other real estate related services. Contractor agrees that all listings, buyer agency agreements, referral arrangements, cooperative sale arrangements and all other real estate related service contracts, including but not limited to those pertaining to the purchase, sale, rental or management of real estate, or any interest therein or services in relation thereto (hereinafter collectively "*Real Estate Service Agreements*"), shall be taken only in the name of Broker. All Real Estate Service Agreements shall be submitted by Contractor to Broker within one business day after being received by Contractor, and shall become and remain the exclusive property of Broker.

B. <u>Copyrights in Photographs, Listing Descriptions or Other Media</u>. With respect to photographs, listing descriptions or other media ("*Materials*") that Contractor supplies to Broker, to the extent the copyright in the Materials is owned by Contractor, Contractor grants Broker a fully paid up and royalty-free license and right to use and sublicense such Materials for any purpose Broker deems appropriate in any media now in existence or hereafter created. To the extent that Contractor does not own the copyright in such Materials, Contractor represents and warrants that it has permission to use such Materials and to authorize the uses contemplated by this paragraph, and agrees to indemnify and hold Broker harmless against any claims by any third party that Broker's use infringes upon such third party's rights, including but not limited to copyrights and rights of publicity. The license and other provisions of this paragraph shall survive termination or expiration of this Agreement with respect to any listings not released and assumed in accordance with Subparagraph 11.D.

C. <u>Authority to Establish Commissions and Required Disclosure</u>. Contractor acknowledges that Broker, like any other real estate brokerage entity, comprises a single competitive unit in the name of which all Real Estate Service Agreements are to be taken. Contractor also acknowledges that Broker has the right to determine the commissions charged on its Real Estate Service Agreements and for the services of its sales force. Consistent with the HomeRiver Realty System, Broker hereby authorizes Contractor to negotiate or to otherwise independently establish the commission to be paid Broker on a transaction-by-transaction basis on all agency relationships, referrals and cooperative sales procured by Contractor, but Broker reserves the right to withdraw this authorization at any time. In the interest of avoiding consumer confusion regarding the commission rates or fees available generally from HomeRiver Realty offices, brokers and agents, Broker may discourage or prohibit the advertising of commission rates or fees by Contractor. Contractor shall not advertise any commission rates or fees without the prior written authority of Broker, with such authority being revocable at any time. In the event that Broker authorizes the advertisement of commission rates or fees, Contractor shall assure that any advertisement of commission rates or fees by Contractor includes as a disclosure, in prominent letters no smaller than one half the font used for displaying the commission rates or fees in such advertising, the following: "Different commission rates, fees and listing and marketing services may be offered by other HomeRiver Realty offices and HomeRiver Realty sales associates in this market area." In addition, it shall be the responsibility of Contractor to make sure that potential clients fully understand the listing and marketing services that will be provided by Contractor in the market area in return for the commission rates or fees advertised. Contractor agrees to act strictly within the authority granted by this Subparagraph with respect to the establishment and advertising of commission rates or fees.

D. <u>Cooperation with Other Sales Associates</u>. Contractor shall assure that all listings and all other real estate related service contracts taken by Contractor in the name of Broker permit cooperation with all other HomeRiver Realty Sales Associates and with all other brokers and agents participating in the local or regional MLS, if any, serving the market area.

E. <u>Compensation</u> <u>Payable to Broker</u>. Contractor shall assure that all fees, commissions or other compensation generated by Contractor's real estate activities and business are made payable to Broker.

F. <u>**Reimbursement**</u>. Contractor shall immediately reimburse Broker for any referral fees, shares of commissions or other costs or payments which Broker pays or has paid to any third party in good faith reliance on Contractor's statements, actions or inactions or as a result of contracts, judgments, arbitration awards, meditations or other established entitlements. Broker reserves the right to withhold from payments due Contractor all reimbursable amounts due from Contractor and to automatically offset to recover such amounts as provided respectively in Subparagraphs 3.C. and 6.A. Broker's right to reimbursement and recovery shall survive termination or expiration of this Agreement and continue through any Renewal of this Agreement.

G. <u>**Personal Expenses.**</u> Contractor shall be responsible for all of Contractor's personal expenses, including but not limited to automobile, travel, workers' compensation, disability and other insurance, entertainment, food, lodging, lockboxes, signs, license fees and all other fees, dues and taxes.

H. <u>Payment In Full of All Financial Obligations</u>. Contractor shall devote such time and energy, as Contractor deems appropriate to further Contractor's real estate service business. However, the amount of time and energy so expended by Contractor shall not alter, or in any way reduce, the fees, dues, expenses and other financial obligations to be paid Broker pursuant to the terms of this Agreement.

I. <u>Insurance Requirements</u>. Contractor shall, at Contractor's expense, participate in any company group insurance policy or policies made available to Contractor by Broker. Where coverage of the type or in the amounts described below is not made available by Broker, Contractor shall acquire and maintain, at Contractor's expense, such coverage as follows: (1) automobile liability insurance to cover business use of Contractor's vehicle having (i) a combined single limit of liability of at least Five Hundred Thousand Dollars (\$500,000) for bodily injury and property damage or (ii) bodily injury liability insurance of at least Two Hundred Fifty Thousand Dollars (\$250,000) for any one person and Five Hundred Thousand Dollars (\$100,000) per accident and property damage liability insurance of at least One Hundred Thousand Dollars (\$100,000) per accident; (2) comprehensive general liability insurance insuring against claims for bodily injury, personal injury and death and property damage, in the face amount of not less than one million dollars (\$1,000,000); and (3) errors and omissions coverage having a per claim and annual aggregate limit of at least One Million Dollars (\$1,000,000).

with the operation of Contractor's business as a real estate salesperson. Contractor shall ensure that the comprehensive general liability insurance to be acquired and maintained by Contractor contain a separate endorsement naming Broker as additional insureds, contain a waiver by the insurance carrier of all subrogation rights against Broker and other parties covered by the insurance and shall provide that Broker and other covered parties receive 30 days prior written notice of termination, expiration, cancellation or modification of such insurance. Contractor shall make its best efforts to ensure that such automobile insurance required by this subparagraph names Broker as additional insured, contain a waiver by the insurance carrier of all subrogation rights against Broker and other parties covered by the insurance and shall provide that Broker and other covered parties receive 30 days prior written notice of termination, expiration, cancellation or modification of such insurance. Such insurance required by this subparagraph must be provided by an insurance company that has a current A.M. Best's rating of at least an A- and an A.M. Best's financial size category of at least XII. Contractor shall cause certificates of insurance, showing compliance with the requirements of this Subparagraph, to be deposited with Broker on or before the effective date of this Agreement and any Renewal of this Agreement. If requested by Broker, Contractor shall provide Broker a full and complete copy of any insurance policy required by this Subparagraph. If Contractor fails to obtain the required insurance coverage, Contractor authorizes Broker to obtain such insurance coverage and to charge Contractor for the cost of such insurance. Nothing in this Subparagraph shall be construed to require Broker to provide or make available to Contractor any type or amount of insurance.

J. Adherence to Office Policies and System Quality Standards. Contractor shall strictly observe all office rules, procedures, standards, guidelines and policies (collectively "Office Policies") from time-to-time established by Broker for the operation of Broker's HomeRiver Realty office(s) and the conduct of its Sales Associates. Specifically, but without limitation, Contractor shall maintain the highest ethical standards in the conduct of Contractor's real estate activities, shall maintain Contractor's personal appearance and appearance of Contractor's office or work area in a clean and orderly manner and shall provide dependable, efficient, courteous, high-quality professional real estate services to the public in a manner designed to maintain goodwill among the public for the entire HomeRiver Realty System. In addition, Contractor shall abide by all HomeRiver Realty System policies, guidelines and standards pertaining to Sales Associates affiliated with HomeRiver Realty as from time-to-time approved or prescribed by HomeRiver Realty. Contractor acknowledges that Contractor's agreement to adhere to the Office Policies of Broker and the Standards of HomeRiver Realty is a material consideration for the execution of this Agreement by Broker, and that such Office Policies and Standards have been established for the purpose of preserving the reputation, high standards and goodwill associated with the HomeRiver Realty (as defined in Subparagraph 8). Contractor acknowledges that such Standards do not govern the specific manner and means by which Contractor conducts Contractor's day-to-day real estate activities as an independent contractor on behalf of Broker. Any breach of this Subparagraph 4.J. will constitute a material breach of this Agreement.

K. <u>Compliance with Laws and Good Business Practices</u>. Contractor shall abide by all applicable laws, ordinances and regulations including, without limitation, local, state and federal laws and regulations relating to real estate transactions and real estate service businesses. Contractor shall also abide by the rules of ethical conduct established by the National Association of REALTORS®. Contractor's advertising and promotion must be completely factual and conform to the highest standards of lawful, ethical advertising. In all dealings with clients, customers, suppliers, public officials, other real estate agents and brokers and the general public, Contractor must adhere to the highest standards of business behavior, honesty, integrity, fair dealing and ethical conduct. Contractor agrees to refrain from any business or advertising practice which may expose Broker to legal action or liability or adversely affect the reputation or image of Broker, HomeRiver Realty offices or HomeRiver Realty affiliates, the HomeRiver Realty Network, HomeRiver Realty or the goodwill associated with the HomeRiver Realty Marks. Any breach of this Subparagraph 4.K. will constitute a material breach of this Agreement.

L. Loyalty. At all times during the term of this Agreement, Contractor shall act under a duty of loyalty in support and in furtherance of the HomeRiver Realty System and HomeRiver Realty Network and shall maintain a proper attitude toward the public, Broker, and Contractor's fellow HomeRiver Realty Sales Associates. Contractor shall not engage in any acts or activities that disrupt the Broker's office or are likely to adversely affect the image of Broker, the HomeRiver Realty Network, other HomeRiver Realty offices or Sales Associates or that may detract from or tend to undermine the growth of HomeRiver Realty, including without limitation, any acts in furtherance of any non-HomeRiver Realty real estate business or the establishment of, or acquiring an investment or ownership interest in, any non-HomeRiver Realty real estate business or the recruiting of any HomeRiver Realty Sales Associates for any existing or future non-HomeRiver Realty real estate business which does or may compete with HomeRiver Realty. Any breach of this Subparagraph 4.L. will constitute a material breach of this Agreement.

M. <u>Referral of 3rd Party Property Management to Park Place or HomeRiver Group</u>. If Contractor refers Park Place Property Management, LLC. ("Park Place"), or HomeRiver Group Holdings, LLC ("HomeRiver Group"), a client for property management services for certain residential units, Park Place or HomeRiver Group will use best efforts to refer that client back to Contractor on any subsequent purchase and/or sale by that same client of the units referred if said client is under the management services of Park Place, or HomeRiver Group. Park Place Property Management, LLC., and/or HomeRiver Group will pay HomeRiver Broker ¹/₂ of initial leasing commission for such units, and Broker will compensate Contractor 100% of the referral fee. While contracting with HomeRiver, Contractor agrees that it will not directly or indirectly compete in 3rd party property management, and will refer 3rd party property management business exclusively to Park Place Property Management.

N. <u>Hiring of Personal Assistants and Creating Working Relationships</u>. Without authority from and the prior written approval of Broker, Contractor shall not hire, employ, contract with or for, retain the services of, or arrange for any continuing working relationship with, any licensed or unlicensed personal assistant, or any licensed person, who is not affiliated with Broker nor shall Contractor hold or sponsor the license of any real estate broker or salesperson.

O. <u>**REALTOR®**</u> <u>**Membership**</u>. Contractor shall maintain membership in good standing in the local Association or Board of REALTORS® affiliated with the National Association of REALTORS® ("*NAR*") having jurisdiction over the market areas served by Broker and shall abide by the Code of Ethics promulgated by NAR and all of the rules and regulations of each local or regional MLS in which Broker participates.

P. <u>Use of Proper Forms</u>. Contractor shall follow all procedures and use all disclosure statements, business contracts and other forms prescribed by Broker, including without limitation those adopted by Broker as part of any program to affect loss control or claims avoidance or reduce insurance premiums. Contractor agrees to utilize and upload all transaction documents required to complete a transaction into the Dotloop software platform for review and approval. No commissions shall be paid until all required documentation is received.

Q. <u>Identification as Independent Operation</u>. Contractor agrees to indicate in all dealings with clients, customers, suppliers, public officials and others that Contractor is affiliated as an independent contractor with Broker and that HomeRiver Realty is independently owned and operated. Contractor agrees, where appropriate or required by Office Policies or System Standards, to include in all advertising placed by Contractor the statement: "HomeRiver Realty is independently owned and operated."

5. FINANCIAL OBLIGATIONS.

A. <u>Management</u> Fees. Each month upon receipt of Contractor's monthly billing statement, Contractor shall pay to Broker a monthly management fee of \$200.00 for the assistance, support, services, software, and privileges extended by Broker and for the day to day management and other services provided by Broker or Broker's office manager. Payments for partial months at the beginning or end of this Agreement shall be prorated on a daily basis.

B. <u>Personal Expenses</u>. Each month upon receipt of Contractor's monthly billing statement, Contractor shall reimburse Broker for the full cost of certain additional services and materials which Contractor may authorize, request or make use of, including but not limited to, the following: long distance telephone and Internet access and user fees; copying and reproduction services; advertising and promotional brochures; personalized stationery; postage; yard signs for Contractor's listings and other services and materials as made available by Broker at such rates and on such terms as Broker shall establish. These reimbursement payments will be automatically debited from Contractors bank on the first business day of the month.

C. <u>Application of Payments</u>. Payments from Contractor pursuant to this Paragraph 5 shall be applied in the following order: (1) to late payment charges; (2) to interest; (3) unpaid fees and expenses; (4) to any other amounts owed to Broker.

6. NONPAYMENT REMEDIES.

A. <u>Automatic Offset</u>. Contractor shall be deemed entitled to no more than one hundred percent (100%) of the amount by which all fees, commissions or other compensation generated by Contractor's efforts exceed current and past-due financial obligations of Contractor, including without limitation, payments to Broker to offset amounts payable to other Sales Associates and/or Competing Brokers and Agents arising out of listings and/or buyer agency contracts and/or referral arrangements procured by Contractor, and amounts remaining due on the financial obligations imposed by the terms of Paragraph 5 of this Agreement. That portion of such fees, commissions or other compensation, which does not exceed Contractor's Financial Obligations, shall belong to Broker and be applied by Broker to offset arrearages owed by Contractor in the order specified in Subparagraph 5.

B. <u>**Right to Terminate.**</u> If any bill, expense statement or invoice for any amount required to be paid under this Agreement is not paid in full by the last day of the month in which the bill, expense statement or invoice was presented to Contractor, Broker may, in addition to any other remedies Broker has under this Agreement or applicable law, terminate this Agreement without prior notice and Contractor shall immediately cease all activities on behalf of Broker.

C. <u>Attorneys'</u> <u>Fees</u>. Contractor shall be responsible for and hereby promises to pay any and all costs including court costs, litigation expenses and reasonable attorneys' fees incurred by Broker in the collection of, or attempt to collect, amounts due and owing under the terms of this Agreement.

D. <u>Suspension of Services</u>. If Contractor fails to pay in full any amount specified by Broker, and in effect as of Contractor's Anniversary Date, as required under Subparagraph 5, Broker shall have the right to suspend, during any period of dues delinquency or deficiency, any or all benefits and services afforded to Contractor as an affiliate of the HomeRiver Realty Network. Suspension of these or any other benefits and services shall not be an exclusive remedy and shall not in any way affect the rights of Broker to enforce this Agreement or to receive or collect all outstanding fees, dues and other amounts owed by Contractor or the rights of Broker to terminate this Agreement because of Contractor's failure to make payments required under this Agreement.

E. <u>Monetary</u> <u>Obligations</u> <u>Survive</u>. Contractor's obligations for payments due to Broker shall survive termination or expiration of this Agreement and any Renewal of this Agreement.

7. INDEMNIFICATION.

Contractor shall be solely and exclusively responsible for any fines, taxes, penalties, interest, costs, expenses, damages, loss or liability, of any kind or nature, arising out of any demands, suits, actions, proceedings or claims (collectively "Claims") relating to or arising out of Contractor's real estate business endeavors on behalf of Broker or Contractor's other conduct or activities even if such Claims are brought or filed after termination or expiration of this Agreement or any Renewal of this Agreement. Contractor agrees to indemnify, defend and hold Broker and each of their officers, directors, shareholders, partners, employees and agents, harmless from and against, and to reimburse them for, all fines, taxes, penalties, interest, costs, expenses, damages, loss or liability for which any of them are held liable or which they reasonably incur in connection with any Claims including, without limitation, the full amount of any errors and omissions insurance deductible, actual and consequential damages, reasonable attorneys' fees, court costs, expert witness fees and litigation expenses. Broker reserves the right to select the attorney(s) and the right to settle or defend any Claims in any manner or on any terms Broker, in Broker's sole discretion, deems appropriate. Contractor agrees to cooperate with Broker in the defense of any Claims and agrees not to settle or compromise any Claims, without prior written consent of Broker. Maintenance of any insurance required by this Agreement shall not relieve Contractor of Contractor's indemnification obligations under this Paragraph 7. The obligations of Contractor under the provisions of this Paragraph 7 shall survive termination or expiration of this Agreement and any Renewal of this Agreement.

8. HOMERIVER REALTY MARKS.

A. <u>Ownership of HomeRiver Realty Marks</u>. Contractor acknowledges that HomeRiver Realty is the exclusive owner of all right, title and interest in and to HomeRiver Realty's registered and unregistered marks, which include, without limitation, the name "HomeRiver Realty" and certain other service marks, trade dress and other commercial symbols, including the HomeRiver Realty Design, and such other service marks, trademarks, trade dress and symbols as HomeRiver Realty may develop, acquire, or license for HomeRiver Realty Affiliates' use from time-to-time (collectively the *"HomeRiver Realty Marks"*). Contractor further acknowledges that the HomeRiver Realty Marks have become widely known throughout the Treasure Valley.

B. <u>Permitted Uses of HomeRiver Realty Marks on Behalf of Broker</u>. Contractor acknowledges that Broker has the right to use the HomeRiver Realty Marks. Contractor understands and agrees that Contractor is not being granted a license, and has no independent right, to use of any of the HomeRiver Realty Marks. Contractor may use the HomeRiver Realty Marks on Broker's behalf and under Broker's supervision, when acting in Contractor's capacity as a real estate sales associate exclusively for Broker. Contractor further understands that all use by Contractor of the HomeRiver Realty Marks on behalf of Broker inures exclusively to the benefit of HomeRiver Realty.</u>

C. <u>Prohibited Uses of HomeRiver Realty Marks and Broker's Name</u>. Contractor is not authorized to and shall refrain from using Broker's name or the HomeRiver Realty Marks: (i) in connection with any business other than the real estate brokerage business of Broker; (ii) in conjunction with the name or photo of any licensed person who is not affiliated as a Sales Associate with Broker; (iii) in the name of any "team" of agents or of any entity, group, network or association other than the HomeRiver Realty Network; (iv) in the name of or in connection with activities comprising a HomeRiver Realty office/agent locator service (v) in the name of or in connection with activities comprising a private referral network; (vi) in conjunction with any third party service that competes directly with a service offered by HomeRiver Realty, to the public, or affiliates of the HomeRiver Realty Network; (vii) in any telephone directory listing; (viii) on or in connection with any Internet website that functions for any purpose other than the promotion of the real estate business of Broker or that does not include the office name and address of Broker; (ix) in connection with the offering of real estate

related services in market areas that Contractor does not serve personally and directly; (x) in connection with any real estate related services that do not meet the standards of quality and professionalism in Contractor's market area; or (xi) in any other manner not approved by Broker or that is not in compliance with, or is prohibited by, this agreement.

D. <u>No</u> <u>Uses</u> <u>By</u> <u>or</u> <u>In</u> <u>Support</u> <u>of</u> <u>Third</u> <u>Party's</u> <u>Services</u> <u>or</u> <u>Programs</u>. Contractor is not authorized to and shall refrain from entering into any relationship with, or sponsorship or endorsement arrangement concerning, any third party individual or entity where such relationship results in, involves, or purports to permit, the use or display by such third party of Broker's name, or any of the HomeRiver Realty Marks, or any other name that is associated with Broker's name, in connection with the offering or promotion of such third party's products, services, programs, beliefs or causes.

E. <u>Indemnification</u> for <u>Costs</u> of <u>Forced</u> <u>Compliance</u>. Contractor agrees to indemnify Broker for all costs incurred, including court costs, expert witness fees, consumer survey costs and reasonable attorney fees, by Broker to secure full compliance with the provisions of this Paragraph.

9. **DISPUTE RESOLUTION.**

A. <u>Reporting of Problems and Complaints</u>. Contractor shall promptly report to Broker or Broker's broker of record, office manager or other person designated by Broker, all problems, complaints and other circumstances, related to Contractor's conduct, activities or services which may lead to claims, disputes or controversies. Any failure by Contractor to report promptly such problems, complaints or other circumstances, or to cooperate fully with Broker in accordance with this Paragraph 9, shall be grounds for immediate termination of this Agreement by Broker for cause.

B. <u>Agreement to Mediate and Arbitrate Disputes</u>. Except as provided in Subparagraph 9.D. below, Contractor hereby agrees to cooperate with Broker by supporting and fully participating in all efforts to resolve disputes, complaints and other problems (hereafter collectively called "*Dispute(s)*") that arise: (i) out of this Agreement; (ii) out of Contractor's conduct, activities or services as a real estate licensee; (iii) out of any transaction in which Contractor is involved, or (iv) out of Contractor's relationship with the HomeRiver Realty. Contractor agrees to cooperate in the resolution of such Disputes through mediation and, if not successfully resolved, then through binding arbitration in accordance with the provisions of Subparagraph 9 below. Contractor makes the foregoing commitment with full knowledge that by agreeing to submit Disputes to binding arbitration, Contractor is agreeing not to resort to the courts or the judicial system and is waiving Contractor's rights to do so. If any other necessary party to any Dispute refuses to arbitrate and is not bound by agreement to do so or cannot be compelled to do so on other grounds, or if Broker and Contractor working in cooperation cannot persuade other necessary parties to agree on a mediation and arbitration system, then the foregoing commitment by Contractor to mediate and/or arbitrate that particular Dispute shall be of no force or effect.

C. <u>Dispute Resolution Procedure</u>. Disputes shall be submitted to a mediation and arbitration system mutually acceptable to the parties to the Dispute. If the parties cannot agree on a mediation and arbitration system, then the Dispute shall be submitted to the American Arbitration Association ("AAA") for mediation and, if unsuccessful, for binding arbitration, in accordance with AAA's Commercial Mediation Rules or Commercial Arbitration Rules, as applicable.

D. <u>Exceptions to Mediation and Arbitration</u>. Notwithstanding the obligation of Contractor to arbitrate or mediate as set forth in this Paragraph 9, neither Contractor nor Broker shall be required to mediate or arbitrate Disputes, or any other matters or claims, that relate in any way to the HomeRiver Realty Marks, the use of the HomeRiver Realty name or to copyrights, trade secrets, or other proprietary rights owned by HomeRiver Realty.

10. TERM AND RENEWAL.

A. <u>Term</u>. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect indefinitely until terminated as provided in this Agreement.

11. TERMINATION.

A. <u>By Broker for Cause</u>. If Contractor commits a material breach of this Agreement, Broker may terminate this Agreement immediately and without prior notice and pursue any and all remedies for the material breach that are available to Broker at law or in equity.

B. <u>By</u> <u>Either</u> <u>Party</u> <u>Without</u> <u>Cause</u>. Either party may terminate this Agreement at any time without cause by giving the other party 60 days advance written notice of their desire and intent to do so. Notice under this Subparagraph 11.B. shall not relieve either party of their duties, responsibilities and obligations under this Agreement nor shall it preclude Broker from subsequently exercising Broker's termination rights under Subparagraph 11.A. for cause if Contractor's conducts warrants such termination, provided, however, that in no event shall Contractor be obligated to pay applicable fees, dues, expenses, charges or other amounts under Paragraph 5 for a period longer than 60 days following the date of Contractor's notice of intent to terminate this Agreement.

C. <u>Failure to Give Notice</u>. If Contractor fails to give the 60 day notice specified under Subparagraph 11.B., then, in addition to all applicable fees, dues, expenses, charges or other amounts owed by Contractor under this Agreement as of the date of Contractor's actual notice to Broker, Contractor shall pay, as liquidated damages, all applicable fees, dues, expenses, charges and other amounts specified under Paragraph 5, for a 60 day period following the date of Contractor's actual notice to Broker.

D. <u>Effect on Listings and Contracts</u>. If Contractor: (a) satisfies all of Contractor's payment and other obligations to Broker under this Agreement; (b) presents to Broker appropriate releases that are signed by clients procured by Contractor and that release Broker from further performance of the contractual obligations still owed sellers and/or buyers and/or tenants under such contracts; and (c) provides a written agreement signed by Contractor's new sponsoring broker, under which such new sponsoring broker agrees to fulfill, as a substitute for Broker, all obligations under, and assume all potential liabilities respecting, all contracts to be assigned, including without limitation any referral fee obligations and obligations to pay Competing Brokers and Agents, then Broker shall promptly assign all such released and assumed listings and other real estate contracts procured by Contractor to Contractor's new sponsoring broker in accordance with the directions set forth in such releases.

12. DE-IDENTIFICATION.

Following termination or expiration of this Agreement without Renewal or of Contractor's affiliation with the HomeRiver Realty Network upon any other event, Contractor shall be free to continue Contractor's real estate business with competing real estate operations or to establish Contractor's own brokerage operation or other business alone or in concert with others. However, Contractor acknowledges the exclusive rights of HomeRiver Realty to its real estate system, its method of operation and its distinguishing characteristics, including but not limited to the HomeRiver Realty Marks, slogans, advertising copy, copyrighted materials and other distinguishing characteristics now or hereafter adopted, displayed, used, existing as part of or becoming a part of the HomeRiver Realty System, and HomeRiver Realty's compelling business interest in protecting the exclusivity of same to members of the HomeRiver Realty Network. A. <u>Proprietary Materials</u>. Contractor acknowledges that the sales plans, programs, manuals, rosters, forms, contracts, agreements, brochures and other training, listing and sales materials provided hereunder by, and the information gained from, the files or business of Broker, HomeRiver Realty, irrespective of the origin or ultimate source (collectively, the *"Proprietary Materials"*), are and shall remain the exclusive property of Broker. Upon termination or expiration of this Agreement, without Renewal, Contractor shall promptly return to Broker the original and all copies of the Proprietary Materials in Contractor's possession and shall not, after such termination or expiration use, copy, or reproduce any aspect of the Proprietary Materials for any reason, or permit, suffer or tolerate the use of the Proprietary Materials for Contractor's own advantage or the advantage of others.

B. <u>HomeRiver Realty Marks and Related Identifiers</u>. Following termination or expiration of this Agreement without Renewal or of Contractor's affiliation with the HomeRiver Realty Network upon any other event, in connection with any business thereafter carried on by Contractor, Contractor will:

(1) immediately and clearly distinguish Contractor's business from HomeRiver Realty and the HomeRiver Realty System so as to avoid any possibility of confusion to the public, and not directly or indirectly at any time identify or hold Contractor out as being or as having been affiliated with Broker, HomeRiver Realty or the HomeRiver Realty Network;

(2) immediately erase or obliterate from your letterhead, stationery, printed matter, advertising, web sites and web pages (including without limitation, in visual content, hyperlinks, source code, meta tags, or third-party directory listings), or other materials the HomeRiver Realty Marks and all words and designations indicating that you are or were associated or affiliated with Broker;

(3) promptly assign all of the telephone numbers promoted in connection with Contractor's use of the HomeRiver Realty marks to Broker, or upon their request HomeRiver Realty, and immediately instruct the telephone company in writing to redirect all calls to such numbers in accordance with Broker's directions. Contractor hereby directs each such telephone company or directory listing agency to accept Contractor's signature on this Agreement as Contractor's signed authorization and direction to them to assign numbers and re-direct calls as described above, and to discontinue as soon as practicable any and all on-line or printed phone directory advertising or listings that refer to Contractor in connection with the HomeRiver Realty marks;

(4) immediately assign and transfer any HomeRiver Realty Formative Domain Names owned, held or controlled by Contractor, to Broker, or take such actions regarding such domain name(s) as or Broker may direct. In connection therewith, Contractor agrees, at Contractor's own expense, promptly to execute and deliver all necessary documents and take any action reasonably requested by Broker necessary to effect the assignment and transfer of all such domain names, including compliance with any procedure for the transfer of domains names established by the domain name registrar.

(5) immediately take any action that may be required to cancel, or at Broker's request transfer to them or their designee, all pseudonyms, logins, or identifiers (including but not limited to vanity license plates, user names, instant messaging or social networking screen names or user names, or e-mail addresses) that contain any reference to any HomeRiver Realty Marks;

(6) not adopt, use, or imitate, in any manner or for any purpose, the HomeRiver Realty Marks or any name, trademark, service mark, sign design, logo, advertisement, representation, or business activity that may mislead others in the real estate business and/or the public to believe Contractor is still a part of, affiliated with, or sponsored in any way by the HomeRiver Realty Network.

Contractor hereby appoints Broker's agent and attorney-in-fact to act for and on Contractor's behalf to take any of the actions referred to in Subparagraphs 12.B.(3), (4) and (5) with the same legal force and effect as if taken by Contractor.

C. Enforcement; Injunctive Relief; Attorneys' Fees. Contractor hereby acknowledges and agrees that it would be difficult to measure the economic loss that would occur as a result of the breach of any of the provisions of this Paragraph 12, and that such a breach would cause immediate and irreparable harm for which there would be no adequate remedy at law. Contractor further acknowledges and agrees that any of the foregoing provisions may be enforced by injunction and/or restraining order. Further, Contractor acknowledges and agrees that HomeRiver Realty, as the owner of federal and state registrations for and common law rights in the HomeRiver Realty Marks, shall have a direct right to enforce any of the provisions contained in this Paragraph 12 through appropriate legal proceedings. If Broker is required to retain an attorney to enforce any of the provisions of this Paragraph 12 or to institute legal proceedings incident to such enforcement, Contractor shall pay, in addition to all other sums for which Contractor may be found liable, reasonable attorneys' fees, court costs and litigation expenses incurred by Broker.

13. MISCELLANEOUS PROVISIONS.

A. <u>Notice</u>. Any notice required to be given pursuant to this Agreement shall be given in writing and delivered to the party entitled to receive notice by hand delivery at any location or by certified mail, return receipt requested, postage prepaid, at the address given on the first page of this Agreement, unless such party has notified the other party in writing of any change of address, after which notice shall be delivered to such new address. Notices so mailed shall be deemed to have been given as of the time of deposit in the United States mail.

B. <u>Integration and Modification</u>. The parties acknowledge that this is the complete and final expression of their mutual intent and agreement concerning the subject matters of this Agreement, and no change or modification of this Agreement shall be valid unless such change or modification is in writing and is signed by all of the parties hereto.

C. <u>Waiver</u>. No waiver of any breach of any provision or condition of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision or condition of this Agreement.

D. <u>Applicable Law</u>. This Agreement shall be governed and construed in accordance with the laws of this State, without reference to its conflict of laws provisions.

E. <u>Severability</u>. The invalidity or unenforceability of any particular word, sentence, Paragraph, Subparagraph or provision of this Agreement shall not affect the validity or enforceability of the other words, sentences, Paragraphs, Subparagraphs or provisions of this Agreement and this Agreement shall be interpreted in all respects as if such invalid or unenforceable parts were omitted.

F. <u>Binding Nature</u>. This Agreement shall become binding upon and inure to the benefit of the parties, and their heirs, executors, administrators, successors and assigns.

G. <u>Assignment</u>. This Agreement may not be assigned, pledged or otherwise transferred by Contractor. Broker reserves the right to assign, pledge, or transfer this Agreement, provided that Contractor's rights and privileges granted in this Agreement shall not be adversely affected.

H. <u>Gender</u>. All terms in this Agreement used in any one number or gender shall extend to mean and include any other number and gender as the facts, context or sense of this Agreement or any Paragraph of this Agreement may require.

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14. ACKNOWLEDGEMENT.

CONTRACTOR UNDERSTANDS AND ACKNOWLEDGES THAT THE SUCCESS OF CONTRACTOR IN A HOMERIVER REALTY REAL ESTATE SERVICE BUSINESS IS SPECULATIVE AND WILL DEPEND ON MANY FACTORS INCLUDING, TO A LARGE EXTENT, CONTRACTOR'S INDEPENDENT BUSINESS ABILITY. CONTRACTOR HAS NOT RELIED ON ANY WARRANTY OR REPRESENTATION, WRITTEN, PRINTED, OR ORAL, EXPRESS OR IMPLIED, AS TO CONTRACTOR'S POTENTIAL SUCCESS AS AN INDEPENDENT CONTRACTOR FOR BROKER AND NO ONE HAS PROMISED, GUARANTEED OR ASSURED CONTRACTOR OF ANY LEVEL OF SUCCESS OR INCOME.

By checking the box and clicking "Accept" I agree that I have read, understood, and accepted the terms and condition of this Agreement. I am at least 18 years old and enter into this Agreement of my own free will.