

# BROKER-to-BROKER REFERRAL AGREEMENT

**BETWEEN:**                **REALTY REFERRAL**                                **(Principal Broker)**

**AND:**                     \_\_\_\_\_ **(Broker Associate)**

**DATED:**                \_\_\_\_\_

## RECITALS:

- A. Broker Associate is a duly licensed real estate broker in the state of Oregon and maintains an office properly equipped and staffed by employees suitable to render services to the public.
- B. Broker Associate is a duly licensed real estate agent in the state of Oregon and is competent to deal with the public as such.
- C. The parties' desire for their mutual advantage to enter into an arrangement by which Broker Associate refers to Principal Broker persons interested in purchasing or listing property in accordance with the terms established in this Agreement.

## AGREEMENT:

- 1. **Referrals.** Broker Associate agrees to introduce to Principal Broker all persons interested in purchasing or listing property that Broker Associates discovers during the term of this Agreement and to accept the compensation established on exhibit "A." In the event a Broker Associate cannot find a referring broker Principal Broker may refer those persons referred to Broker Associate to other active listing or selling brokers.
- 2. **Compensation.** See exhibit "A."
- 3. **Relationship Between Parties.**
  - A. **Expenses.** Broker Associate shall pay for all necessary expenses incurred in performing this Agreement, including, but not limited to professional licenses and dues. Principal Broker shall not be liable for any expenses incurred by Broker Associate.
  - B. **Independent Contractor Status.** The parties intend and agree that Broker Associate is an independent contractor and not an employee of Principal Broker. Principal Broker is interested only in the results obtained under this Agreement; the manner and means of soliciting referrals shall be under the sole control of Broker Associate. None of the benefits provided by Principal Broker to its employees, including, but not limited to, compensation insurance and unemployment insurance, are available to Broker Associate from Principal Broker. Broker Associate shall not be treated as an employee with respect to services performed hereunder for federal or state tax purposes. No federal, state or local income or payroll tax of any kind shall be withheld or paid by Principal Broker on behalf of Broker Associate. Broker Associate understands that Broker Associate is responsible to pay income taxes and self-employment taxes and agrees to pay such taxes in accordance with the law.
  - C. **Conduct of Parties.** Broker Associate shall conduct his business so as to maintain and increase the goodwill and reputation of Principal Broker and shall comply with all laws, rules, regulations, and codes of ethics applicable to licensed real estate Broker Associates in the State of Oregon.
  - D. **Limitations on Authority.** Broker Associate shall have no authority to bind Principal Broker by any promise or representation, unless specifically authorized in writing to do so. Broker Associate specifically agrees **NOT** engage in the following activities:
    - (a) Prepare, enter into, or otherwise negotiate listing agreements or employment contracts;
    - (b) Prepare, enter into, or otherwise negotiate sales agreements or earnest money agreements;
    - (c) Advertise without prior written approval of Principal Broker;
    - (d) Manage any properties other than those personally owned by Broker Associate;
    - (e) Manage any properties personally owned by Broker Associate or otherwise, in the name of, or as the agent of Principal Broker;
    - (f) Offer or provide any appraisal, valuation or expression of the price of any real estate; or
    - (g) Hold open houses for the public.
- 4. **Liability.** Broker Associate agrees to indemnify Principal Broker and hold Principal Broker harmless from any and all claims, demands, and liabilities, including costs and attorney's fees, to which Principal Broker is subjected by reason of any action by Broker Associate. Further, Broker Associate hereby indemnifies Principal Broker harmless from any and all claims, demands, and liabilities, including costs and attorney's fees prior to the affiliation with Principal Broker.
- 5. **Termination.** This Agreement, and the association created by this Agreement, may be terminated by either party at any time on written notice to the other party. Upon the termination of this Agreement, a list shall be prepared of all pending unfinished business involving any sale, lease or exchange of real property related to referrals made by Broker Associate, which list shall be signed by both parties and neither party shall have any claims except as set forth in such list.
- 6. **Confidentiality.** Broker Associate acknowledges that any information furnished to Broker Associate concerning Principal Broker's customers, leads, prospects, holdings, investments, transactions and other confidential matters constitutes valuable, special

and unique assets and trade secrets of Principal Broker's business. Broker Associate will not, during or after the term of this Agreement, directly or indirectly, use, duplicate, disclose or convey any such information to any person, firm or other business entity for any purpose whatsoever. Broker Associate's obligation with regard to confidentiality of information will survive the termination of Broker Associate's association with Principal Broker and the termination of this Agreement.

7. **Remedies.** Broker Associate understands and agrees that paragraph 6 is necessary to protect the confidentiality, goodwill and other proprietary interest of Principal Broker and that, in the event Broker Associate breaches or threatens to breach any of these provisions, Broker may not have an adequate remedy at law. Accordingly, Broker Associate agrees that, if Broker Associate breaches or threatens to breach these provisions, Principal Broker shall be entitled to an immediate injunction or other appropriate order to restrain any threatened or further breach, in addition to any other remedies it may have.

8. **Modification.** This Agreement constitutes the entire understanding between the parties with respect to its subject matter and cannot be altered or amended except by a written instrument signed by both parties.

9. **Severability.** If any provision of this Agreement is deemed to be illegal or otherwise void, invalid, or unenforceable, the provision shall be disregarded and the remainder of this Agreement shall not be affected and shall remain in full force and effect.

10. **Governing Law.** This Agreement shall be governed by and construed according to the laws of the state of Oregon.

11. **Assignment of Rights.** The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

12. **Attorney Fees.** In the event that any action is filed in relation to this Agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all sums that either party may be called on to pay, a reasonable sum for the successful party's attorney's fees.

13. **Paragraph Headings.** The titles to the paragraphs of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify or aid in the interpretation of the provisions of this Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Agreement in duplicate as of the date first written above.

**REALTY REFERRAL**

**BROKER ASSOCIATE**

\_\_\_\_\_  
Principal Broker

\_\_\_\_\_  
\_\_\_\_\_  
(SOCIAL SEC or FED ID #)

# Exhibit 'A' Compensation Plan

**BETWEEN:** REALTY REFERRAL

**AND:** \_\_\_\_\_  
(Broker Associate)

**DATED:** \_\_\_\_\_

**COMPENSATION:**

The amount of the referral commission to be paid to REALTY REFERRAL is to be negotiated between the Broker Associate and the agent or broker receiving the referral.

Principal Broker (Realty Referral) to retain 20% of commissions and Broker Associate to receive 80% of commissions.

\_\_\_\_\_  
Principal Broker

\_\_\_\_\_  
Date

\_\_\_\_\_  
Broker Associate

\_\_\_\_\_  
Date