

Realty Referral Group, Inc.
PO Box 600794
St. Johns, FL 32260
904.716.1945

Thank you for your interest in Realty Referral Group, Inc. We are very excited about you joining our referral network and look forward to a long and happy association with you.

This sign-up package is step one to participate in our exciting income opportunity. Our referral commissions to our Referral Licensee's exceed all other referral company's averages and we can't wait to send you your first "reward."

Required Paper Work:

1. Sign and return Department of Business & Professional Regulation request for change of status Form RE-2050.
2. Provide a photocopy of your current Real Estate License.
3. Sign and return page five (5) of this Policy and Procedure Agreement. A fully executed copy will be returned to you.
4. Complete and return the Profile Form.
5. Sign and return page one of IRS Form W-9.
6. Return a \$25 annual administrative fee or \$12.50 if signing up after July 1st. Please make checks payable to Realty Referral Group, Inc.
7. Mail to **Realty Referral Group, Inc.**, PO Box 600794, St. Johns, FL 32260

Retain For Your Records:

1. The Policy and Procedure Agreement.

As soon as we receive your paper work, we will process it and send Form RE-2050 (change of status) to the Department of Business and Professional Regulation. We will then send you a welcome letter, indicating you are a Referral Licensee of Realty Referral Group, Inc.

Begin now to let people know that you can help them buy, sell, or rent real estate and that we are glad to have you as part of our proud team at Realty Referral Group, Inc.

Wishing you continued real estate success,

Ulrich Leinhase,
Licensed broker
Realty Referral Group, Inc.

Preface:

The purpose of this **Independent Contractor and Policy and Procedure Agreement** is to set forth guidelines and criteria to ensure smooth, effective and successful achievement of your goals as well as ours.

Organization:

Realty Referral Group, Inc., is a corporation organized for the purpose of providing referrals to Builders and Brokers with full time Realtors®. Realty Referral Group, Inc., is a limited function real estate brokerage firm. We do not list or sell any properties. We only provide referrals to Brokers and Builders.

What is a Referral?

A referral is a “lead” consisting of particular information of a prospective buyer, seller, or renter, which is sent to Realty Referral Group, Inc., and then distributed to cooperating Brokers and or Builders.

Referral Licensee:

Realty Referral Group, Inc., is composed of Referral Licensees who activate their Florida Real Estate license with Realty Referral Group, Inc. Realty Referral Group, Inc., Referral Licensees will be on a referral basis only, but their license is considered active. Referral Licensees will not be members of the Northeast Florida Association of Realtors®, the Florida Association of Realtors®, or the National Association of Realtors®. Referral Licensees will not participate in any Association activities or functions, nor attend any educational or social functions of the Association, nor participate in any Multiple Listing Service (MLS) activities or use any MLS statistical data.

Referral Licensees will not be allowed to list or sell any property or participate in the negotiations or execution of any documents, nor attend showings of property, canvass farm areas, hold open houses, attend listing appointments, or closing of escrow. Referral Licensees will not make use of office facilities, including telephones, conference rooms, MLS, stationary, etc. of any real estate companies. Any action to the contrary of the above will be cause for dismissal from Realty Referral Group, Inc.

Duties of Referral Licensees:

The Referral Licensee must make contact with the “lead” and get permission to refer him/her to another licensed Realtor®. The Referral Licensee must then obtain from the customer their name, phone number, address, current real estate needs and any other details they can determine while reinforcing the professional manner in which their needs will be handled by the full time Realtor® to which they are being referred. Then, call Realty Referral Group, Inc., at 904.716.1945, or send an email Realty Referral Group, Inc’s., web site, <http://www.realtyreferralgroup.com>. Give Realty Referral Group, Inc., management, the information you have obtained. These customers will then be turned over to a cooperating Realtor® of your choice, or we will choose one for you, in the effective service area of the referral. Realty Referral Group, Inc., reserves the right to place the referral with a Realtor® other than the Realtor® of choice if Realty Referral Group, Inc., determines it would be in the best interest of and best serve the needs of the customer.

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Placement of Referrals:

Realty Referral Group, Inc., will make every effort to place the referral with the office and/or Realtor® of your choice. If you do not know a Realtor®, we will assist you in the selection process. If you have a preference for a particular Realtor®, or if a particular Realtor® personally recruited you, this should be made known to Realty Referral Group, Inc., management who will place your referrals with this Realtor®. However, Realty Referral Group, Inc., reserves the right to place the referral elsewhere, if it is out of the effective service area of the Realtor® of your choice, or if it is felt that another Realtor® could better serve the customer (for example, if your chosen Realtor® is out of town or unavailable).

Recording a Referral:

All referrals must be recorded with Realty Referral Group, Inc. The referral will be credited to the Referral Licensee who submitted it first. If it is disclosed that the customer is already working with a Realtor®, you will be contacted immediately and the referral will not be accepted. Referrals made directly to a Realtor® are allowable as long as you call Realty Referral Group, Inc., and record it through our office. In addition, a referral cannot be re-referred. In other words, you cannot make the referral to one Realtor®, who then refers it to another Realtor® in another part of town.

Follow-up:

The Referral Licensee will be contacted periodically by Realty Referral Group, Inc., management for the progress of each referral submitted. If you hear from your referral and obtain some additional feedback, please pass it on to Realty Referral Group, Inc., management. Realty Referral Group, Inc., management is the liaison between the Referral Licensee and the Realtor® handling the referral. Upon a sale or listing being obtained, the Referral Licensee will be informed immediately of details such as sales price, address and approximate closing dates.

Referral fees:

Referral Licensees may not accept any referral fee payments from any Broker, Realtor®, Buyer or Seller. Referral Licensees can only receive referral fee payments/commissions from Realty Referral Group, Inc.

Referral fees received from cooperating Brokers will be based on 25% of the applicable portion of the listing or sales commission (usually 3%). This 25% of the applicable portion will be paid to Realty Referral Group, Inc. The Referral Licensee will receive 75% of this fee, or ¾ of the applicable portion. There may be some exceptions where customary referral fees are not the same in specific market areas. Commission percentages to the Realty Referral Group, Inc. vary from broker to broker. Realty Referral Group, Inc., will pay the Referral Licensee upon the closing of a transaction and receipt of the referral fee. The check will be disbursed to the Referral Licensee within a few days. Referral fees with outside Brokers will be handled in the same manner.

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EXAMPLE: \$100,000 purchase price \times 3% real estate commission = \$3,000 commission. The \$3,000 commission represents one side of the transaction. Of the \$3,000 applicable portion, Realty Referral Group, Inc., would receive \$750.00 (25% of the \$3,000 commission). Realty Referral Group, Inc., would then pay the Referral Licensee \$562.50 or $\frac{3}{4}$ of the \$750 earned commission.

Rental referrals received will be 10% of the first month's rent. That amount will be split 50/50 with the Referral Licensee. Please call the office concerning long-term commercial leases.

Administrative fees:

A \$25.00 administrative and handling fee will be assessed annually on January 1. If you start with Realty Referral Group, Inc., after July 1st of the calendar year the fee will be \$12.50. Realty Referral Group, Inc., Referral Licensees who fail to meet the minimum requirement of three (3) referrals annually (these do not need to be referrals that close) will be assessed a \$25.00 annual administrative fee (see Minimum Performance). Failure to pay the annual administrative fee by the end of the first quarter of the calendar year may result in dismissal from Realty Referral Group, Inc.

How to Sign Up:

Contact Realty Referral Group, Inc., at 904.716.1945. Whenever possible, we will meet with you personally. You will be required to show your Florida Real Estate License, and to sign a RE-2050 form to place your license with Realty Referral Group, Inc. You will also be required to sign this Policy and Procedure Agreement. Married couples who join will be treated as a single licensee concerning the administrative fee. This Agreement does not constitute hiring by either party.

Taxes & Workmen's Compensation:

Realty Referral Group, Inc., will not withhold any taxes nor make any payments for any workmen's compensation, unemployment compensation nor any insurance for Referral Licensees. You will be treated as an independent contractor at all times. Both parties agree to complete any papers necessary to reaffirm and maintain independent contractor status. The Referral Licensee will be responsible for filing his/her own taxes. Appropriate record of income for tax purposes will be provided.

Default or Breach:

If either party shall default or breach any part of this Agreement and result in any loss or damage to the other party, the defaulting party hereby agrees to pay to other party all loss or damage including legal fees and further agrees to hold the other party harmless from any claim, demand, cause or action, or lawsuit which may result from or be caused by such wrongdoing. The Referral Licensee further agrees to indemnify and hold Realty Referral Group, Inc., and its management harmless from any claims, demands or judgments including legal fees and costs incurred in investigating and defending such claims, demands or judgments arising out of this Agreement and Referral Licensee services as an independent contractor.

Minimum Performance:

A minimum of Three (3) qualified referrals per year will be required in order to maintain your license with Realty Referral Group, Inc. If at the end of a calendar year the Referral Licensee has not

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reached this minimum performance, an additional \$25.00 fee will be added to the following year's annual administration fee to help relieve administrative costs.

Other Charges:

As an independent contractor, there are certain expenses related to doing referral business. These expenses are the responsibility of each Referral Licensees. These expenses include but are not limited to: automobile expenses, telephone expenses, insurance expenses, or postage, etc.

Business cards are obtained at the expense of the Referral Licensee. However, business cards must be ordered through Realty Referral Group, Inc., in order to maintain continuity.

Mail outs to friends, relatives, neighbors, and co-workers with the use of business cards (ordered through Realty Referral Group, Inc.) are permitted as long as the customer understands that the Realty Referral Group, Inc., Referral Licensee will be referring those customers to a full time Realtor® with a cooperating Broker.

Renewing Licenses or Change of Address or Other Information:

Realty Referral Group, Inc., Referral Licensees will be required to maintain their Florida Real Estate License (Sales Associates or Broker Associates) at their own expense. Continuing education requirements must be met and maintained at the expense of the Referral Licensee. Coordinating of license renewal should be made only through Realty Referral Group, Inc.

Please contact Realty Referral Group, Inc., for any change of address or status in your license, or a change of telephone number. We will be contacting you on a regular basis and it is important that we have good communication at all times.

This Agreement may not be modified by either party without mutual consent and will continue from year to year until terminated. Either party may terminate this Agreement upon written notice caused by the other.

I have carefully read and understand the above Policy and Procedure Agreement and will abide by this policy:

Referral Licensee Date

Realty Referral Group, Inc.

By: _____
Ulrich Leinhase, Date
Licensed Real Estate Broker