

INDEPENDENT CONTRACTOR AGREEMENT

Pivot Real Estate Company
Broker–Sponsored Sales Agent

This Independent Contractor Agreement (the “Agreement”) is entered into by and between Pivot Real Estate Company (TREC Firm License #9010873-BB), a Texas real estate brokerage operating under an assumed name approved by the Texas Real Estate Commission (“TREC”), by and through its Designated Broker, Christopher Zakraysek (TREC License #718071-B) (the “Broker”), and the undersigned licensed real estate sales agent (the “Agent”). The Broker and the Agent are referred to individually as a “Party” and collectively as the “Parties.” This Agreement is effective as of the date of the Agent’s signature below (the “Effective Date”).

1. Relationship of the Parties

The Agent is engaged by the Broker as an independent contractor and not as an employee, partner, joint venturer, or agent for any purpose other than as expressly authorized under the Texas Real Estate License Act (Texas Occupations Code, Chapter 1101), TREC rules, and this Agreement. The Agent retains sole discretion and control over the means, methods, hours, and manner by which the Agent performs real estate brokerage services, subject only to the Broker’s supervisory obligations under TREC Rule §535.2 and the requirements of applicable law. Nothing in this Agreement creates an employment relationship, and the Agent is free to determine the Agent’s own schedule, work location, and business methods.

2. Independent Contractor / Statutory Nonemployee Status (IRC §3508)

The Parties intend that the Agent be treated as a “statutory nonemployee” under Section 3508 of the Internal Revenue Code. The Parties acknowledge and agree that each of the following conditions is satisfied:

- (a) The Agent is, and shall remain for the term of this Agreement, a duly licensed real estate sales agent under the laws of the State of Texas;
- (b) Substantially all remuneration paid to the Agent for services performed as a real estate sales agent is and shall be directly related to sales or other output (including commissions on closed transactions) rather than to the number of hours worked; and
- (c) The services performed by the Agent are performed pursuant to this written Agreement, which expressly provides that the Agent shall not be treated as an employee of the Broker for federal tax purposes.

Accordingly, the Agent shall be treated as self-employed for all federal tax purposes, including federal income tax and employment (FICA/SECA) taxes, consistent with IRC §3508.

3. Taxes and Withholding

The Broker shall not withhold federal income tax, Social Security, Medicare, or any other payroll taxes from compensation paid to the Agent, and shall not pay any employer-side employment taxes on the Agent's behalf. The Agent is solely responsible for the timely payment of all federal self-employment and income taxes arising from the Agent's compensation and for filing all required returns, including reporting income and expenses on IRS Schedule C. The Broker will report the Agent's compensation on IRS Form 1099-NEC (or other applicable form) as required by law. The Agent agrees to indemnify and hold the Broker harmless from any tax, penalty, or interest assessed against the Broker as a result of the Agent's failure to satisfy the Agent's tax obligations.

4. No Employee Benefits

Because the Agent is an independent contractor and not an employee, the Agent is not eligible for and waives any claim to employee benefits of any kind, including but not limited to health insurance, retirement or pension benefits, paid time off, sick leave, workers' compensation coverage, unemployment compensation, or disability benefits. The Broker does not provide workers' compensation or unemployment insurance covering the Agent.

5. Licensing, Sponsorship & Compliance

The Agent shall at all times maintain an active Texas real estate sales agent license sponsored by the Broker and shall complete all continuing education required to keep that license in active status. The Agent shall conduct all brokerage activities in the name of Pivot Real Estate Company and in full compliance with the Texas Real Estate License Act, TREC rules, federal and state fair housing laws, and the Pivot Real Estate Company Brokerage Policies, Procedures & Compliance Manual, as amended from time to time (the "Policy Manual"), which is incorporated into this Agreement by reference. In the event of a direct conflict between this Agreement and the Policy Manual regarding the legal or tax relationship of the Parties, this Agreement controls.

6. Compensation

The Agent's compensation, the Broker's monthly sponsorship fee, per-transaction fees, and related financial terms are set forth in the Policy Manual and in the Commissions & Fees Addendum executed by the Parties. All compensation earned for brokerage services must be paid to or through Pivot Real Estate Company, and the Agent may not accept compensation directly from any client, cooperating broker, or other source without the Broker's prior written consent. Compensation is earned solely on the basis of output (closed transactions) and not on the basis of hours worked.

7. Business Expenses & Insurance

As an independent contractor, the Agent is solely responsible for the Agent's own business expenses, including Board/MLS membership and dues, National Association of REALTORS® (NAR) and Texas REALTORS® dues (if applicable), marketing costs, transportation, licensing fees, and other costs of conducting business. **Errors & Omissions (E&O) insurance covering the Agent's real estate brokerage activities conducted under Pivot Real Estate Company is provided by the Broker**

at no additional cost beyond the monthly sponsorship fee; the Agent is not required to obtain or maintain separate E&O coverage while so sponsored. Such coverage is subject in all respects to the terms, conditions, coverage limits, exclusions, deductible or retention, insurer-eligibility, and claims-made and claims-reporting requirements of the brokerage's policy in effect from time to time, does not extend to activities outside the Agent's sponsored brokerage activity with Pivot. Whether any particular person qualifies as an insured, and whether any particular transaction is covered, is determined solely by the carrier under the policy then in effect; the Broker does not guarantee coverage. The Agent may elect to carry supplemental coverage at the Agent's own expense and will be provided a summary or certificate of coverage on request. The Agent should confirm with the Broker how the policy treats prior acts and claims reported after the sponsorship ends.

8. Term & Termination

This Agreement begins on the Effective Date and continues until terminated. Either Party may terminate this Agreement and the sponsorship relationship at any time, with or without cause, by providing written notice to the other Party. Upon termination, the Parties shall promptly terminate the sponsorship in the TREC REALM Portal using the TREC Notice of Sales Agent Sponsorship Termination process. The Agent shall protect the interests of clients in pending transactions and cooperate in the orderly transfer of files and information.

9. Pending Transactions & Post-Termination Compensation

Any transaction under contract or otherwise in progress at the time of termination or change of sponsorship shall remain the property of, and be completed under, Pivot Real Estate Company. The Agent's entitlement, if any, to compensation on such transactions shall be governed solely by the Commissions & Fees Addendum and any separate written agreement between the Agent and the Broker.

10. Confidentiality & Return of Materials

The Agent shall maintain the confidentiality of the Broker's and clients' confidential information and shall not use or disclose such information except as necessary to perform services under this Agreement or as required by law. Upon termination, the Agent shall promptly return to the Broker all transaction files, client records, and other property of the Broker in the Agent's possession or control.

11. Indemnification

Each Party shall indemnify and hold the other harmless from and against any claims, losses, damages, liabilities, and expenses (including reasonable attorneys' fees) arising out of that Party's own negligent acts, willful misconduct, or violation of applicable law in connection with the activities contemplated by this Agreement.

12. Governing Law, Venue & Dispute Resolution

This Agreement is governed by the laws of the State of Texas, without regard to its conflict of laws principles. Exclusive venue for any dispute arising under this Agreement shall lie in the state courts located in Bell County, Texas. Before initiating litigation, the Parties agree to first attempt in good faith to resolve any dispute through informal negotiation and, if unsuccessful, through non-binding mediation in Bell County, Texas.

13. General Provisions

This Agreement, together with the Policy Manual and the Commissions & Fees Addendum, constitutes the entire agreement between the Parties regarding the independent contractor relationship and supersedes all prior oral or written agreements on that subject. This Agreement may be amended only by a written instrument signed by both Parties, except that the Broker may update the Policy Manual as provided therein. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect. This Agreement may be executed electronically and in counterparts, each of which is deemed an original.

By signing below, the Parties acknowledge that they have read and agree to be bound by this Independent Contractor Agreement, and the Agent affirms the Agent's status as an independent contractor and statutory nonemployee under IRC §3508.

BROKER — PIVOT REAL ESTATE COMPANY

Signature: _____

Name: Christopher Zakraysek, Designated Broker

TREC License #: 718071-B

Date: _____

AGENT — SPONSORED SALES AGENT

Signature: _____

Printed Name: _____

TREC License #: _____

Date: _____

This Agreement is provided for use by Pivot Real Estate Company and does not constitute legal or tax advice. The brokerage recommends review by qualified Texas legal counsel and a tax professional before use.