



**Agent Contact Info**

- Full Name: \_\_\_\_\_
- Street Address: \_\_\_\_\_
- City, State, Zip: \_\_\_\_\_
- Home Phone Number: \_\_\_\_\_
- Cell Phone Number: \_\_\_\_\_
- Office Phone Number: \_\_\_\_\_
- Email Address: \_\_\_\_\_
- Emergency Contact Person: \_\_\_\_\_ Contact # \_\_\_\_\_
- Social Security Number: \_\_\_\_\_
- Driver's License # \_\_\_\_\_ Exp: \_\_\_\_\_
- RE License # \_\_\_\_\_ Exp: \_\_\_\_\_
- NMLS# \_\_\_\_\_ Exp: \_\_\_\_\_



### Agent Questionnaire

1. How many closings have you had in the last 12 months?  
\_\_\_\_\_
2. Who was your last brokerage and may we contact your previous broker?  
\_\_\_\_\_  Y  N
3. What is an email or phone for previous broker?  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_
4. What is the reason you are changing brokerages?  
\_\_\_\_\_  
\_\_\_\_\_
5. Do you have a computer, fax, scanner, printer and internet connection?  Y  N
6. How often do you check emails and return calls?  
\_\_\_\_\_
7. Do you have a restricted license?  Y  N  
If yes, please explain. \_\_\_\_\_  
\_\_\_\_\_
8. Do you have any felonies or misdemeanors in the past 5 years?  Y  N  
If yes, please explain. \_\_\_\_\_  
\_\_\_\_\_
9. Do you have experience with real estate forms?  Y  N
10. Do you offer any other services besides real estate sales?  Y  N
11. If yes, explain other services. \_\_\_\_\_  
\_\_\_\_\_
12. Do you agree to follow all office policies and procedures/ BRE laws and regulations?  
 Y  N

\_\_\_\_\_  
Agent Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Date



INDEPENDENT CONTRACTOR AGREEMENT WITH BINDING ARBITRATION OPTION (Between Broker and Associate-Licensee) (C.A.R. Form ICA-BA, Revised 4/15)

This Agreement, dated \_\_\_\_\_, is made between Grand Avenue Realty & Lending Inc ("Broker") and \_\_\_\_\_ ("Associate-Licensee").

In consideration of the covenants and representations contained in this Agreement, Broker and Associate-Licensee agree as follows:

1. BROKER: Broker represents that Broker is duly licensed as a real estate broker by the State of California, [X] doing business as Grand Avenue Realty & Lending (firm name), [ ] a sole proprietorship, [ ] a partnership, or [X] a corporation. Broker is a member of the Various Boards In California Association(s) of REALTORS®, and a participant to the \_\_\_\_\_ Multiple Listing Service(s). Broker shall keep Broker's license current during the term of this Agreement.

2. ASSOCIATE-LICENSEE: Associate-Licensee represents that: (i) he/she is duly licensed by the State of California as a [ ] real estate broker, [ ] real estate salesperson, and (ii) he/she has not used any other names within the past five years, except \_\_\_\_\_. Associate-Licensee shall keep his/her license current during the term of this Agreement, including satisfying all applicable continuing education and provisional license requirements.

3. INDEPENDENT CONTRACTOR RELATIONSHIP: A. Broker and Associate-Licensee intend that, to the maximum extent permissible by law: (i) This Agreement does not constitute an employment agreement by either party; (ii) Broker and Associate-Licensee are independent contracting parties with respect to all services rendered under this Agreement; and (iii) This Agreement shall not be construed as a partnership. B. Broker shall not: (i) restrict Associate-Licensee's activities to particular geographical areas, or (ii) dictate Associate-Licensee's activities with regard to hours, leads, open houses, opportunity or floor time, production, prospects, sales meetings, schedule, inventory, time off, vacation, or similar activities, except to the extent required by law. C. Associate-Licensee shall not be required to accept an assignment by Broker to service any particular current or prospective listing or parties. D. Except as required by law: (i) Associate-Licensee retains sole and absolute discretion and judgment in the methods, techniques, and procedures to be used in soliciting and obtaining listings, sales, exchanges, leases, rentals, or other transactions, and in carrying out Associate-Licensee's selling and soliciting activities; (ii) Associate-Licensee is under the control of Broker as to the results of Associate-Licensee's work only, and not as to the means by which those results are accomplished; (iii) Associate-Licensee has no authority to bind Broker by any promise or representation; and (iv) Broker shall not be liable for any obligation or liability incurred by Associate-Licensee. E. Associate-Licensee's only remuneration shall be the compensation specified in paragraph 8. F. Associate-Licensee who only performs as a real estate sales agent, shall not be treated as an employee for state and federal tax purposes. However, an Associate-Licensee who performs loan activity shall be treated as an employee for state and federal tax purposes unless the activity satisfies the legal requirements to establish an independent contractor relationship. G. The fact the Broker may carry workers' compensation insurance for Broker's own benefit and for the mutual benefit of Broker and licensees associated with Broker, including Associate-Licensee, shall not create an inference of employment. (Workers' Compensation Advisory: Even though a Real Estate salesperson may be treated as independent contractors for tax and other purposes, the California Labor and Workforce Development Agency considers them to be employees for workers' compensation purposes. According to that Agency: (i) Broker must obtain workers' compensation insurance for a real estate salesperson and (ii) Broker, not a Real Estate sales person, must bear the cost of workers' compensation insurance. Penalties for failure to carry workers' compensation include, among others, the issuance of stop-work orders and fines of up to \$1,000 per agent, not to exceed \$100,000 per company.)

4. LICENSED ACTIVITY: A. All listings of property, and all agreements, acts or actions for performance of licensed acts, which are taken or performed in connection with this Agreement, shall be taken and performed in the name of Broker. Associate-Licensee agrees to and does hereby contribute all right and title to such listings to Broker for the benefit and use of Broker, Associate-Licensee, and other licensees associated with Broker. B. Broker shall make available to Associate-Licensee, equally with other licensees associated with Broker, all current listings in Broker's office, except any listing which Broker may choose to place in the exclusive servicing of Associate-Licensee or one or more other specific licensees associated with Broker.

Broker's Initials ( [Signature] )

Associate-Licensee's Initials ( \_\_\_\_\_ )



- C. Associate-Licensee shall provide and pay for all professional licenses, supplies, services, and other items required in connection with Associate-Licensee's activities under this Agreement, or any listing or transaction, without reimbursement from Broker except as required by law.
- D. Associate-Licensee shall work diligently and with his/her best efforts to: (i) sell, exchange, lease, or rent properties listed with Broker or other cooperating Brokers; (ii) solicit additional listings, clients, and customers; and (iii) otherwise promote the business of serving the public in real estate transactions to the end that Broker and Associate-Licensee may derive the greatest benefit possible, in accordance with law.
- E. Associate-Licensee shall not commit any unlawful act under federal, state or local law or regulation while conducting licensed activity. Associate-Licensee shall at all times be familiar, and comply, with all applicable federal, state and local laws, including, but not limited to, anti-discrimination laws and restrictions against the giving or accepting a fee, or other thing of value, for the referral of business to title companies, escrow companies, home inspection companies, pest control companies and other settlement service providers pursuant to the California Business and Professions Code and the Real Estate Settlement Procedures Acts (RESPA).
- F. Broker shall make available for Associate-Licensee's use, along with other licensees associated with Broker, the facilities of the real estate office operated by Broker at Broker provides no office space. and the facilities of any other office locations made available by Broker pursuant to this Agreement.
- G. **PROHIBITED ACTIVITIES:** Associate-Licensee agrees not to engage in any of the following Real Estate licensed activities without the express written consent of Broker:

Property Management;  Loan Brokerage  Business Brokerage; See "Rules And Regulations"  
 attached, which is part of this agreement by reference.

However, if Associate-Licensee has a Real Estate Broker's License, Associate-Licensee may nonetheless engage in the following prohibited activity(ies) only: None.

provided that (1) such prohibited activities are not done under the Broker's License, (2) no facilities of Broker (including but not limited to phones, fax, computers, and office space) are used for any such prohibited activities, (3) Associate-Licensee shall not use any marketing, solicitation or contact information that include Broker's name (including business cards) for such prohibited activities, (4) Associate-Licensee informs any actual or intended Principal for whom Associate-Licensee performs or intends to perform such prohibited activities the name of the broker under whose license the prohibited activities are performed, and (5) if Associate-Licensee is performing other permitted licensed activity for that Principal under Broker's license, then Associate-Licensee shall inform any actual or intended Principal for whom the prohibited activities are performed that the prohibited activities are not performed under Broker's license.

**5. PROPRIETARY INFORMATION AND FILES:**

- A. All files and documents pertaining to listings, leads and transactions are the property of Broker and shall be delivered to Broker by Associate-Licensee immediately upon request or termination of this Agreement.
- B. Associate-Licensee acknowledges that Broker's method of conducting business is a protected trade secret.
- C. Associate-Licensee shall not use to his/her own advantage, or the advantage of any other person, business, or entity, except as specifically agreed in writing, either during Associate-Licensee's association with Broker, or thereafter, any information gained for or from the business, or files of Broker.

- 6. SUPERVISION:** Associate-Licensee, within 24 hours (or  \_\_\_\_\_) after preparing, signing, or receiving same, shall submit to Broker, or Broker's designated licensee: (i) all documents which may have a material effect upon the rights and duties of principals in a transaction; (ii) any documents or other items connected with a transaction pursuant to this Agreement in the possession of or available to Associate Licensee; and (iii) all documents associated with any real estate transaction in which Associate-Licensee is a principal.

- 7. TRUST FUNDS:** All trust funds shall be handled through the Broker's trust account and in compliance with the Business and Professions Code, and other applicable laws.

**8. COMPENSATION:**

- A. TO BROKER:** Compensation shall be charged to parties who enter into listing or other agreements for services requiring a real estate license:

as shown in "Exhibit A" attached, which is incorporated as a part of this Agreement by reference, or  
 as follows: Negotiable by licensee - "Rules And Redulations" attached, which is incorporated as part of this agreement by reference.

Any deviation which is not approved in writing in advance by Broker, shall be: (1) deducted from Associate-Licensee's compensation, if lower than the amount or rate approved above; and, (2) subject to Broker approval, if higher than the amount approved above. Any permanent change in commission schedule shall be disseminated by Broker to Associate-Licensee.

- B. TO ASSOCIATE-LICENSEE:** Associate-Licensee shall receive a share of compensation actually collected by Broker, on listings or other agreements for services requiring a real estate license, which are solicited and obtained by Associate-Licensee, and on transactions of which Associate-Licensee's activities are the procuring cause, as follows:

as shown in "Exhibit B" attached, which is incorporated as a part of this Agreement by reference, or  
 other: Licensee to receive 100% Commission less \$495.00 administrative fee and \$99.00 E & O insurance fee. Dual agency is two transactions. See "Rules And Regulations" attached, which is incorporated into this agreement by reference.

Broker's Initials ( JK )

Associate-Licensee's Initials ( \_\_\_\_\_ )

**C. PARTNERS, TEAMS, AND AGREEMENTS WITH OTHER ASSOCIATE-LICENSEES IN OFFICE:**

If Associate-Licensee and one or more other Associate-Licensees affiliated with Broker participate on the same side (either listing or selling) of a transaction, the commission allocated to their combined activities shall be divided by Broker and paid to them according to their written agreement. Broker shall have the right to withhold total compensation if there is a dispute between associate-licensees, or if there is no written agreement, or if no written agreement has been provided to Broker.

**D. EXPENSES AND OFFSETS:** If Broker elects to advance funds to pay expenses or liabilities of Associate-Licensee, or for an advance payment of, or draw upon, future compensation, Broker may deduct the full amount advanced from compensation payable to Associate-Licensee on any transaction without notice. If Associate-Licensee's compensation is subject to a lien, garnishment or other restriction on payment, Broker shall charge Associate-Licensee a fee for complying with such restriction.

**E. PAYMENT:** (i) All compensation collected by Broker and due to Associate-Licensee shall be paid to Associate-Licensee, after deduction of expenses and offsets, immediately or as soon thereafter as practicable, except as otherwise provided in this Agreement, or a separate written agreement between Broker and Associate-Licensee. (ii) Compensation shall not be paid to Associate-Licensee until both the transaction and file are complete. (iii) Broker is under no obligation to pursue collection of compensation from any person or entity responsible for payment. Associate-Licensee does not have the independent right to pursue collection of compensation for activities which require a real estate license which were done in the name of Broker. (iv) Expenses which are incurred in the attempt to collect compensation shall be paid by Broker and Associate-Licensee in the same proportion as set forth for the division of compensation (paragraph 8(B)). (v) If there is a known or pending claim against Broker or Associate-Licensee on transactions for which Associate-Licensee has not yet been paid, Broker may withhold from compensation due Associate-Licensee on that transaction amounts for which Associate-Licensee could be responsible under paragraph 14, until such claim is resolved. (vi) Associate-Licensee shall not be entitled to any advance payment from Broker upon future compensation.

**F. UPON OR AFTER TERMINATION:** If this Agreement is terminated while Associate-Licensee has listings or pending transactions that require further work normally rendered by Associate-Licensee, Broker shall make arrangements with another associate-licensee to perform the required work, or Broker shall perform the work him/herself. The licensee performing the work shall be reasonably compensated for completing work on those listings or transactions, and such reasonable compensation shall be deducted from Associate-Licensee's share of compensation. Except for such offset, Associate-Licensee shall receive the compensation due as specified above.

**9. TERMINATION OF RELATIONSHIP:** Broker or Associate-Licensee may terminate their relationship under this Agreement at any time, with or without cause. After termination, Associate-Licensee shall not solicit: (i) prospective or existing clients or customers based upon company-generated leads obtained during the time Associate-Licensee was affiliated with Broker; (ii) any principal with existing contractual obligations to Broker; or (iii) any principal with a contractual transactional obligation for which Broker is entitled to be compensated. Even after termination, this Agreement, inclusive of Paragraph 12, shall govern all disputes and claims between Broker and Associate-Licensee connected with their relationship under this Agreement, including obligations and liabilities arising from existing and completed listings, transactions, and services.

**10. AUTOMOBILE:** Associate-Licensee shall maintain automobile insurance coverage for liability and property damage in the following amounts \$ 100,000.00 / \$ 300,000.00 . Broker shall be named as an additional insured party on Associate-Licensee's policies. A copy of the endorsement showing Broker as an additional insured shall be provided to Broker.

**11. PERSONAL ASSISTANTS:** Associate-Licensee may make use of a personal assistant, provided the following requirements are satisfied. Associate-Licensee shall have a written agreement with the personal assistant which establishes the terms and responsibilities of the parties to the employment agreement, including, but not limited to, compensation, supervision and compliance with applicable law. The agreement shall be subject to Broker's review and approval. Unless otherwise agreed, if the personal assistant has a real estate license, that license must be provided to the Broker. Both Associate-Licensee and personal assistant must sign any agreement that Broker has established for such purposes.

**12. AGREEMENT TO ARBITRATE AND DISPUTE RESOLUTION:**


**A. DISPUTE RESOLUTION PROCESS:** (1) Broker and Associate-Licensee agree to timely notify the other person and mediate all disputes and claims between them arising from or connected in any way with this Agreement before resorting to arbitration or court action. (2) If any dispute or claim is not resolved through mediation, or otherwise, Broker and Associate-Licensee may mutually agree to submit disputes involving commissions for property transactions to binding arbitration by the procedures and rules set forth in the California Code of Ethics and Arbitration Manual, a copy of which is available at the following link: [www.car.org/legal/calarbrules/](http://www.car.org/legal/calarbrules/).

Broker's Initials (AS)

Associate-Licensee's Initials ( )



- B. **BINDING FINAL ARBITRATION:** All claims or disputes between Broker and Associate-Licensee, not resolved pursuant to Paragraph 12A, shall be submitted to binding arbitration in accordance with Paragraphs 12 B-G. Broker and Associate-Licensee, on behalf of him or herself and any assistants employed by Associate-Licensee, mutually agree to use confidential individual binding arbitration, instead of going to court, for any disputes or claims now in existence or that may exist in the future (i) that Associate-Licensee may have against Broker, his/her affiliates, and/or their current or former employees, and (ii) that Broker and/or his/her affiliates may have against Associate-Licensee his/her affiliates, and/or their current or former employees. Such claims would include, without limitation, any concerning the initiation of the work relationship, the pay or other compensation for the work performed, breach of contract, expenses, any claims by Broker or Associate-Licensee for violations of applicable law or regulations, the decision by Broker or Associate-Licensee to end the assignment, any claims for conversion and/or breach of fiduciary duty, as well as any claims that arise from or relate to Broker's classification of Associate-Licensee as an independent contractor rather than an employee. Such claims do not include disputes or claims which either Broker or Associate-Licensee may have against a Broker client, customer or other brokerages, or vice versa, including cross claims between Broker or Associate-Licensee in conjunction with such disputes. This Agreement to Arbitrate shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq.
- C. **ARBITRATION RULES:** Except for those claims resolved by Paragraph 12A, all other claims covered by Paragraph 12B shall be arbitrated pursuant to the then-current JAMS' Expedited or Comprehensive Arbitration Rules and Procedures which are available at [www.jamsadr.com](http://www.jamsadr.com) (under the Rules/Clauses tab) or [www.car.org/legal/calarbrules/](http://www.car.org/legal/calarbrules/). Notwithstanding any contrary provisions in those rules, however, Broker will pay all costs of the Arbitration that are in addition to or in excess of the amount that a party would need to pay if he/she filed a case in a court of law. Each party shall bear his or her own attorney fees and costs, except that the arbitrator may award a party attorney fees or costs if such an award is authorized by an applicable law or contract. Broker and Associate-Licensee agree that the arbitration will be conducted by a single arbitrator in the JAMS office (as applicable) closest to the county of the Broker's office with which the Associate-Licensee is or was associated (unless otherwise agreed).
- D. **NOTICE AND TIMING; APPLICABLE LAW; FINDINGS:** The aggrieved party must file and give written notice of any claim to the other party no later than the expiration of the statute of limitations (deadline for filing) that the law prescribes for the claim. Otherwise, the claim shall be void and deemed waived. The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the applicable state, or federal law, or both, as applicable to the claim(s) asserted including applicable California real estate law. In the event of a dispute, the arbitrator shall decide which substantive laws shall apply. The Arbitrator is authorized to award any remedy allowed by applicable law. The Arbitrator shall issue a written and signed statement of the basis of his or her decision, including findings of fact and conclusions of law.
- E. **CLASS ACTION WAIVER:** (1) Broker and Associate-Licensee agree that any and all claims pursued against each other will be on an individual basis, and not on behalf of or as a part of any purported class, collective, representative, or consolidated action. Both Broker and Associate-Licensee hereby waive their right to commence, become a party to or remain a participant in any group, representative, class collective or hybrid class/collective or group action in any court, arbitration proceeding, or any other forum, against the other. The parties agree that any claim by or against Broker or Associate-Licensee shall be heard in arbitration without joinder of parties or consolidation of such claim with any other person or entity's claim, except as otherwise agreed to in writing by Broker and Associate-Licensee. This Class Action waiver shall supersede any contrary agreements, statements or rules in the JAMS Rules. (2) The waiver of Class Action claims and proceedings is an essential and material term of this arbitration agreement in this Paragraph 12, and the parties agree that if it is determined that the waiver in this Paragraph 12E is prohibited or invalid in its entirety in a case in which a class action, representative action or similar allegations have been made, then the remainder of Paragraph 12 shall also be void. If, however, some, but not all, of the waivers are found to be unenforceable for any reason in a case in which class action, representative action or similar allegations have been made, the Associate-Licensee's individual claims shall be decided in arbitration. Any class action, representative action or similar action as to which the class action waiver in this Paragraph 12E is found to be unenforceable shall be decided in court and not in arbitration.
- F. **CONFIDENTIALITY:** Broker and Associate-Licensee agree that all proceedings before the arbitrator will remain confidential between the parties, including but not limited to any depositions, discovery, pleadings, exhibits, testimony, or award. The confidentiality will not apply to any court proceeding in which either party seeks to confirm, correct, or vacate an arbitration award.
- G. **ASSOCIATE-LICENSEE UNDERSTANDS ARBITRATION AND WAIVER AGREEMENT:** Associate-Licensee represents and warrants that he/she understands the meaning and effect of the arbitration and waiver agreements in this Paragraph 12 and has been provided a reasonable time and opportunity to consult with legal counsel regarding this agreement to arbitrate. Associate-Licensee hereby agrees to the provisions of these Paragraphs 12 A-G (initial): **ASSOCIATE-LICENSEE** ( \_\_\_\_\_ )

Broker's Initials 

Associate-Licensee's Initials ( \_\_\_\_\_ )

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**INDEPENDENT CONTRACTOR AGREEMENT (ICA-BA PAGE 4 OF 5)**

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Michelle Chang

13. **OFFICE POLICY MANUAL:** If Broker's office policy manual, now or as modified in the future, conflicts with or differs from the terms of this Agreement, the terms of the office policy manual shall govern the relationship between Broker and Associate-Licensee.

14. **INDEMNITY AND HOLD HARMLESS; NOTICE OF CLAIMS:**

- A. Regarding any action taken or omitted by Associate-Licensee, or others working through, or on behalf of Associate-Licensee in connection with services rendered or to be rendered pursuant to this Agreement or real estate licensed activity prohibited by this agreement: (i) Associate-Licensee agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments, awards, costs and attorney fees, arising therefrom and (ii) Associate-Licensee shall immediately notify Broker if Associate-Licensee is served with or becomes aware of a lawsuit or claim regarding any such action.
- B. Any such claims or costs payable pursuant to this Agreement, are due as follows:
  - Paid in full by Associate-Licensee, who hereby agrees to indemnify and hold harmless Broker for all such sums, or
  - In the same ratio as the compensation split as it existed at the time the compensation was earned by Associate-Licensee  Other: \_\_\_\_\_

Payment from Associate-Licensee is due at the time Broker makes such payment and can be offset from any compensation due Associate-Licensee as above. Broker retains the authority to settle claims or disputes, whether or not Associate-Licensee consents to such settlement.

15. **ADDITIONAL PROVISIONS:** Agreement applies to real estate and/or loan transactions.

16. **DEFINITIONS:** As used in this Agreement, the following terms have the meanings indicated:

- A. "Listing" means an agreement with a property owner or other party to locate a buyer, exchange party, lessee, or other party to a transaction involving real property, a mobile home, or other property or transaction which may be brokered by a real estate licensee, or an agreement with a party to locate or negotiate for any such property or transaction.
- B. "Compensation" means compensation for acts requiring a real estate license, regardless of whether calculated as a percentage of transaction price, flat fee, hourly rate, or in any other manner.
- C. "Transaction" means a sale, exchange, lease, or rental of real property, a business opportunity, or a manufactured home, which may lawfully be brokered by a real estate licensee.

17. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Broker and Associate-Licensee arising from or related to this Agreement, the prevailing Broker or Associate-Licensee shall be entitled to reasonable attorney fees and costs.

18. **ENTIRE AGREEMENT:** All prior agreements between the parties concerning their relationship as Broker and Associate-Licensee are incorporated in this Agreement, which constitutes the entire contract. Its terms are intended by the parties as a final and complete expression of their agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. This Agreement may not be amended, modified, altered, or changed except by a further agreement in writing executed by Broker and Associate-Licensee.

**Broker:**

Grand Avenue Realty & Lending Inc  
(Brokerage firm name)  
By [Signature]  
Its  Broker  Office manager (check one)

Adam Preston  
(Print name)

4420 E Miraloma Ave Suite M  
(Address)

Anaheim, CA 92807  
(City, State, Zip)

(714)925-2020                      (714)242-1726  
(Telephone)                      (Fax)


**Associate-Licensee:**

\_\_\_\_\_  
(Signature)  
  
\_\_\_\_\_  
(Print name)  
  
\_\_\_\_\_  
(Address)  
  
\_\_\_\_\_  
(City, State, Zip)  
  
\_\_\_\_\_  
(Telephone)                      (Fax)

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## RULES AND REGULATIONS

**Documents and Files:** All files and documents pertaining to listings, leads and transactions are the property of the Broker.

**Activity Reporting:** Associate-Licensee is required to report all of his/her real estate activities to the Broker within 48 hours of their occurrence. Real estate activities include listing agreement, newly opened escrows, accepted purchase agreement, earnest money deposits, cancelled and expired agreements, renewed agreements, referral fee agreements, and/or any other business contract or arrangement involving an Associate-Licensee and his/her client. Failure to notify broker of any of the above may result in additional fees.

**Maintaining Files:** Your files are record of every event relative to your dealings with your clients on a listing, sale or any real estate or loan transaction conducted under/through the company . You must retain copies of all listings, deposit receipts and other documents executed by you or obtained by you in connection with real estate or loan transaction, whether the sale is consummated or not. All files are property of the Broker and are to remain either in your possession or the company's until file is closed. At closing of a file, if all documents that the company sees fit to be in compliance with the BRE and company to protect the company in case of a lawsuit is not in the file the company has the right to hold the funds of Associate-Licensee until compliance is met. You must get written approval by your broker or company compliance department and be given notification that your file is clear to close before it is ok for you to close escrow on any transaction. You must turn in your file at a minimum of 5 business days before the close of escrow for compliance review. (Failure to do so may result in delays with your check and or reduction of commission depending on how incomplete the file is and may have to involve a TC and or broker to complete the file to BRE and company standards. In the event this happens the broker has the right reduce the amount of commission due to agent. If you decide not to use a company TC and you turn in a careless file assuming we will do extra reviewing and extra work on the file there will be additional fees.

**Disputes During Escrow:** If a dispute arises at any time or during escrow between buyer, seller, agent, broker or anyone for any reason with Associate-Licensee, the cooperating broker and/or the company, which cannot be resolved by negotiations between the parties and the agent(s) the company has the right to make all decisions that is in the best interest of the company. If the company determined that it is in the best interest of the company to resolve the matter during escrow or simply at that present time rather than risk a potential claim or litigation after the close of escrow or in the future; then company broker has the right to negotiate a resolution of the dispute which may involve a reduction in the commission to be received, or a credit given to one of the parties. In that event, and regardless of actual company or agent liability or responsibility in the dispute, the agent(s) will participate in the commission reduction or credit.

Initial Here: \_\_\_\_\_





**Other types of transactions:** Leases are a 10% fee with a minimum charge of 150.00 (for example 1,500 commission less 10% fee = 150.00, agent check is 1,350.00). If sales price on a transaction is 1,000,000 or higher and/or commission is 25,000 or higher than broker shall receive 3% of commission with 97% going to the agent (for example 100,000.00 commission less 3% fee = 3,000.00 fee including ALL fees, agent check is 97,000). Commercial transaction, broker shall receive 5% fee of commission with minimum fee of 594.00 and agent will receive 95%. Reverse Mortgage transactions, broker shall receive 10% fee of commission and licensed loan officer (agent) will receive 90%. In some cases you may be able to negotiate with your broker a better commission split on certain transactions depending on special circumstances (ask broker). Business opportunity transactions (purchase of a business) are prohibited. Property management is prohibited. Land is ok. Agent shall never under any circumstances receive a check written to anyone except for Grand Avenue Realty & Lending Inc. Escrow assignment transactions are prohibited unless authorized and approved by broker.

**Agents Rules on Negotiating Commission Amounts:** If associate licensee wishes to not take a portion of their commission, lower or discount a commission less than 2.5% per side as representing agent in a transaction you must get broker's written approval prior to doing so and moving forward with any type of transaction, contract or escrow. You are allowed to do this but you must obtain broker approval first. (Please note you will still at least have to keep the correct amount of company fees in the commission upon any reduction you do. If you want to discount your commission to an extent where there is no commission left due to you after company fees you will be required to use a company approved TC which is a 300.00 additional fee. If transaction is 1,000,000.00 or higher and associate licensee elects to do a commission reduction less than 2.5% on any side they were the representing agent the percentage (%) of commission/fee charged to agent that goes to company will be based off of 2.5% per side that you represented (for example 1,000,000.00 sale price and agent discounts commission to \$0 the company fee will still based off of 2.5% per side agent represents therefore company fee would be \$750.00 per side.) If you do not have written broker approval for commission reductions less than 2.5% per side that you were the representing agent and the property closes escrow you will be responsible and agree to pay broker/company a full 2.5% of sales price per side that you were representing agent as a fee for violating this agreement.

**Litigation and Claims Handling:** You are required to: Promptly notify your broker of any claim or potential claim made against you and or the company, including any demand received by you for money or services alleging a negligent act or omission; any notification of the commencement of a lawsuit, arbitration or mediation process; or any written or verbal notice or threat that anyone intends to hold you and/or the company responsible for any alleged wrong doing.

You agree to cooperate with the company in the defense of the claim. Promptly pay to the company any amounts due hereunder upon notice to you from the company

The Company has the right to make all decisions concerning the defense of the claim, including choice of counsel. In the event you object to any decision made by the company, you may obtain your own

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attorney at your own expense; however, you shall not be relieved from the obligation to pay the cost of the claim as set forth herein.

Except as provided below, the cost of the defense of the claim, or to defend or protect against any potential or possible claim where the company or you are not involved as a party, including attorneys fees, and the cost of any settlement or a judgment (collectively the “cost of defense), shall be paid in full by the Associate-Licensee.

You shall be responsible for all costs of a claim if you fail to follow any law, regulation or company policy as set forth in this policy manual, and that failure results in a judgment or other final adjudication based on that failure. You shall be solely responsible, and shall reimburse the company, for all the company’s costs of defend if a judgment or other final adjudication on any claim adverse to the company and/or you established that dishonest, fraudulent, criminal, or malicious acts, errors or omissions were committed or results in finding of intentional tort, slander, defamation or any conduct which leads to the imposition of punitive, exemplary or multiple damages, or fines or penalties, or establishes discrimination on the basis of race, creed, religion, ethnic background, national origin, age, sex, handicap, familial status, physical disability, sexual preference, or any other unlawful classification.

**Real Estate Forms:** All forms must be accessed through Win Forms and/or CAR forms or must be approved by company broker.

**Earnest Money Deposits and/or Trust Funds:** Associate-Licensee acknowledges and understands that Broker does not maintain a trust fund and that all earnest money deposits received by clients must be made payable and deposited immediately to escrow and reported to Broker. Associated-Licensee shall not ever receive funds from clients in its personal name nor receive any cash payments, or payment in neither any way from clients nor any deposit check in Grand Avenue’s name. You cannot accept any checks from your clients nor anyone at any time for any reason. You must have them give check or EMD directly to escrow company and. All trust funds shall be handled in compliance with the Business and Professions, Code, and other applicable laws. Any type of commission check shall only be written to Grand Avenue Realty & Lending Inc.

**Termination:** Your association with the company can be terminated by either party, with or without cause, at any time upon written notice given to the other party. If this agreement is terminated while you have listings or pending transactions that require further work normally rendered by you, the broker will make arrangements with another salesperson in the company to perform the required work. The licensee performing the work shall be reasonably compensated for completing the work, and such reasonable compensation shall be deducted from your share of the commission.

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**ADVERTISING AND SOLICITATIONS:** All advertising done by Associate-Licensee must receive prior written approval of Broker. NO TELEPHONE SOLICITATION IS ALLOWED by Associate-Licensee to people who have registered their telephone numbers on a national do-not-call registry. Broker is not liable or responsible for any advertising done by Associate-Licensee on its behalf and Associate-Licensee agrees to hold Broker harmless of any costs, damages, legal or otherwise, specifically arising as a result of Associate-Licensee's failures to comply with this paragraph. All advertising and marketing materials must receive approval from the broker. You must use Grand Avenue and House Registered trademark on all marketing materials

**Listings:** Listings are property of the company, even upon your termination. Within 24 hours after notice of termination by either party, you must provide your broker with a list of all active listings taken by you, and all pending transactions in which, if completed, you will be entitled to compensation from the company in accordance with the terms of your Independent Contractor agreement, or other written agreement Unless there is further work needed to be done by another assigned Associate-licensee. You specifically agree that you may not contact the sellers of properties where listings were taken by you for the purpose of directly or indirectly soliciting or inducing the client to terminate their listing with the company.

**AGENT OWNED LISTINGS OR TRANSACTIONS:** Our E&O policy allows this but you have to follow specific criteria, please ask broker. You must get broker approval and permission in order to list or sell your own property and or any property that you have any interest or ownership in including any property in a trust, corporation, business, or llc. Broker may not allow this depending on certain circumstances.

**BUSINESS EXPENSES:** Broker shall not be liable to Associate-Licensee for any expenses incurred by Associate -Licensee or for any of its act. Associate-Licensee agrees to provide any pay for all necessary professional licenses and dues. Associate-Licensee understands and agrees that broker shall not provide any office, place of business, supplies, advertisements, marketing materials and that Associate-Licensee is responsible for conducting business at its own costs, if any. Broker shall not be liable to reimburse Associate-Licensee for any expenses.

**ASSOCIATE-LICENSEE'S EMPLOYEES:** Associate-Licensee's employees, if any, who perform services for Broker under this Agreement shall also be bound by the provision of this Agreement Associate-Licensee's responsibilities include advising its employees of the term of this Agreement and supervising their activities to ensure their compliance with all of its terms. At the request of Broker, Associate-Licensee shall provide evidence that such persons are Associate-Licensee's employees and are bound by the provisions of this Agreement.

**INJURIES TO ASSOCIATE-LICENSEE:** Associate-Licensee acknowledges and agrees that Broker will provide worker's compensation insurance for Broker's own benefits and for Associate-Licensee only (not for Associate-Licensee's employees) It is Associate-Licensee's obligation to obtain appropriate insurance coverage for the benefit of Associate-Licensee and its employees, if any, for any injuries. Associate-Licensee and its employees may sustain while performing services under this Agreement.

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**BROKERS ONLY:** By joining and signing this agreement you (BROKER) are joining as a Associate- Broker. You may not conduct any transactions and/or broker activity other than with Grand Avenue Realty & Lending Inc exclusively as the broker while this agreement remains active. You may not conduct or close any transactions under any other brokerage/company nor carry any active agreement with any other brokerage/company. You also cannot conduct or close any transactions with you as the broker/company and never under any circumstance can you have a check written to you/your company for any reason. During this agreement ALL transaction you are a part of and close must go through Grand Avenue Realty & Lending Inc. If during this agreement you close any transaction that is not closed through Grand Avenue Realty & Lending Inc you will agree to pay a penalty of \$15,000.00 or the amount of the commission that was earned on that closing, whichever is higher is the amount you will be penalized and owe for violating this agreement.

**LOAN MODIFICATIONS:** Associate-Licensee is NOT allowed to help their clients with a loan modification in any way. This includes, but is not limited to: Representing them as your clients with a loan modification company, calling a loan modification company on their behalf, referring them to a loan modification company, getting paid by a loan modification company, helping them in any way with a loan modification. The Grand Avenue Realty & Lending Inc E&O policy does not cover loan modifications.

**LOANS:** If for any reason any commission obtained and collected by associate-licensee from any loan is requested by the lender to be paid back to the lender, Loan officer/Associate-Licensee is fully responsible for full payment due to lender and will not receive back any fee that was paid to Grand Avenue Realty & Lending Inc for performing their service.

I have carefully read the forgoing and fully understand Grand Avenue Realty & Lending Inc position, rules, and regulations of the company.

_____ Signature	_____ Name	_____ Date
 Signature	Adam Preston Name	_____ Date



## Key Office Policies Agreement

1. Agent are not to accept earnest money deposits; clients are always required to send earnest money direct to escrow. Broker does not have a trust fund account. Accepting earnest money may lead to termination with Grand Avenue.
2. Agents are not to offer property management unless authorized in writing by the broker. If you are interested in property management, please advise broker for guidelines from the broker.
3. Grand Avenue in no way offers loan modification services. Accepting any fees up front for loan modifications is against the real estate law.
4. Agents are required to have a complete file ready for audit for real estate or loans. We have a transaction checklist on our website and every file must have all forms and disclosures that the BRE requires. This is to protect the brokerage, the agent and the consumer. Incomplete files can delay your commission until the file is complete.
5. Agents are required to keep record of all transactions, whether closed or not, for 3 years per the BRE law.
6. All advertisements must be sent to the broker via email at [info@grandavenueca.com](mailto:info@grandavenueca.com) prior to publishing for approval.
7. Agent will request help from the broker if he/she is not sure how to handle certain paperwork, forms, or other needed help.
8. Agent is aware that broker is available to help and answer all questions.
9. Agent agrees to respond to all clients, agents, broker, and messages regarding business within a reasonable timeframe.
10. Agent agrees to abide by BRE rules and guidelines. The BRE website: [www.bre.ca.gov](http://www.bre.ca.gov) provides a lot of information on current new laws and rules.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_



## Grand Avenue Realty & Lending Zero Tolerance Loan Fraud Policy

*All approved licensed NMLS originators must be aware that submission of a loan application containing false information is a crime.*

### Type of Loan Misrepresentation and Fraud

- Submission of inaccurate or misleading information including false statements on loan application(s) and falsification of documents purport to substantiate credit, employment deposit and asset information including identity, ownership or non-ownership of real property.
- Forgery or partially or predominately inaccurate information.
- Incorrect information regarding current occupancy as stated in the security agreement.
- Lack of due diligence by broker, loan officer, interviewer, processor, including failure to obtain all information as dictated by borrower's response to the other questions.
- Unquestioned acceptance of information or documentation which is known, or should be suspect to be inaccurate.
- Simultaneous or consecutive processing of multiple owner-occupied loan from on application multiple property, or from one applicant supplying different information on each application on multiple properties, or from one applicant supplying different information on each application.
- Allowing an applicant or interested third party to "assist" with processing of the loan.
- Broker's non-disclosure of relevant information.

### Consequences

The affect of "Loan Fraud" is costly to all parties involved. Grand Avenue Realty & Lending Inc stands behind the quality of its loan production. Fraudulent loans damage reputation with our investors and mortgage insurance providers.

The price paid by those who participate in "Loan Fraud" is even more costly. Below is a list of some of the potential consequences that may incur.

### Consequences to Loan Originator

- Criminal prosecution.
- Loss or suspension of Real Estate Broker's license, Salesperson's license and/or other applicable licenses.
- Loss of lender access due to exchange of information between lenders, mortgage insurance companies including the submission of information to investors, police agencies and the appropriate State agencies.
- Civil Action by Grand Avenue Realty & Lending Inc
- Civil action by applicant/borrower or other parties to the transaction.
- Loss of approval status with Grand Avenue Realty & Lending Inc

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date



### CONSEQUENCES TO BORROWER

- Acceleration of Debt. Paragraph 6 of the uniform FNMA / FHLMC Deed of Trust states: “Borrower shall also be in default if borrower, during the loan application process, gave materially false or inaccurate information of statements to the lender(or failed to provide lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to representations concerning borrower’s occupancy of the property as a principal residence. “NOTE: Foreclosure under this section of the Deed of Trust does not require the borrower to be in ‘payment default’. As such, the borrower will not benefit to reinstatement. In order to cure the default, the borrower must pay off the loan in full prior to the sale of the property.”
- Criminal prosecution.
- Civil action by Grand Avenue Realty & Lending Inc
- Civil action by all parties to the transaction, such as seller or real estate agent/broker.
- Employment termination.
- Loss of professional license.
- Adverse effect on credit history.

### IMPORTANT NOTICE

All loans submitted to Grand Avenue Realty & Lending Inc will be subject to any and all services provided by the Internal Revenue Service under IRS code 4506 with regard to income verification. In the event that a borrower has misrepresented any income that is not in conformance with the income indicated on the borrower’s tax return, borrower may be subject to one or all of the following:

- IRS audit to reconcile the difference between the income on the loan application and the income on the tax return.
- Penalties and interest on any portion deemed by the IRS to be an underpayment of taxes as determined by the audit.
- Criminal penalties for having provided misinformation on either the tax return or the loan application.

I have carefully read the forgoing and fully understand Grand Avenue Realty & Lending Inc position on loan fraud.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

<b>Print or type See Specific Instructions on page 2.</b>	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____  <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions):  Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** The IRS has created a page on IRS.gov for information about Form W-9, at [www.irs.gov/w9](http://www.irs.gov/w9). Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

#### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

**Note.** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.



In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity,
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust, and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

### Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* on page 1.

**What is FATCA reporting?** The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

**Partnership, C Corporation, or S Corporation.** Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

**Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulation section 301.7701-2(c)(2)(iii). Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

**Note.** Check the appropriate box for the U.S. federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

**Limited Liability Company (LLC).** If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the U.S. federal tax classification in the space provided. If you are an LLC that is treated as a partnership for U.S. federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation, as appropriate. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for U.S. federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

**Other entities.** Enter your business name as shown on required U.S. federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

## Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the *Exemptions* box, any code(s) that may apply to you. See *Exempt payee code* and *Exemption from FATCA reporting code* on page 3.

**Exempt payee code.** Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following codes identify payees that are exempt from backup withholding:

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Part I. Taxpayer Identification Number (TIN)**

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

**Part II. Certification**

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt payee code* earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

- 1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
- 2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
- 3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
- 4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
- 5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records from Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

**Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.