



DESIGNATED OFFICER EMPLOYMENT AGREEMENT

Prepared by: Agent _____
Broker _____

Phone _____
Email _____

NOTE: Department of Real Estate Regulation §2740 requires corporations conducting real estate brokerage activities to qualify and be licensed as a Corporate real estate broker by an officer licensed as a real estate broker.

DATE: _____, 20____, at _____, California.
Brokerage Corporation (Corporation) hereby employs Broker as its Designated Officer and executive vice-president.

1. DESIGNATED OFFICER AGREES TO:

- 1.1 Maintain a real estate broker's license in the State of California and act as Designated Officer of Corporation.
- 1.2 Provide managerial/supervisory services as the Designated Officer over employees of Corporation.
- 1.3 Assist in implementation of Corporation's policy manual and any other policies initiated by Corporation.
- 1.4 Review all correspondence and documents made or received by Corporation or its agents, unless delegated to an office manager.
- 1.5 Immediately deposit and account to Corporation's treasurer or controller for all funds received by Designated Officer or agents.
- 1.6 Participate in any educational programs or meetings specified by Corporation.
- 1.7 Assure a visual inspection and disclosure of the conditions of any property to be sold, bought, or encumbered by Corporation's clients, unless delegated to office manager.
- 1.8 Obligate the Corporation to no agreement without Corporation's prior consent.
- 1.9 Expose Corporation to no liability to any third party without Corporation's prior consent.
- 1.10 Join and pay fees for Designated Officer's membership in any professional organizations in which Corporation is a member.
- 1.11 Protect and enhance the goodwill of Corporation's business and keep secure any knowledge of Corporation's business activities acquired during this employment.
- 1.12 Divulge to no one the business or the names of clientele, lists or descriptions of forms, trade secrets, or business practices of the Corporation during or after the term of this agreement.
- 1.13 ☐ Also be employed by Corporation as an Independent Contractor. Concurrent herewith, Designated Officer and Corporation have entered into and signed a separate Independent Contractor's form.
[See **ft** Form 506]
 - a. Any conflicts in the terms of these agreements shall be controlled by this agreement.

2. CORPORATION AGREES TO:

- 2.1 Create the necessary resolutions to adopt this agreement.
- 2.2 Maintain its authority to act as a Corporation and as a corporate real estate broker in the State of California.
- 2.3 Maintain an office with proper facilities to operate a real estate brokerage business.
- 2.4 Maintain membership in the following professional organization(s):
 - ☐ Multiple Listing Service (MLS)
 - ☐ Local branch of the California Association of Realtors and National Association of Realtors
 - ☐ _____
- 2.5 Maintain listings.
- 2.6 Provide advertising approved by Corporation.
- 2.7 Provide worker's compensation insurance for Designated Officer.
- 2.8 Maintain the following insurance coverage for Designated Officer:
 - ☐ Errors and Omissions ☐ Health
 - ☐ Dental ☐ Life ☐ _____
- 2.9 Indemnify Designated Officer for the expense of any legal action arising out of the proper performance of Designated Officer's duties.
- 2.10 Pay Designated Officer as specified in the Designated Officer's fee schedule, section 3 of this agreement.
- 2.11 Withhold from Designated Officer's compensation all appropriate state and federal income taxes, state disability insurance, and social security taxes.

2.12 Other _____

3. DESIGNATED OFFICER'S FEE SCHEDULE:

- 3.1 The Designated Officer is to be compensated under this agreement solely for his administrative efforts.
- 3.2 Corporation shall pay Designated Officer monthly, on the tenth working day following the end of each calendar month of employment, _____% of fees received in the Corporation's brokerage business during the preceding calendar month which remain after disbursement of any amounts due other Brokers and Franchisors and ☐ any portion earned by agents of Corporation. _____
- 3.3 The fee schedule may be changed by Corporation on 30 days prior written notice to Designated Officer.
- 3.4 On termination, Designated Officer to be paid on a pro rata basis for any period of employment he has not been compensated.

4. TERMINATION:

- 4.1 This agreement shall continue until terminated by mutual written agreement, or 30 days after either party serves written Notice of Termination, or either party, for cause, serves written Notice of Termination.
- 4.2 For one year after termination, Designated Officer will not interfere with Corporation's continuing relationship with its clients and employees, nor induce or attempt to induce any sales staff to discontinue representing Corporation for the purpose of representing another broker.
- 4.3 For one year after termination and within 25 miles of the office, Designated Officer is not to become employed with any real estate brokerage business, nor employ or become employed with any real estate license who was employed by Corporation during the six months prior to termination.

5. GENERAL PROVISIONS:

- 5.1 Corporation reserves the exclusive right to determine whether any dispute involving Corporation and third parties arising from Designated Officer's performance of assigned duties shall be prosecuted, defended, or settled.
- 5.2 Before any party to this agreement files an action on a dispute arising out of this agreement which remains unresolved after 30 days of informal negotiations, the parties agree to enter into non-binding mediation administered by a neutral dispute resolution organization and undertake a good faith effort during mediation to settle the dispute.
- 5.3 **Arbitration:** Any dispute between Designated Officer and Corporation or any of its employees which cannot be resolved by the Corporation or State Labor Commission shall be arbitrated under the rules of the American Arbitration Association.
- 5.4 ☐ See addendum for additional terms.

DESIGNATED OFFICER:

I agree to render services on the terms stated above.

Date: _____, 20_____
 Name: _____
 Social Security Number: _____

 Signature: _____
 Address: _____

 Phone: _____
 Cell: _____
 Email: _____

BROKERAGE CORPORATION:

We agree to employ Designated Officer on the terms stated above.

Date: _____, 20_____
 Corporate Broker: _____
 By: _____
 Title: _____

 Signature: _____
 Address: _____

 Phone: _____
 Cell: _____
 Email: _____