

REFERRAL FEE CONTRACT

Background of changes made to #2a

Current form reads:

- (a) Acceptance of this incoming referral is conditioned upon the referring agent/company having received the referred party's initial permission to make this referral. If the receiving Brokerage Firm determines from the referred party that such permission has not been granted, the Receiving Brokerage Firm will notify the referring agent/company in writing and this Referral Agreement shall then immediately become null and void, with no further obligation of the Receiving Brokerage Firm to pay any referral fee to referring agent/company.

At 7/16/15 SFC meeting changes were made as follows:

Annotated:

~~(a) Acceptance of this incoming referral is conditioned upon the referring agent/company having received the referred party's initial permission to make this referral. If the receiving Brokerage Firm determines from the referred party that such permission has not been granted, the Receiving Brokerage Firm will notify the referring agent/company in writing and this Referral Agreement shall then immediately become null and void, with no further obligation of the Receiving Brokerage Firm to pay any referral fee to referring agent/company.~~
(a) Referring Brokerage Firm represents that Referred Person has consented to such referral.

Clean:

Referring Brokerage Firm represents that Referred Person has consented to such referral.

July/August 2015:

Draft form was published on the website with above changes for this paragraph. Comments were received. After reviewing comments the subcommittee's recommendation was to delete the check box and sentence after it. The draft form which was sent to the SFC for the 9/24/15 meeting showed this entire paragraph deleted.

At the 9/24/15 SFC meeting the SFC decided to reinstate this paragraph for discussion purposes in October.

The following paragraph includes the sentence added during the 7/16/15 meeting as well as the verbiage on the current form:

Referring Brokerage Firm represents that Referred Person has consented to such referral. Acceptance of this incoming referral is conditioned upon the referring agent/company having received the referred party's initial permission to make this referral. If the receiving Brokerage Firm determines from the referred party that such permission has not been granted, the Receiving Brokerage Firm will notify the referring agent/company in writing and this Referral Agreement shall then immediately become null and void, with no further obligation of the Receiving Brokerage Firm to pay any referral fee to referring agent/company.