

## **INDEPENDENT CONTRACTOR AGREEMENT**

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 200\_,  
between Thomas Hogan Travel, a travel agency, having its principal place of business at  
1801 Oak St., Myrtle Beach, SC 29577, hereinafter referred to as The Travel Agency,  
and Outside Agent \_\_\_\_\_  
hereinafter referred to as the Independent Contractor.

1. Term of Agreement

The Travel Agency hereby retains the Independent Contractor to act as an independent outside sales agent and the Independent Contractor agrees to act in such a capacity on behalf of the Travel Agency for a period of 12 months from the above date. At the end of that period, the contract shall be extended for an additional 12 months upon payment of annual renewal fee according to my membership plan. If payment of renewal is not made, the agreement will be terminated.

2. Carlson Wagonlit Travel Affiliation and Restrictions on Independent Contractor.

Travel Agency is a franchisee of Travel Leaders Associates, Inc. ("TLA") and, as a franchisee, has a limited right to use the trademark Travel Servers (the "Travel Leaders Mark"). The franchise agreement between Travel Agency and TLA includes various restrictions on the use of the Travel Leaders Mark. One such restriction is that Travel Agency cannot sublicense the use of the TravelServers Mark to any third party, including Independent Contractor. Under no circumstances can Independent Contractor use the Travel Leaders Mark including in any promotional materials, advertisements, business cards, or stationery **unless approved by TLA**. Nor shall Independent Contractor represent to any third party that Independent Contractor is a franchisee of TLA or a member of the Travel Leaders system. Independent Contractor's failure to abide by these restrictions will result in immediate termination of this Agreement.

3. Cost of Affiliation and Included Benefits

The Independent Contractor agrees to pay the Travel Agency the enrollment rate applicable to my chosen membership plan (AgentLinkPro - \$299, GlobaLinkPro- \$449, ExeuLinkPro - \$599) to become an affiliate. This cost includes the following:

- Agent Online Training Manual
- ASTA Membership for 1 year
- CLIA Identification Card (a qualified CLIA training MUST be completed prior to receiving the i.d. card at Independent Contractor's expense and must also be to qualify for renewal each year)
- Official Preferred Supplier Manual
- Access to online booking engines, TravelServer and all vendor related/password protected booking engines
- A personalized Destination Agent web site with search and trip request capabilities.

4. Compensation of Independent Contractor

As compensation for the services rendered by him/her under this Agreement, the Independent Contractor shall be entitled to commissions on sales as follows;

A. Computation

1. **In General.** The Travel Agency will retain its portion of any monies paid as commission by the vendor on bookings in which the Travel Agency's IATAN was used. The Independent Contractor shall be entitled to 70% with AgentLinkPro, 75% with GlobalLinkPro and 80% with ExecuLinkPro, of the Gross commission received by the travel Agency for sales of travel or services by the Independent Contractor. All expenses relating to these sales shall be borne by the Independent Contractor, unless otherwise agreed to in writing and signed by both parties. Override commissions received on bookings made by Independent Contractor WILL be included in the Gross commission amount. The Independent Contractor will receive 33% commission on all referral sales where the IC referred the client to our office and our staff worked directly with the client.
2. All expenses, gifts, advertising, express charges and/or rebating of commissions shall be borne solely by the Independent Contractor, unless otherwise agreed to in writing and signed by both parties. The Travel Agency will not rebate its share of the commissions at any time.
3. The Independent Contractor will qualify for and receive the official IATAN identification card AFTER earning a minimum of \$5000.00 in one calendar year. Once that level of earnings has been reached, the Travel Agency will add their name to the IATAN list. Three months later the photo identification card will be issued by IATAN. This is pursuant to the official IATAN regulations.
4. Independent Contractor will forfeit commissions if a sales report is not completed prior to the client departure date.

B. Payment of Commission

The Travel Agency shall pay the Independent Contractor monthly. The Travel Agency shall, within 15 days of the end of each month, provide the Independent Contractor with an accounting of all commissions received by the close of the previous month. Commission check must be at least \$50.00 to be issued.

5. Consortium Affiliation

The Travel Agency reserves the right to cancel the Travel Leaders affiliation at anytime but must provide the Independent Contractor with written notice of any such change at least 30 days prior to the effective date.

6. Seller of Travel Laws

If the Independent Contractor operates, sells or markets in a State that has a Sellers of Travel Law, the Independent Contractor agrees to abide by those applicable laws as currently written and/or amended. It is the responsibility of the Independent Contractor

to check with the applicable government authority regarding these consumer protection laws.

7. Independent Contractor to Provide Own Business Supplies/Expenses

Independent Contractor shall be financially responsible for his/her own business supplies and expenses, including but not limited to the day to day operations, promotional materials and events, advertising, phone, business cards, etc. Independent Contractor shall otherwise be responsible for all expenses incurred in the performing his/her duties under this Agreement.

8. Risk of Loss/Profit Potential

The Independent Contractor assumes the risk of incurring a loss if his/her share of sales commissions do not cover the Independent Contractor's expenses. Similarly, the Independent Contractor enjoys the right to earn profit yielded by the commissions shared pursuant to this Agreement.

9. No Entitlement to Vacation or Other Benefits

As a self-employed individual, the Independent Contractor shall not receive or earn any vacation or sick pay from the Travel Agency and is not covered under the Travel Agency's insurance plan.

10. Ability to Hire Assistants

The Independent Contractor retains the right to employ whatever assistants or bring in whatever partners he/she may require at the Independent Contractor's expense in order to accomplish the goal of travel sales contemplated by this Agreement.

11. Liability

The Independent Contractor is responsible for the validity and accuracy of all bookings and payments by clients of the Independent Contractor. The Independent Contractor shall be responsible for any errors made directly by the Independent Contractor during the course of selling travel. This includes misquoting a client or any misrepresentation made to the client about the travel services, which he/she is purchasing. The Independent Contractor will also be financially responsible for problems arising with reservations as a direct result of the Independent Contractor's negligence and /or inability to make timely payments. The Independent Contractor shall remit to the Travel Agency, upon demand, the full amount of any: unresolved credit card charge backs, dishonored checks or bank drafts, debit memos, or any other dishonored forms of payment resulting from bookings made and payments processed for clients of the Independent Contractor. If the Travel Agency incurs any loss of profit as a result of the Independent Contractor's errors and negligence, the Travel Agency will withhold commissions due to the Independent Contractor until the Travel Agency's profits are restored. If commissions are not due the Independent Contractor, the Travel Agency will expect direct payment from the Independent Contractor. Likewise, if a problem or loss occurs as a direct result of the Travel Agency's error or negligence, the Travel Agency will be fully and financially responsible to both the Independent Contractor and the client.

12. Taxes

Independent Contractor shall be responsible for filing of Federal, State and Local Estimated tax payments on commissions received from the Travel Agency and for other assessments. The Independent Contractor agrees to be fully responsible for complying with all federal, state and local laws in connection with performance of this Agreement, including, but not limited to, payment of applicable charges for social security, FICA, worker's compensation and obtaining any required state or local licenses or registration as a self-employed seller of travel.

13. Payments from Clients and to Vendors

The Independent Contractor may take credit card numbers after receiving the signed authorization from the client to apply charges to their card. The credit cards will be processed either by the Travel Agency or the vendor. Independent Contractor must post the GROSS amount of the sale or deposit and at no point should ever make a NET payment to a vendor. If a NET payment is taken or posted by the Independent Contractor, they will forfeit their commissions on that booking and their contract with The Agency will be terminated. If the client pays with a check, it must be made payable to Thomas Hogan Travel or Travel Leaders and sent to our office with a completed Check Request Form for processing.

14. Termination of Contract

If the Independent Contractor wishes to terminate this Agreement at the end of 12 months, they can do so in writing and not agree to the renewal fee. The Independent Contractor will also have the ability to discontinue this contract at any time during the 12 month period by submitting written request to the main office. If the Independent Contractor wishes to enact the 30-day money back guarantee, the following guidelines pertain:

- a. The Independent Contractor must request the cancellation in writing within 30 days of their original date of enrollment.
- b. The request must be sent to Thomas Hogan Travel, 1801 Oak St., Myrtle Beach, SC 29577 ATTN: Outside Sales Department
- c. The Independent Contractor will receive a refund on the amount paid to enroll LESS \$159.00 for AgentLink Pro, \$299.00 for GlobaLink Pro and \$359.00 for ExecuLink Pro which reflects non-refundable fees paid out upon application for professional memberships, affiliations, insurance, web site, materials and mailing costs.

15. Time Limit for Claiming Commissions After Date of Termination

All claims of the Independent Contractor for commission on sales, regardless of whether the sales are made by the Independent Contractor or others, are waived by the Independent Contractor if not made within sixty (60) days of the date of termination.

16. Attorney's Fees and Costs

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be responsible for the costs associated with the legal action.

The Independent Contractor acknowledges that they have thoroughly read this Agreement and understands that The Travel Agency and its representatives make NO statements, representations, or guarantees concerning sales or income that the Independent Contractor may make.

This agreement represents the complete understanding of the parties with respect to the described Independent Contractor relationship. It is not to be amended after the date hereof except by an instrument in writing signed by the parties. No waiver of any provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

I, \_\_\_\_\_, have read and fully agree to and understand the  
Print First and Last Name  
terms and conditions set forth in this agreement.

X \_\_\_\_\_  
*Independent Contractor* *Date*