

PERSONAL REAL ESTATE CORPORATION AGREEMENT

THIS AGREEMENT is made the _____ day of _____, 20_____.

BETWEEN:

Real Broker Ontario Ltd., Brokerage corporation incorporated under the laws of the Province of Ontario (the "Brokerage")

And

_____, a corporation incorporated under the laws of the Province of Ontario (the "Corporation")

And

_____, an individual who resides in the Province of Ontario (the "Controlling Shareholder")

WHEREAS the parties enter into this Agreement to provide a governing relationship between the Brokerage, the Corporation and its Controlling Shareholder.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree to the following representations, warranties, agreements, and acknowledgements as set out hereafter:

1. The Brokerage is a real estate brokerage registered pursuant to the Real Estate and Business Brokers Act, 2002 (REBBA).
2. The Controlling Shareholder, registered with the Brokerage pursuant to REBBA, operates an independent business as a licensed real estate agent or broker.

3. The Brokerage and the Controlling Shareholder have entered into an independent contractor agreement which sets out the terms of their independent contractor relationship.
4. The Controlling Shareholder is the sole equity shareholder of the Corporation which is a Personal Real Estate Corporation for the purposes of the Trust in Real Estate Services Act, 2020.
5. The Controlling Shareholder wishes to receive all its remuneration from the Brokerage through the Corporation with respect to the Controlling Shareholder's transactions in real estate in accordance with REBBA.
6. The Controlling Shareholder is solely responsible for the management and operation of the Corporation.
7. The Corporation is exempt from registration under the Legislation and will not engage in the trading of real estate or carry-on business of a Brokerage.
8. That the Controlling Shareholder directly or indirectly is the sole and exclusive equity and voting shareholder.
9. The Corporation shall not hinder or obstruct the Brokerage or its broker of record in their performance of their duties under the Legislation.
10. The Corporation agrees to provide whatever assistance may be reasonably necessary to enable the Brokerage and its broker of record to comply with their duties under the Legislation and to enable the Brokerage and its broker of record to ensure that the Controlling Shareholder is complying with the Controlling Shareholder's duties under the Legislation.
11. The Corporation agrees to provide whatever assistance may be necessary to enable the Brokerage to determine whether the conditions set out in this Agreement have been met;
12. The Corporation ensures that it meets all of the requirements under the Legislation to permit the Corporation to receive the remuneration that would otherwise be paid by the Brokerage to the Controlling Shareholder.

13. The Brokerage has satisfied itself that the Corporation is exempt from registration under Legislation and that the conditions for exemption have been met by the Corporation; and The Brokerage agrees to pay the Controlling Shareholder's remuneration to the Corporation as permitted by the Legislation.
14. The Controlling Shareholder is duly registered at the Brokerage as a real estate agent or broker to trade in real estate under the Legislation and is a member in good standing with the Brokerage, the Legislation and CREA.
15. The Controlling Shareholder will always be registered as a real estate agent or broker under the Legislation at the Brokerage and will not trade in real estate with any other brokerage during the term of this Agreement and will receive all income from trading in real estate through the Corporation paid from the Brokerage.
16. The Controlling Shareholder will comply with any request by the registrar under the Legislation, including any request for information related to the Corporation.
17. The Corporation and the Controlling Shareholder, acknowledge that they have received independent tax and legal advice from qualified professionals before entering into this Agreement and understand that they are solely and exclusively responsible for any and all tax consequences relating to the payment of commissions or other compensation for the Controlling Shareholder services to the Corporation including but not limited to the payout of trades which were written before the commencement of this Agreement.
18. The Corporation and the Controlling Shareholder hereby jointly and severally indemnify the Brokerage against all liability, loss, damages, costs and expenses sustained, suffered or incurred by the Brokerage as a result of any breach by the Corporation, Controlling Shareholder of any representation, warranty or acknowledgement in this Agreement, or as a result of any claim by a third party arising, including but not limited to penalties levied by Canada Revenue Agency. The Brokerage shall be at liberty to set off any amount owing to the Brokerage pursuant to this indemnity against any and all commission payable to the Corporation. This indemnity shall survive the termination of this Agreement.

This Agreement shall terminate on the earlier of the date that the Controlling Shareholder ceases to be registered as a real estate agent or broker with the Brokerage, and the date that the Brokerage decides, in its sole discretion, that it no longer wishes to pay compensation to the Corporation, in which case the Controlling Shareholder will be paid personally.

Real Broker Ontario Ltd., Brokerage

Per: _____ Date: _____

(Broker signature)

Name: Lori Ann West

Title: Broker of Record

I have the authority to bind the Brokerage

Per: _____ Date: _____

(Controlling Shareholder signature)

Name:

Title: Controlling Shareholder

I have the authority to bind the Corporation