

CM Travel Ltd / Vacations For Heroes

Independent Contractor & Office Policy Agreement 2025/2026

Effective Date: ____ / ____ / ____

This Agreement is made between **CM Travel Ltd / Vacations For Heroes** ("The Travel Agency"), 36-5700 Jinkerson Road, Chilliwack, BC, Canada, V2R 5N6, and _____ ("Independent Contractor").

This document serves as both:

- The Independent Contractor Agreement (legal, commissions, fees, termination).
- The Office Policy Agreement (day-to-day rules, responsibilities, conduct).

Signing this combined document indicates full agreement to all terms below.

PART 1 – INDEPENDENT CONTRACTOR AGREEMENT

1. Term of Agreement

The Travel Agency hereby retains the Independent Contractor to act as an outside sales agent. The Independent Contractor agrees to act in this capacity on behalf of the Travel Agency.

2. Affiliation & Restrictions

Independent Contractors may only use the official CM Travel Ltd. (CMT) or Vacations For Heroes (VFH) logo, promotional materials, advertisements, business cards, or stationery with prior approval.

Independent Contractors shall not represent themselves as franchisees of CMT or VFH.

3. Cost of Affiliation & Benefits

CMT Monthly Fee: \$59, charged on the 1st of each month. Includes:

- CM Travel email address
- CRM access (invoicing & client tracking)
- Accounting services

- Marketing support for CMT Clients
- Access to vendor and booking engines

VFH Monthly Fee (If selected into the VFH program): \$25, charged on the 1st of each month.

This reduced monthly fee applies only if the Independent Contractor is chosen by the agency owner or manager to participate in the Vacations For Heroes program.

The VFH monthly fee replaces the CMT monthly fee; it is not an additional charge.

Includes:

- Vacations For Heroes email address
- CRM access
- Accounting services
- Vendor and booking engine access
- Marketing support for VFH consultants
- Potential client leads provided by VFH

"Existing Independent Contractors (ICs) will retain their current fee structure under a grandfathered policy.

4. Compensation

Commission Structure (annual revenue) This is commission earned in one year.

- \$0–\$40,000 → 50% commission
- \$40,001–\$100,000 → 60% commission
- \$100,001+ → 70% commission

Commission levels are reviewed annually and adjusted based on performance.

"Existing Independent Contractors (ICs) will retain their current % structure under a grandfathered policy based on years employed with CM Travel Ltd

VFH-provided leads: 50% commission flat rate.
Override commissions are retained by CMT/VFH.

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Expenses: All business expenses, advertising, gifts, or shipping costs are the responsibility of the Independent Contractor unless otherwise agreed in writing.

IATAN Card Eligibility: Independent Contractor may qualify for an IATAN card after earning a minimum of \$10,000 in commissions in a calendar year.

Commission Payments: Paid bi-monthly, with statements issued for the prior month.

5. Consortium Affiliation

The Travel Agency may cancel its TravelSavers Canada affiliation with 30 days' written notice to Independent Contractors.

6. Independent Contractor Responsibilities

Independent Contractors are responsible for all business supplies and operating expenses (e.g., promotional materials, advertising, events), except for Vacations For Heroes (VFH) agents, for whom the Travel Agency will cover:

- Business cards
- Phone costs

All other expenses incurred in performing duties under this Agreement remain the responsibility of the Independent Contractor.

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7. No Benefits Provided

Independent Contractor is not entitled to vacation pay, sick pay, or coverage under the Travel Agency's insurance plans.

8. Errors & Omissions

Independent Contractor is liable for errors in bookings or payments.

- Losses up to the commission earned on the booking are deducted from commission.
- Losses up to \$2,000 are split between the contractor and agency.
- Claims above \$2,000 fall under agency E&O insurance; the Independent Contractor must pay the \$1,000 deductible.

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9. Taxes

Independent Contractor is responsible for all federal, provincial, and local taxes, including self-employment taxes, licenses, and compliance with applicable laws.

10. Client & Vendor Payments

Acceptable forms: e-transfer, supplier-processed credit card payments, personal cheques (if cleared before penalties).

- E-transfers must be sent to **lindsay@cmtravelbrokers.com** with booking details.
- Cash payments are not permitted without prior approval.
- Agents may not use personal credit cards for client payments.
- Late processing of payments that result in supplier penalties will be charged to the agent.

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11. Familiarization (FAM) & Net Travel

FAM/net travel eligibility requires \$50,000 in sales (not revenue) within the 6 months prior to travel. Net travel is for the IC only.

All FAM/net travel must be pre-approved by the agency owner or manager.

12. Client Ownership

- Clients provided by VFH remain the property of CMT/VFH. They may be reassigned at management's discretion.
- Clients brought in directly by the Independent Contractor remain with the Contractor.
- All clients must be entered into the CRM to ensure clarity of ownership.

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13. Termination

Contractor may terminate with 30 days' written notice. Fees continue to apply until written notice is received.

Upon termination, booked files are reviewed with management:

- Files under deposit → 50% commission
- Files under final payment → 75% commission
- Files ticketed & within 21 days of travel → 90% commission

Change of Program Status:

- If the Independent Contractor is removed from the Vacations For Heroes program by management but continues as an agent with CM Travel Ltd., their monthly fee will automatically revert to the standard CMT rate of \$59/month.
- If the Independent Contractor fully resigns from both programs, Section 13 rules for termination apply.

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14. Commission Claims After Termination

All commission claims must be submitted within 60 days of termination. Claims after this period are forfeited.

15. Legal Costs

In the event of legal action to enforce this Agreement, the prevailing party shall bear reasonable legal fees and costs.

16. Entire Agreement

This Agreement constitutes the full understanding between the parties. No oral promises or modifications are binding unless in writing and signed by both parties.

17. Recruitment Incentive

All agents who bring on new agents will be paid a **5% commission** on the revenue those new agents personally sell each year.

- This commission is paid out every 6 months.

- This incentive program can be eliminated at any time based on overall business production.
 - The incentive is terminated immediately if the recruiting agent is no longer working with CM Travel Ltd.
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PART 2 – OFFICE POLICY

1. Canadian Currency Payment on USD Files

Advise clients that exchange rates depend on their credit card. If paying via e-transfer & company card, consultant must obtain Bank Buying Rate and add a 10% fee.

2. Client Lists

Enter and maintain client lists in the CRM. Record periodic contact. Ownership disputes mediated by management.

3. Client Ownership

Ownership claimed if client requests, books via marketing, or is referred. Soliciting another Independent Contractor's client is prohibited. Departing Independent Contractors retain clients they originally brought in; clients acquired through the agency remain with CMT/VFH.

4. Communication with DSMs and Suppliers

Independent Contractors may communicate with DSMs about their files. Negative communications require prior management consultation. Maintain professional conduct at all times.

5. Company Credit Card

Use only with prior management authorization. Must provide file number, client name, date, and amount.

6. Consultant Marketing

Use provided templates whenever possible. Custom marketing programs require management approval and must include agency branding.

7. Customer Complaints

Listen sympathetically and forward written complaints to the proper department. Consultants may support clients but may not be the complainant.

8. Deductions from Gross Commission

Pre-approved expenses such as gifts or postage may be deducted before calculating

commission.

9. Departure from CM Travel

Files are reviewed; commissions paid at reduced rate:

- Deposit → 50%
- Final Payment → 75%
- Ticketed → 90%
See Client Ownership section for rules.

10. Vacation Time

. Schedule vacation on shared Google calendar. Notify manager

11. Staff Travel (FAMs, net, agent rates)

Must have \$50K sales in prior 6 months to qualify. Net travel is only for the IC

12. IATA Cards

Minimum \$10,000 gross sales in calendar year required.

13. Files

Originals retained for one calendar year, submitted to Jack Skrine for storage.

14. Group Escort

Professionalism required; management approval needed for all decisions.

15. Insurance Commission

Licensed consultants receive regular percentage; unlicensed receive half.

16. Payments

Acceptable: e-transfers or credit cards,. Cash or personal cards prohibited. Late payments resulting in penalties are charged to the IC.

17. Servicing Another Consultant's Client

Provide service efficiently; sharing commission optional.

18. Ticket Delivery

Use electronic ticketing whenever possible; mailing requires client address accuracy.

19. Tour Conductor Revenue

TC allocations for groups require management approval; rules for splitting remain.

20. Vacations For Heroes Specific Policies

Leads are generally harder to close; maximum effort is required. Client ownership transfers to agent only if prior work shown in email history (past 12 months).

Commission awarded to agent who books client unless prior work dictates otherwise.
Discounts offered must be pre-approved by management. Vacation requests submitted in advance; coverage arranged by other agents. Info requests must be responded to the same day. Non-registered leads added to CRM for proper assignment.

Acknowledgment & Signatures

Program Selection (check one):

- ☐ CM Travel Affiliate (\$59/month)
- ☐ Vacations For Heroes Affiliate (\$25/month, if selected by owner/manager)

I, _____, acknowledge that I have read, understood, and agree to all terms above.

Independent Contractor Signature: _____

Date: _____

CM Travel Ltd / Vacations For Heroes Owner/Manager Signature:

Date: _____

This Agreement is null and void if not signed by both parties. Each party retains a signed copy.