



DATE: \_\_\_\_\_

REGION: \_\_\_\_\_

CONTRACTOR'S NAME: \_\_\_\_\_

#### INDEPENDENT CONTRACTOR AGREEMENT

AGREEMENT made between VERITEXT, LLC, and its successors and assigns (the "Company") and the person listed above (hereinafter referred to as the "Independent Contractor") on the above listed date.

WHEREAS, the Company is a legal solutions provider company which performs the following services: provides technology and technological assistance to support the legal proceedings; arranges conference rooms; produces, transmits and stores on a secure repository transcripts/videos of legal proceedings; arranges for reporters, videographers, and interpreters so that they may capture testimony in the legal proceedings; and invoices and collects payment for the proceedings and other management services (collectively, the "Company Services"). The Company Services do not include attendance at the legal proceeding, the swearing in of the witness or the taking down of testimony, which is exclusively done by an independent officiant;

WHEREAS, the professional court reporting services that are provided by the independent court reporters, digital reporters and/or videographers to the Company include, but are not limited to, verbatim reporting, real time reporting, captioning, audio visual recording and transcription of legal and other formal proceedings including depositions, hearings, trials, meetings of boards, agencies, corporations and other bodies or groups, statements and other like services (collectively referred to as the "Contract Services");

WHEREAS, the Company itself does not perform any of the Contract Services, and therefore it seeks the services of experienced, professional, skilled court reporters, digital reporters and/or videographers who are capable of consistently providing such Contract Services in a competent and professional manner, rendered in accordance with industry standards to meet the needs of the Company's clients;

WHEREAS, the Independent Contractor is, and has been, in the professional court reporting business of providing such high quality Contract Services, as a sole proprietor or other legal entity, and, having made a significant investment in such business, wishes to provide such skilled Contract Services to

the Company, on behalf of the Company's clients, in accordance with the times and locations prescribed by such clients that are convenient to the Independent Contractor;

WHEREAS, consistent with industry practice and custom of providing such Contract Services through an independent contractor relationship, the Independent Contractor desires to be engaged by the Company to furnish Contract Services to the Company on behalf of its clients as an Independent Contractor, subject to the Independent Contractor's right to also furnish such Contract Services to the general public and to other court reporting firms and to advertise its services to the public; and

WHEREAS, the Independent Contractor and the Company wish to enter into this Agreement, which includes a provision in Section 15 providing for individual arbitration of certain types of legal disputes in lieu of resolution in the courts or before a jury, understanding that both have the right to negotiate each of the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual promises set forth herein, the following is agreed by and between the Company and the Independent Contractor:

1. SERVICES

- (a) Subject to the provisions of the other subparagraphs of this Section 1, the Independent Contractor shall periodically furnish to the Company the requested Contract Services at such times and occasions as may be requested by the Company. The Independent Contractor shall have no obligation to furnish to the Company any other services.
- (b) The Company shall not control, direct or otherwise instruct (nor reserve the right to control, direct or otherwise instruct) the details, manner and/or means by which the Independent Contractor shall perform the Contract Services; provided, however, that the finished work product conforms to the specifications established in connection with each engagement.
- (c) The Company shall not control or determine the number of hours that the Independent Contractor works, when or where the work is done (subject to client's needs), or how many assignments the Independent Contractor accepts. The parties understand and agree that the Company is not required to provide the Independent Contractor with a minimum or maximum number of engagements and the Independent Contractor is not required to accept a minimum or maximum number of engagements.
- (d) Assignments to the Independent Contractor shall depend upon the needs of the Company and the availability of the Independent Contractor.
- (e) The Independent Contractor shall be free to refuse the assignments in his/her sole discretion, without termination of this Agreement or other penalty.

## 2. EQUIPMENT

- (a) The Independent Contractor shall, at his/her own expense, provide all equipment (hardware and software) and related materials and equipment to be used in performing services under this Agreement.
- (b) The Independent Contractor may utilize any equipment in performing the Contract Services and shall not be obligated to utilize any equipment maintained by the Company. In the event that the Independent Contractor elects to utilize Company equipment, a usage fee shall be assessed against the Independent Contractor at an agreed-upon rate as set forth in the Equipment Lease Addendum attached hereto as Exhibit A. The Company reserves the right to alter the usage fee upon fifteen (15) days' notice to the Independent Contractor.
- (c) In performing the Contract Services, the Independent Contractor may, in his/her sole discretion, employ his/her own workers or may subcontract with any business or person of his/her own choosing; provided that such workers, businesses or persons shall satisfy any minimum standards of professional competence established by any court or other administrative body regulating performance of the Contract Services. Independent Contractor shall be responsible for the supervision and payment of, and all actions and omissions of, any such individuals.

## 3. FEES

- (a) The Independent Contractor shall periodically bill the Company for performance of the Contract Services but within thirty (30) days of completion of the Contract Services for a particular assignment. The rates shall be agreed upon and input into the Company's Vision system so that proper payment will be made.
- (b) Within sixty (60) days of submission by the Independent Contractor of his/her assignment to the Partner Portal for the Contract Services, the Company shall pay the agreed upon contract fee to the Independent Contractor. Notwithstanding the preceding sentence, the Company shall have no obligation to make any payment to the Independent Contractor in the event that a client refuses to remit payment to the Company due to the Independent Contractor's failure to perform the Contract Services in a timely and competent manner. In the event that Contract Services provided by Independent Contractor are deemed unsatisfactory by the client, the Independent Contractor shall be responsible without additional payment by the Company for correction of any mistakes or errors of the Independent Contractor. The Independent Contractor shall not be compensated for such effort to make corrections and shall realize a loss for additional time incurred.

In addition, as applicable, in the event that a client claims that they did not order a copy of a transcript and/or video and client refuses to pay for same for which the court reporter or

videographer, as the case may be, was paid, then the Company has the right to reclaim any amounts already paid on account of such copy sale, whether by refund by the Independent Contractor or by deducting against future amounts owed.

In the event that the Independent Contractor does not register on the Partner Portal within thirty (30) days of his/her first assignment from the Company, then payment may be delayed by up to ninety (90) days.

#### 4. CONFIDENTIAL INFORMATION

- (a) The Independent Contractor recognizes that in the course of working with the Company, he/she may be exposed to or generate Confidential Information (as defined in paragraph (c) below) otherwise not publicly known, which relates to the affairs of the Company, its affiliates or its clients (and their respective clients). Independent Contractor agrees not to disclose to any outside source, nor use for Independent Contractor's own benefit directly or indirectly, any such Confidential Information unless specifically authorized in writing by the Company. Independent Contractor will take all appropriate steps to safeguard any Confidential Information obtained through its work for the Company at all times it is in his/her possession or under his/her control and will not retain any such Confidential Information except as strictly necessary to perform duties as specified hereunder for the Company.
- (b) The Independent Contractor will immediately report to the Company any improper disclosure of any Confidential Information obtained by or through the Company, whether intentional or unintentional and will assist in any resulting investigation. The Independent Contractor will cooperate with any policies and procedures the Company may have in place to protect the confidentiality of its Confidential Information.
- (c) Without limiting the generality of the foregoing, Independent Contractor agrees such Confidential Information shall include, but not be limited to, client lists, profit and loss results, marketing strategies, client identity and needs, billing rates, compensation rates, price lists, and service costs as well as confidential information concerning the client's business, including all information and agreements relating to matters arising in connection with legal proceedings attended by the Independent Contractor. In addition, Confidential Information shall include (i) any Personally Identifiable Information (as defined in the Gramm-Leach-Bliley Act and the regulations promulgated thereunder), such as the names, addresses, social security numbers, and personal financial information of individuals, including bank account, credit card, insurance, and similar information; (ii) Protected Health Information (as defined by the Health Insurance Portability and Accountability Act, as amended, and the regulations promulgated thereunder), such as medical and health information of individuals; (iii) commercial information, such as companies' financial information, personnel information, trade secrets, inventions, business plans, and similar information or information about publicly traded companies which could be important to

investors or considered “insider information” under the federal securities laws; or (iv) information subject to a court’s confidentiality or protective order, or a similar agreement between parties to litigation that Independent Contractor may learn in the course of performing the Contract Services. All such Confidential Information and the Company property shall be returned to the Company upon termination of this Independent Contractor Agreement or at any time upon request of the Company.

**(d) Independent Contractor shall comply, and shall cause any subcontractor, such as a scopist or proofreader, engaged by Independent Contractor, to comply with all restrictions and obligations set forth in the Health Insurance Portability and Accountability Act of 1996, as amended, and all rules and regulations under the HITECH Act applicable to its performance of the Contract Services hereunder (collectively, the “HIPAA Rules”). Independent Contractor acknowledges that he/she is directly subject to civil and criminal enforcement, and penalties for noncompliance to the extent set forth in the HIPAA Rules. In addition, the Independent Contractor will indemnify and hold harmless the Company for any breaches of this Section 4.**

(e) This Section 4 shall survive the termination of this Agreement.

#### 5. TAXES, BENEFITS AND EXPENSES

(a) The Independent Contractor shall be solely responsible for the payment of all federal, state and local taxes (including federal, state and local self-employment taxes) that are in any way connected with his/her performance of the Contract Services.

(b) The Independent Contractor shall be solely responsible for the provision of any health insurance, workers’ compensation insurance and other benefits that the Independent Contractor may elect to carry for his/her own benefit or for the benefit of his/her subcontractors or employees.

(c) The Independent Contractor shall be solely responsible for the provision of business insurance, including general liability and errors and omission insurance, and/or any other insurance that is customary and standard in the court reporting industry, in connection with his/her performance of the Contract Services. Independent Contractor understands that the Company is under no obligation to provide, and does not provide, any insurance of any nature to the Independent Contractor.

(d) The Independent Contractor is solely responsible for all expenses incurred in the course of performing the Contract Services.

(e) In the event that any income tax, penalties and/or interest are ultimately determined to be due from the Company and/or from the Independent Contractor as a result of, or arising out of, the relationship between the parties, each party shall pay promptly and on demand their pro rata portion of such taxes, penalties and/or interest, if any, as may ultimately be determined by the

appropriate taxing authorities and shall hold the other party harmless for such sums as may be imposed.

- (f) Any persons employed by the Independent Contractor in connection with providing the Contract Services shall be employees, agents or contractors of the Independent Contractor. The Independent Contractor acknowledges for himself/herself and all such employees, agents or subcontractors of the Independent Contractor that neither he/she nor any such employees, agents or subcontractors are entitled to participate in any pension, welfare or fringe benefit plans of the Company (“Company Benefit Plans”) and, on behalf of herself and all such persons, hereby expressly waives any claims or other causes of action arising under the Company Benefit Plans that may be determined or implied under any present or future rule of law by reason of performance of the Contract Services.

#### 6. OFFICE SPACE

Independent Contractor shall be at liberty to operate his/her business from any location, subject only to the demands of the Company’s clients under the terms of the assignment. In the event that the Independent Contractor needs to use a Company location for any purpose, then the Company shall charge the Independent Contractor an annual hoteling fee at a rate to be agreed upon. Such amount may be deducted from the Independent Contractor’s compensation or may be paid by check to the Company.

#### 7. ADVERTISING

Independent Contractor is free to advertise his/her services to the general public. Independent Contractor shall not be permitted to advertise services by using the name of the Company.

#### 8. PROFESSIONAL RESPONSIBILITIES

Independent Contractor hereby represents and warrants that he/she is in compliance with all license or certification requirements, if any, applicable to his/her profession under the jurisdiction in which he/she performs Contract Services and if applicable, shall keep such licenses in full force and effect, at his/her own expense, during the term of this Agreement. Independent Contractor is expected to know and comply with all legal requirements concerning any assignment. Independent Contractor is responsible under State law, if applicable, for preserving (a) his/her verbatim reporting notes (either paper or electronic) or the audio recording with respect to court reporters and digital reporters, respectively; and (b) backup media, with respect to videographers, and in each case, must be prepared to produce them upon request. Independent Contractor is liable for any damage resulting from lost notes or lost video media, as the case may be, that should properly be in his/her possession.

9. NONEXCLUSIVE ENGAGEMENT

Independent Contractor shall at all times have the right to perform services similar to the Contract Services for the general public or for other court reporting firms, and the Company shall at all times have the right to engage any other individual or business to perform services similar to the Contract Services.

10. CANCELLATION; CHANGE OF ADDRESS

Either party may cancel this Agreement by giving thirty (30) days' written notice to the other party at the address set forth on the signature page herein. After the termination of this Agreement, Independent Contractor shall keep the Company apprised of his/her current address so that the Company is able to contact the Independent Contractor if the need arises with respect to Contract Services performed prior to the termination date.

11. AMENDMENTS

This Agreement may be amended only with the written consent of both parties and all amendments shall be attached to this Agreement and made a part thereof.

12. GENDER

Unless otherwise indicated to the contrary herein by the context or use thereof, the feminine gender shall also include the masculine and neuter genders and vice versa.

13. NO AUTHORITY TO BIND

Neither the Independent Contractor nor the Company shall have any authority to bind the other party or hold the Independent Contractor out to third parties as having any such authority. The Independent Contractor may not identify or hold himself/herself out as an employee of the Company, and the Company shall not identify or hold out the Independent Contractor as an employee or agent of the Company.

14. ENTIRE AGREEMENT

This Agreement and any exhibits and Addenda thereto contain the entire agreement of the parties with respect to this relationship and supersedes all prior representations and agreements between the parties hereto. The "WHEREAS" recitals at the beginning of this Agreement are an integral part of this Agreement and reflect the parties' understanding.

## 15. ARBITRATION AGREEMENT

- (a) Independent Contractor and the Company agree to resolve any and all claims, disputes or controversies (except as explicitly excluded herein) arising out of or relating to this Agreement, relationship with, or services provided to Company, and/or the termination of this Agreement with Company, exclusively by final and binding arbitration in accordance with the Commercial Rules of the American Arbitration Association (“AAA” or “AAA Rules”). Copies of AAA’s Rules are available on AAA’s website ([www.adr.org](http://www.adr.org)). Such arbitration shall be conducted before a single arbitrator unless all parties to the arbitration agree otherwise in writing. This Arbitration Agreement shall be enforceable pursuant to and interpreted in accordance with the provisions of the Federal Arbitration Act (“FAA”).
- (b) The Company shall pay for the fees and costs typically associated with arbitration, subject to the Arbitrator’s authority to award fees and costs to Company as the prevailing party. Each Party may be represented by legal counsel of their own choosing. Each party shall pay its own attorneys’ fees, provided that an arbitrator may award attorney’s fees and costs to the prevailing party under any applicable statute or written agreement to the same extent that attorney’s fees and costs could be awarded in court. The Arbitrator shall issue a written decision within forty-five (45) days of the later of: (1) the arbitration hearing; or (2) submission of the Parties’ post-arbitration briefs. The Arbitrator’s written decision shall include findings of fact and conclusions of law. The Arbitrator shall have the authority to award the same damages and other relief that would have been available to an individual claimant in court pursuant to applicable law. The Arbitrator shall not have the authority to add to, amend, or modify, existing law or to alter the relationship between Independent Contractor and the Company.
- (c) **Because this Arbitration Agreement is intended to resolve the particular dispute as quickly as possible, the Parties agree that, except as otherwise required by law, claims covered under this Arbitration Agreement must be brought on an individual basis only**, and the Arbitrator shall not have the authority to consolidate the claims of other Independent Contractors into a single proceeding, to fashion a proceeding as a class, collective action, multi-plaintiff or representative action, or to award relief to a class or group of Independent Contractors. **To the maximum extent permitted by law, both parties explicitly waive any right to initiate, maintain, or recover any relief from any claims covered under this Arbitration Agreement on a class, collective, representative, or multi-plaintiff basis either in court or in arbitration.** The parties understand that there are no bench or jury trials permitted under this Arbitration Agreement and hereby waive their right to the same.
- (d) Any dispute concerning the validity or enforceability of this prohibition against class, collective, representative, or multi-plaintiff action arbitration or the applicability of the FAA shall be decided by a court of competent jurisdiction, and no arbitrator shall have any authority to consider or



decide any issue concerning the validity or enforceability of such prohibition. Any other issues concerning arbitrability of a particular issue or claim under this Arbitration Agreement shall be resolved by the arbitrator, not a court.

- (e) The Arbitrator shall have the authority to consider and rule on dispositive motions, such as motions to dismiss, or motions for summary judgment, in accordance with the standards and burdens generally applicable to such motions in federal district court, except that the Arbitrator may establish appropriate and less formal procedures for such motions at the Arbitrator's discretion consistent with the expedited nature of arbitration proceedings. The Arbitrator will allow the parties to conduct adequate discovery, issue subpoenas to compel the attendance of witnesses at the arbitration hearing, including third-party witnesses as provided for by applicable law, and to compel the production of documents during discovery, and shall do so upon reasonable request of either party. Some, but not all, of the types of claims covered are: breach of contract, any claims challenging the independent contractor status of Independent Contractor, alleging misclassification as independent contractor, or claims premised upon status other than independent contractor status (such as discrimination or harassment claims, disability claims, tort claims, claims for leave, retaliation claims, and claims for unpaid compensation), and any claims arising out of or pertaining to the work relationship between Independent Contractor and the Company. However, this Agreement does not cover claims relating to whistleblowers and/or unlawful retaliation arising under the Sarbanes-Oxley Act or disputes involving any ERISA-based benefit plans that provide for arbitration.
- (f) This Arbitration Agreement does not preclude either Independent Contractor or Company from seeking emergency or temporary injunctive relief in a court of law in accordance with applicable law. A party's seeking or obtaining such relief shall not be considered a waiver of that party's right to arbitration under this Arbitration Agreement. However, after the court has issued a ruling concerning the emergency or temporary injunctive relief, and after the Arbitrator has been duly appointed, Independent Contractor and Company are required to submit the dispute to arbitration pursuant to this Arbitration Agreement. Further, nothing in this Arbitration Agreement is intended to affect or limit Independent Contractor's right to pursue claims that cannot be subject to arbitration as a matter of law or to file an administrative charge or otherwise seek relief from any administrative or federal or state government agencies (although if Independent Contractor chooses to pursue a claim following the exhaustion of these administrative remedies, that claim would be subject to the provisions of this Arbitration Agreement).
- (g) Subject to applicable laws limiting confidentiality, the Parties agree that arbitration proceedings are to be treated as confidential, and that the Parties will act to protect the confidentiality of the proceedings. The Parties agree that neither they nor their counsel will reveal or disclose the substance of the arbitration proceedings, or the result, except as required by subpoena, court order, other legal process, or by law. If disclosure is compelled of one Party by subpoena, court order or other legal process, or as otherwise required by law, the Party agrees to notify the other Party as soon as notice of such process is received and before disclosure takes place. The Parties

may, however, disclose such information to their accountants or tax advisors as necessary so long as they agree to maintain such information in strict confidence.

- (h) Any request for arbitration must be in writing and provided to the other Party by certified or registered mail, return receipt requested, within the time period provided for by the statute(s) of limitations applicable to the claim(s) asserted. The request must set forth a statement of the nature of the dispute, including the alleged act or omission at issue; the names of all persons involved in the dispute; the amount in controversy, if any; and the remedy sought. Within thirty (30) calendar days of receiving or serving such demand, Company shall file the demand with the appropriate office of AAA.
- (i) The parties agree that this Arbitration Agreement shall be governed by the FAA to the fullest extent permitted by private agreement and the law of the state in which Independent Contractor resides to the extent that law is not inconsistent with the FAA. The parties further agree that if any court determines that the FAA does not apply for any reason, then this Arbitration Agreement shall be enforced to the fullest extent possible by applicable state law.
- (j) **Independent Contractor acknowledges that this is an important provision that affects his or her legal rights and that the Independent Contractor has been given the opportunity to discuss this provision with private legal counsel.** If any provisions of AAA's Rules or of this Agreement (including the Arbitration Agreement in Section 15 or any other Section of this Independent Contractor Agreement above) are determined by the Arbitrator or by any court of competent jurisdiction to be unlawful, invalid, or unenforceable, such provisions shall be enforced to the greatest extent permissible under the law or, if necessary, severed, and all remaining terms and provisions shall continue in full force and effect. This Arbitration Agreement may be modified or terminated by Company after thirty (30) days' written notice to the Independent Contractor. Any modifications or terminations shall be prospective only and shall not apply to any claims or disputes that are pending in arbitration or have been initiated by either party pursuant to the AAA Rules. The Parties also agree that nothing herein is intended to, or does, affect or otherwise change the independent contractor relationship between them and that adequate and sufficient consideration has been provided for in this Agreement, including but not limited to Company's continued referral of jobs to Independent Contractor, payment for services performed pursuant to this Agreement, and each Party's promise to resolve their claims by arbitration.

#### **16. RIGHT TO OPT-OUT OF MANDATORY AND BINDING ARBITRATION**

**Independent Contractor may elect to opt-out of the arbitration procedures described in Section 15 above, within ten (10) calendar days after Independent Contractor executes this Agreement ("Opt-Out Period") by sending written notice of such intent to the Company at the address set forth on the signature page to the attention of General Counsel.** The Arbitration Agreement will not become effective or enforceable until this Opt-Out Period has expired and Independent Contractor has not elected to opt-out of the arbitration procedures described in Section 15. Should Independent Contractor choose to opt-

out of the arbitration procedures described in Section 15, then the arbitration procedures described in Section 15 shall not be part of this Agreement, neither Independent Contractor nor Company shall be required to comply with any of their provisions, and neither Independent Contractor nor Company will be required to submit any claims, disputes, and controversies between them to binding arbitration.

**I acknowledge that I have received and read or have had the opportunity to read this arbitration provision in Section 15 and the remainder of the Independent Contractor Agreement above. I understand that this arbitration provision impacts my legal rights and requires that disputes that involve matters subject to this Arbitration Agreement be submitted to arbitration on an individual basis only and not as a class, collective, representative or multi-plaintiff action pursuant to this provision rather than to a judge or jury in court.**

**IN WITNESS WHEREOF**, the parties have executed this Independent Contractor Agreement as of the day and year first above written.

VERITEXT, LLC

BY: \_\_\_\_\_

Name & Title: \_\_\_\_\_

290 West Mt. Pleasant Ave., Suite 3200

Livingston, NJ 07039

INDEPENDENT CONTRACTOR

BY: \_\_\_\_\_

Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Tax ID or Social Security Number: \_\_\_\_\_

Address of Independent Contractor:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**EXHIBIT A**

**EQUIPMENT LEASE ADDENDUM**

The undersigned, \_\_\_\_\_ (“Lessee”) hereby leases the following Equipment from Veritext, LLC (the “Company”) for \_\_\_ months (the “Term”) at a rate of \$\_\_\_ per month:

[Insert List of Equipment] (the “Equipment”)

The Term can be extended upon request by Lessee to the Company. Lessee hereby agrees to maintain the Equipment in good working order and to return the Equipment in the same condition as received, ordinary wear and tear excepted.

In the event that the Equipment is lost, stolen or damaged, Lessee shall be responsible for replacing or repairing said Equipment.

Agreed to and accepted by:

\_\_\_\_\_  
Independent Contractor

Date: \_\_\_\_\_

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