

[Date]

[Client Name]

[Client Title]

[Company Name]

[Address]

RE: Letter of Engagement - Retained Search for [Job Title]

Dear [Client Name],

This letter outlines the commercial terms for the retained executive search to be conducted by [Your Agency Name] for the position of [Job Title].

1. Retained Search Fee

The total fee for this assignment is [Percentage]% of the successful candidate's total first-year annual gross compensation (including base salary and guaranteed bonus). Based on an estimated compensation of [Amount], the estimated fee is [Amount].

2. Payment Schedule

The fee will be payable in three equal installments:

- **Commencement Retainer:** [Amount] (1/3) invoiced upon signing this agreement to initiate the search.
- **Shortlist Fee:** [Amount] (1/3) invoiced upon the presentation of a qualified shortlist of candidates.
- **Completion Fee:** The remaining balance, adjusted for the final compensation package, invoiced upon the candidate's acceptance of the offer.

3. Expenses

Pre-approved travel and incidental expenses incurred during the search will be reimbursed by [Company Name] at cost. All expenses exceeding [Amount] will require prior written approval.

4. Exclusivity

[Your Agency Name] will act as the exclusive representative for this search for a period of [Number] days. Any candidates identified by [Company Name] during this period will be referred to [Your Agency Name] for screening and inclusion in the process.

5. Replacement Guarantee

If the successful candidate leaves the employment of [Company Name] for any reason (other than redundancy or restructuring) within [Number] months of their start date, [Your Agency Name] will conduct a replacement search for no additional fee, excluding expenses.

6. Payment Terms

All invoices are payable within [Number] days of the invoice date.

To confirm your acceptance of these terms, please sign and return a copy of this letter.

Yours sincerely,

[Your Name]

[Your Title]

[Your Agency Name]

Accepted by:

[Client Name]

Date: _____