

**Date:** [Insert Date]

**Between:**

[Recruitment Agency Name]  
[Address]  
[City, State, Zip]

**And:**

[Client Company Name]  
[Address]  
[City, State, Zip]

**Subject: Letter of Understanding - Volume Recruitment Discount Terms**

Dear [Client Contact Name],

This Letter of Understanding (LOU) outlines the agreed-upon discounted fee structure for volume recruitment services provided by [Recruitment Agency Name] to [Client Company Name].

**1. Scope of Agreement**

This agreement applies to the recruitment of [Number] or more positions within a [Number]-month period, starting from [Start Date].

**2. Discounted Fee Structure**

In consideration of the volume of hires, the standard recruitment fee of [Standard Percentage]% shall be reduced as follows:

- Hires 1-5: [Percentage]% of annual base salary.
- Hires 6-10: [Percentage]% of annual base salary.
- Hires 11+: [Percentage]% of annual base salary.

**3. Payment Terms**

Invoices will be issued upon the candidate's start date. Payment is due within [Number] days of the invoice date. Failure to maintain timely payments may result in the suspension of discounted rates.

**4. Exclusivity**

To qualify for these rates, [Client Company Name] agrees to grant [Recruitment Agency Name] exclusivity for the specified roles for a period of [Number] days from the date of the job requisition.

**5. Replacement Guarantee**

If a candidate placed under this agreement leaves within [Number] days, [Recruitment Agency

Name] will provide a one-time replacement at no additional cost, provided all original invoices were paid on time.

**6. Termination**

Either party may terminate this volume agreement with [Number] days' written notice. Any candidates already introduced prior to termination will remain subject to the terms of this LOU if hired.

Please sign below to indicate your acceptance of these terms.

**For [Recruitment Agency Name]:**

Signature: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**For [Client Company Name]:**

Signature: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_