

Date: [Insert Date]

Client Name: [Insert Contact Name]

Company Name: [Insert Company Name]

Address: [Insert Company Address]

RE: Contingency Placement and Replacement Fee Agreement

Dear [Insert Contact Name],

This letter serves to confirm the agreement between [Insert Agency Name] ("Agency") and [Insert Company Name] ("Client") regarding the placement of candidates for the position of [Insert Job Title].

1. Contingency Fee

The Client agrees to pay the Agency a placement fee equal to [Insert Percentage]% of the candidate's first-year total estimated annual compensation (including base salary and guaranteed bonuses). This fee is strictly contingent upon the candidate commencing employment with the Client.

2. Payment Terms

The placement fee is due and payable within [Insert Number] days of the candidate's start date. Invoices will be issued on the candidate's first day of work.

3. Replacement Guarantee

If the placed candidate voluntarily resigns or is terminated for cause within [Insert Number] calendar days of their start date, the Agency will conduct a one-time replacement search for the same position at no additional cost to the Client. This guarantee is valid provided that:

- The original placement fee was paid in full within the agreed payment terms.
- The Agency is notified in writing within [Insert Number] days of the candidate's departure.
- The termination is not due to restructuring, layoff, or change in job description.

4. Ownership of Candidates

The Client agrees that any candidate introduced by the Agency remains a "referral" of the Agency for a period of [Insert Number] months. If the Client hires the candidate for any position within this period, the full placement fee will apply.

5. Confidentiality

All candidate information provided by the Agency is confidential and intended solely for the Client's internal use.

Please acknowledge your acceptance of these terms by signing below and returning a copy to us.

Sincerely,

[Your Name]
[Your Title]
[Agency Name]

Agreed and Accepted:

Signature: _____

Name: [Insert Name]

Title: [Insert Title]

Date: [Insert Date]