



Source Group International Inc. Direct Hire Terms of Business

This recruitment agreement and its terms and conditions (the "**Agreement**") is entered into by and between Source Group International Inc., including its parent companies, assumed names, trade names, affiliates, subsidiaries and employees, together a recruitment agency, located at 1725 Hughes Landing Blvd, 11th Floor, The Woodlands, TX 77381, USA ("**SGI**"); and _____, located at _____ ("**Client**"), including its parent companies, assumed names, trade names, associates, representatives, customers, agents, subsidiaries and employees (each a "**Party**" and collectively the "**Parties**").

Client desires to engage SGI to provide recruitment, introductory and referral services and SGI desires to be engaged by Client per the terms and conditions of this Agreement.

In consideration of the promises and covenants contained herein and other good and valuable consideration, the Parties hereto, intending to be legally bound agree as follows:

1. The following definitions shall apply to this Agreement.
 - a. "**Candidate**" means the person, applicant, entity, third party or prospective employee introduced or Presented (defined below) by SGI to Client.
 - b. "**Engage**" or "**Engagement**" means a direct or indirect, fulltime employment, part-time employment, temporary hire, hourly engagement, consultancy engagement, contract to hire, or other arrangement of Candidate.
 - c. "**Fee**" is the recruitment fee payable by Client to SGI for an Engagement. The Fee is calculated as a percentage of the Total Compensation (defined below). If Client Engages the Candidate on an hourly basis or the Total Compensation is unknown, the Fee shall be 500 times the Candidate's hourly rate as determined by SGI in its reasonable discretion. However, in all cases, the minimum Fee shall be \$25,000.
 - d. "**Present**", "**Presented**" or "**Presentation**," means SGI's provision or disclosure of any information to Client about a Candidate, whether written or oral, including without limitation, Candidate's contact information, skillset, references, availability, background, CV, profile, experience, or any information that may be derived from same.
 - e. "**Total Compensation**" is a Candidate's anticipated total first year's earnings, including without limitation, salary, commission, bonuses, relocation, allowances, guarantees, incentives, draw earnings and fringe benefits.
2. The Agreement shall be deemed accepted and agreed by Client upon the first of the following to occur: (a) Client's execution of the Agreement; (b) Client's request for services; (c) Client's in-person or phone interview of a Candidate; or (d) an Engagement.
3. Client shall provide SGI with all information necessary for Candidate to perform to Client's standards, including the role's responsibilities and tasks, screening requirements, job site location, start date, expected hours, Total Compensation, benefits, required experience, qualifications, training and certifications.
4. SGI will use commercially reasonable efforts to Present Candidates who meet Client's expectations; however, SGI makes no warranty as to the suitability or capability of a Candidate. Client agrees that SGI solely provides a referral service and that only Client can adequately determine whether a Candidate is qualified or fit for an Engagement.
5. Client shall pay SGI the Fee if Client Engages a Candidate within twelve (12) months from the latest to occur of the following: (a) Client's in-person interview or phone interview of the Candidate; (b) any Presentation





- or any re-Presentation; (c) the most recent discussion between the Parties regarding the Candidate; (d) Client's withdrawal of an offer; or (e) Client's rejection of the Candidate.
6. If Client Engages a Candidate, Client shall pay SGI the Fee plus applicable tax within seven (7) days after the date of invoice. Client shall pay SGI plus applicable tax within seven (7) days following the Candidate's confirmation of acceptance ("**Acceptance Date**").
 7. The Fee shall be calculated as follows: ____% of the Total Compensation.
 8. SGI shall guarantee a Candidate's Engagement for eight (8) weeks from Start Date ("**Candidate Guarantee**"). If that Candidate's Engagement ends during the 8-week period, SGI refill that position with no additional charge.
 9. Under no circumstances will SGI extend a Candidate Guarantee if any of the following occur: (a) the cause of Candidate's employment termination or resignation is beyond SGI's control or unrelated to the Candidate's qualifications; (b) Candidate is laid off; (c) Candidate is discharged without cause; (d) Client fails to notify SGI, in writing, of the reason for the employment termination or resignation, within seven (7) business days of the Candidate's last day; (e) Client fails to timely pay the full Fee; or (f) Client fails to comply with this Agreement.
 10. Client shall provide SGI with all invoicing requirements prior to an Engagement but Client's failure to do so does not waive Client's obligations. SGI reserves the right to charge the Client 35% of the total compensation should payment of the invoice not be made in accordance to the agreed payment terms.
 11. Should Client fail to notify SGI of an Engagement within five (5) business days from the Start Date, SGI, at its discretion, may charge a non-refundable Fee equal to 35% of SGI's reasonable estimate of the Total Compensation. No Candidate Guarantee shall apply if Client fails to notify SGI of an Engagement.
 12. SGI, Client, and any agent acting on Client's behalf shall ensure mutual confidentiality of all information exchanged including without limitation, business information, rates, Candidate information, resume data or CVs.
 13. Client shall not pass to any third party any Candidate details, including without limitation, CVs, Candidate compensation data, resume data, or Candidate experience, without SGI's prior written consent. If Client refers any Candidate to a third party, or refers a third party to any Candidate, within twelve (12) months of any Presentation or re-Presentation, and such third party contracts with or hires Candidate, Client shall pay SGI a Fee equal to 35%.
 14. For a period of twelve (12) months from the (a) termination of this Agreement, (b) date under which Client first worked with the employee or (c) the date Client first learned of the employee through SGI, whichever is later, Client shall not hire or contract with the SGI employee or third-party for whom the SGI employee worked or was affiliated, unless Client pays a Fee to SGI equal to 35%.
 15. If Client withdraws a written or verbal offer, Client shall pay SGI a non-refundable \$10,000 offer withdrawal fee.
 16. Client may not be obligated to pay the Fee if (a) Client has been actively communicating with the Candidate within five (5) calendar days prior to SGI's Presentation and (b) Client provides SGI with proof of such communication satisfactory to SGI within five (5) calendar days following the Presentation. If Client fails to timely provide this proof, Client shall pay the Fee according to the terms of this Agreement.
 17. Any ambiguity in this Agreement is not to be construed against any Party to this Agreement on the grounds that such Party drafted the agreement, but shall be construed as if all Parties jointly prepared this Agreement and any uncertainty or ambiguity shall not be interpreted against any one Party.
 18. SGI takes no responsibility for any liability resulting from an Engagement or for Candidate's acts or omissions, in particular (but without limitation), any loss, injury, damage, expense or delay arising in connection with: (a) failure of any Candidate to meet Client's requirements; (b) any act or omission of any Candidate, whether wilful, negligent, fraudulent, dishonest, reckless, or otherwise.
 19. In no event will either Party be liable for consequential damages. SGI's liability to Client upon any causes of action arising from or related to this Agreement shall be limited to the amount paid by Client to SGI.
 20. This Agreement is governed by and subject to the laws of the State of Texas without regard to its conflicts of law principles and is subject to the exclusive jurisdiction of Texas courts.





- 21. Client shall pay for all of SGI’s legal fees, court costs and/or collection costs in the event SGI has to collect the Fee, defend its rights, or enforce its contractual rights hereunder.
- 22. This Agreement is binding on the Parties and their successors, purchasers and assignees. Each Party’s rights and obligations hereunder that by their nature survive the termination or expiration of this Agreement shall survive termination or expiration of this Agreement. This Agreement may be signed in counterparts. This Agreement constitutes the entire agreement and understanding between the Parties and supersedes all previous agreements, pre-existing negotiations, representations, promises and discussions, either written or oral, related to the subject matter herein. No amendment, variation or alteration of this Agreement is valid unless executed by an authorized representative of both Parties in writing.

The Parties have executed this Agreement in duplicate as of the date first written below as evidenced by the following signatures:

Source Group International Inc.

Client

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Date: _____

Date: _____

