

TERMS OF ENGAGEMENT

Thank you for allowing us to work with you in filling your staffing needs. This short document sets forth the terms of our engagement, including our fee schedule.

Billing and Payment

We bill for all our services on a contingency fee basis. When you hire a candidate we have referred, we will send you a written invoice. Payment is due upon your receipt of our invoice.

Our fees are due when you or any person affiliated with your company engages the services (whether as a full-time or part-time employee or as an independent contractor) of someone referred to you through our efforts (a "Referred Candidate"). If you engage a Referred Candidate within one year after our most recent communication with you about the Referred Candidate, then the Referred Candidate will be considered to have been referred to you through our efforts, and we will be entitled to send you our invoice and collect our fee.

Early Termination

If the employment of a Referred Candidate ends due to his or her own accord within 60 days after the date of hire, we will apply the entire amount of our fee in connection with that person's hiring to the replacement of that Referred Candidate. However, no replacement will be provided if the Referred Candidate is terminated because there is not enough work for the Referred Candidate to do. You must provide us with written notice of the termination within five business days of the date of termination and include a description of the circumstances and the specific reason for termination. We would appreciate it if you would inform us as early as possible by telephone of the fact that the termination has occurred.

Description of Fee

Our fees are contingent upon your hiring the Referred Candidate and are calculated as a percentage of the total gross compensation you estimate paying to the Referred Candidate during the Referred Candidate's first 12 months of employment. The Referred Candidate's total gross compensation includes salary, but does not include bonus and commissions.

A \$500 non-refundable retainer is due for all new clients and will be applied to the total fee when the search is completed. The fee arrangement will be discussed based

on search criteria that include but are not limited to: difficulty of position, level of position, marketplace conditions, etc.

As standard practice, we do not recruit from current clients, those who have made a hire from us within the past 12 months, we do, however receive unsolicited resumes from current clients.

The Referred Candidate is property and represented for one year after initial transference of information via fax, email, phone or in person. This means a fee would be due if the Referred Candidate is hired for current position or any other position within company.

Please contact us if any of the terms and conditions in these Terms of Engagement do not meet with your approval. By accepting referrals from us you are giving conclusive evidence of your acceptance of the terms, conditions and fees set forth in these Terms of Engagement.

We greatly appreciate your business and will strive to earn the trust you have placed in us.

Jennifer Spencer

The Spencer Group, Inc.

_____ Date _____

_____ Date _____