

**INTERIM COMPENSATION SOURCE, INC.
EMPLOYER OF RECORD SERVICE AGREEMENT**

This Employer of Record Service Agreement (“Agreement”) is in effect as of date of execution, by and between Interim Compensation Source, Inc., (“ICS”) located at 7810 Hiawatha Drive, Houston, Texas 77036, and _____, a Personnel Consultant (“PC”) located at _____, _____, TX 7____.

PURPOSE

Whereas, ICS is in the business of being Employer of Record (“EOR”) to PC and Client Companies (“client”) utilizing temporary personnel in their businesses. ICS provides EOR services fully described in Article II below in the State of Texas only.

Whereas, PC is in the business of identifying clients requiring Temporary Employees (“temps”) and subsequently placing temps to work in the offices of clients.

Whereas, PC does not desire to be the EOR, responsible for payroll funding and processing, assuming the administrative functions for federal and state regulated depositing and reporting of temp income tax and benefit withholdings or providing required insurance coverage.

Therefore, in consideration of purposes set forth above, it is agreed between parties as follows:

ARTICLE I – RESPONSIBILITIES OF “PC”

1. Establish temp requirements of client, including temp pay rate, percentage of mark-up to client and total client bill rate.
2. Identify, interview and present candidates to client for approval.
3. Promptly provide ICS a completed temp Start-up Sheet.
4. Maintain client contact to insure satisfactory performance of temp.
5. If required, assist ICS in collection of delinquent invoices.
6. Recognize ICS as proprietor of all invoices to and payable by client, proceeds from payment of same and authorized to assign such invoices as it deems necessary.

ARTICLE II – RESPONSIBILITIES OF “ICS”

1. Provide each temp with ICS Start-up Instruction Package.
2. Set up and maintain a database for PC regarding particulars of client and temp. Process temp after receiving Form I-9, Form W-4 and all other information required for the database.
3. Fund temp payroll, including withholding temp portion of regulated withholdings and assuming payment of applicable employer portion of Social Security, Medicare, FUTA and SUTA.
4. Process temp paycheck weekly. Paychecks will be either mailed Tuesday or may be picked up after 11:00 a.m. Wednesday. In either case, temp will receive a check stub itemizing deductions withheld for Federal Income, Social Security and Medicare taxes.
5. Prepare and file, as required, all federal and state payroll reports including, but not limited to, Form 940, Form 941, FUTA, SUTA and Workers Compensation.

ICS Initials: _____

PC Initials: _____

6. Prepare and submit to client an invoice on a weekly basis, outlining payment terms and conditions.
7. As necessary, follow up with client to insure payment of invoice under terms and conditions set forth.
8. Prepare semi-monthly and quarterly a detailed commission summary for the PC.
9. Upon receipt of client invoice payment, commission earned will be distributed to PC semi-monthly.
10. Maintain workers' compensation insurance, general liability insurance and bonding coverage on temp. Provide Certificate of Insurance to client.

ARTICLE III – COMPENSATION

1. Bill Rate: ICS reserves the right to reject any proposed client bill rate if such bill rate is economically disproportionate to the temp pay rate.
2. ICS Fee: Fee is sixteen percent (16%) of client bill rate and represents payment in full for ICS assuming payment of the payroll burden, its operating costs and profits to ICS.
3. PC Commission: Commission is equal to client bill rate minus temp pay rate minus ICS fee. Commission is not deemed earned until payment is received from client. Calculation of commission to be made on the 15th and last day of each month following receipt of client invoice payment and check distributed within forty-eight (48) hours.

ARTICLE IV – CLIENT COMPANY DEFAULT

In the event client defaults on payment of its invoice, the following sequence of events will be put in place by ICS until the matter is resolved.

1. Telephone calls as “friendly reminders” for a maximum period of two weeks.
2. Present “past due” notices plus additional telephone calls for a maximum period of two weeks.
3. Visit client office in an attempt to collect payment of delinquent invoice.
4. Pursue collection in small claims court. Cost of this action is for the account of PC.

If the above actions do not resolve the issue of non-payment, PC shall reimburse ICS for all expenses associated with the unpaid invoice. These costs shall be equal to applicable payroll, payroll burden, small claims court cost and the fee ICS would have received if client had not defaulted. ICS reserves the right to withhold future total commission due PC that would otherwise be due and payable, in the event of client company delinquency. Invoices are considered delinquent and thus subject to PC total commission withholding once any one invoice becomes ninety (90) days old and until such time as all invoices are paid.

ARTICLE V – TIMESHEET ERRORS

In the event temp is overpaid as a result of errors in the timesheet submitted and client does not honor the overpayment, then PC must reimburse ICS the amount of overpayment. Some conditions, but not limited to, under which this could occur are:

1. Temp makes a mathematical error and client supervisor signs it without recognizing the error.
2. Temp falsifies the timesheet.
3. Client supervisor’s signature is forged.

ICS Initials: _____
PC Initials: _____

ARTICLE VI – NON-COMPETE

ICS agrees to hold all information concerning temp and client of PC in strictest confidence. Further, ICS will not contact or solicit, for its personal gain, temp or client of the PC without the prior consent of PC. Proof of violation of Article VI of this Agreement shall constitute immediate termination of this Agreement.

ARTICLE VII – TERM

This Agreement shall be in effect from the time set forth below until terminated in writing by either party.

ARTICLE VIII – MISCELLANEOUS

1. Entire Agreement: This Agreement represents the entire agreement between the parties and supersedes all prior agreements, oral or written, between the parties other than those set forth herein.
2. Waiver: Failure of either party at any time to require performance of any of the other party’s obligations under this Agreement shall in no manner affect such party’s right to enforce any provision of this Agreement at a subsequent time.
3. Applicable Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and venue shall lie in Harris County.

Agreed and accepted this _____ day of _____, 20_____.

PERSONNEL CONSULTANT

ICS, INC.

Signature

Signature

Printed/Typed Name

Linda Blasdel
Printed/Typed Name

Title:

President
Title: