

## Business Development Director Addendum

THIS Business Development Director (BDD) Addendum to the Member Master Agreement (the "Addendum") dated [REDACTED] is between Tailored Solutions LLC d/b/a HireResources, a company formed under the laws Connecticut with its address at 48 Knapp Street Monroe, CT 06468 (the "Company" or "we") and [REDACTED] with [its] address at [REDACTED]

("Business Development Director" or "you") (the Company and Business Development Director may be referred to as the "Parties" or individually as a "Party").

### **1. Acknowledgement: Code of Ethics**

You acknowledge that you have received a copy of the Company's Code of Ethics and Guiding Principles of Ethics and agree to abide by this Code and other Company policies, as they may be modified from time to time by the Company.

### **2. Compliance**

As Business Development Director, you understand and agree that you are responsible for understanding and conducting business by all code of ethics, applicable laws and good business practices.

### **3. Independent Contractors**

Like all Members (see Member Master Agreement), Business Development Directors shall have no set hours, no required location for Services, and shall otherwise be and serve as independent contractors. Each Business Development Director shall run his/her own schedule, "desk," work hours, and work location. Similarly, Business Development Director acknowledges that the Company's Members do not require any management. Members are independent contractors, just as you are.

### **4. New Members**

All new Members must be approved by the Company.

### **5. Client Ownership Procedures:**

- a. To gain ownership of a client, Member will enter each client contact into our ATS system and keep current notes on your communication. The Business Development Director will be given Free access to our ATS system. Ownership begins when the HireResources fee agreement is fully executed.
- b. Also, in a shared spreadsheet you will list all your active and inactive clients.
- c. **Active Member Requirements:**
  - i. Business Development Director is expected to bring in and contract a minimum average of 1 new client per month during each Quarter. In the event that this does not occur, HireResources reserves the right to issue formal notice of non-activity and provide a 30-day window to resolve in order to remain an Active Member. In the event that Active status is lost or revoked, Business Development Director will lose their Membership status and will forfeit rights to all future payments and client ownership.

### **6. Business Development Directors' Payments**

- a. The Business Development Director will be paid as set forth below.
  - i. The Business Development Director will receive payments on an ongoing basis for every placement made by a HireResources Member at a Client Company sourced and contracted by the Business Development Director, as long as you remain an Active Member of HireResources.
- b. **Contract Placements:**

During the first 60 days of membership (Start-up Phase), the BDD will receive 15% of the total collected placement fee on any placements made to clients contracted by the BDD. After the first 60 days, in the event the BDD has closed an average of less than 1 new client accounts per month over a 90-day period, payments on all placements made in the following 90 days will be paid at a rate of 10%. In the event that the BDD has closed an average of 1 or more new client accounts per month over a 90-day period, payments on all placements made at the BDD's client accounts in the following 90 days will be paid at a rate of 15%. Payments are calculated on Net Margin. Net Margin is the Gross Fee(s) received minus all costs associated with Contractor Pay Rate, State and Federal Taxes, Workman's comp, back office fees, etc.). Total Burden ranges typically between 25-30%.

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**c. Direct Hire Placements:**

1. During the first 60 days of membership (Start-up Phase), the BDD will receive 15% of the total collected placement fee on any placements made to clients contracted by the BDD. After the first 60 days, in the event the BDD has closed an average of less than 1 new client accounts per month over a 90 day period, payments on all placements made in the following 90 days will be paid at a rate of 10%. In the event that the BDD has closed an average of 1 or more new client accounts per month over a 90 day period, payments on all placements made at the BDD's client accounts in the following 90 days will be paid at a rate of 15%.
2. Direct hire fees are calculated based on the gross invoiced amount less any taxes or referral fees needed to close deal. Example: If HireResources needs to offer the candidate a sign on bonus to accept a role or if we need to pay out for a referral to someone that may have referred the candidate to HireResources.


**7. Payment Terms - Direct Hire & Contract:**

- a. Direct Hire Placements:
  - i. The Company will issue monthly payments for direct hire/permanent placements, subject to any and all guarantee provisions being 100% fulfilled.
- b. Contract Placements.
  - i. Contract payments due will be processed once HireResources receives payment from either our back-office vendor or the client directly whatever is applicable.
- c. The Company's Payments in General.
  - i. If a client does not make payment for services secured pursuant to this Addendum and/or the Member Master Agreement, the Company has no obligation, financial or other, to Members.
  - ii. Any fall off placements or adjustments will affect payment.
  - iii. Payments due to Member by the Company are in no way subject to any late charges, late fees, or other interest remunerations.
- d. Member invoicing for payment.
  - i. Company will provide statement of burden cost breakdown received from the back-office vendor on a monthly basis for all Business Development Director's placements, allowing Business Development Director to properly invoice Company for payments due.
  - ii. Members must invoice the Company for all payments due on direct hire and contract placements. This is required for the Company's accounts payable to process your payment.
  - iii. All client payments must be received and cleared in the Company's bank account for the Company to release any payment.
  - iv. The following needs to take place for payment to be made.
    1. Client payment/funds clear in company bank account; and
    2. Invoice is received from Member via email form ([membersupport@hireresourcesllc.com](mailto:membersupport@hireresourcesllc.com) or such other address as may be provided by the Company).
  - v. Once approved, payments will be made within 2-10 maximum business days depending on date received and payroll cycle. We typically will send payment out within 2-3 business days.

**8. General Terms**

- e. Except as may be more specifically provided herein, the terms of the Member Master Agreement shall control any issues that may affect the Company and the Business Development Director.

IN WITNESS WHEREOF the Parties have executed this Addendum as of the date below.

| The Company  | Business Development Director |
|--|-------------------------------|
| Print Name: Dean Garamella   | Print Name: _____             |
| By:  | By: _____                     |
|  | Title: _____                  |
| Title: Partner   | Dated: _____                  |
| Dated: 2020  |                               |

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