Contract-to-Hire Agreement

This agreement supplements the Master Staffing Agreement between the parties dated [Date]. Where the two conflict on contract-to-hire terms, this agreement controls.

1. PARTIES AND ASSIGNMENT

This Contract-to-Hire Agreement (the "Agreement") is made on [Date] between [Agency Legal Name], of [Agency Address] ("Agency"), and [Client Legal Name], of [Client Address] ("Client"). Agency will provide [Worker Name] (the "Worker") to perform work as [Job Title] at [Work Location], reporting to [Client Supervisor Name], starting on [Start Date].

2. CONTRACT PERIOD AND EMPLOYMENT STATUS

The contract period runs from the start date until the earlier of (a) conversion under Section 5, (b) [Number] hours worked, or (c) termination under Section 8. During the contract period the Worker is an employee of Agency. Agency is responsible for wages, payroll taxes, workers' compensation insurance, unemployment insurance and any benefits Agency provides, and for Form I-9 verification. Client directs the day-to-day work and is responsible for safe working conditions, site-specific safety training and protective equipment at its premises.

3. RATES AND INVOICING

Client will pay Agency a bill rate of [$ per hour] for straight-time hours. Overtime hours, as defined by federal and state law, will be billed at [1.5 x bill rate], and [holiday / double-time hours] at [rate]. Agency will invoice [weekly] based on timesheets approved by Client's supervisor, and payment is due within [Number] days of the invoice date. Rates may be adjusted with [Number] days' written notice to reflect changes in minimum wage, payroll taxes or mandated benefits.

4. MINIMUM HOURS BEFORE CONVERSION

Client may offer direct employment to the Worker without a conversion fee once the Worker has completed [Number, for example 520] paid hours on assignment with Client. Hours on other Client assignments through Agency count toward this total. Client will notify Agency in writing at least [5] business days before the intended conversion date.

5. EARLY CONVERSION AND CONVERSION FEE

If Client hires the Worker, directly or through another agency or a related company, before the Worker reaches the minimum hours in Section 4, Client will pay Agency a conversion fee based on paid hours completed at the date of hire:

- 0 to [Number] hours: [Percentage]% of the Worker's first-year annual base salary
- [Number] to [Number] hours: [Percentage]%
- [Number] to [Number] hours: [Percentage]%
- [Number] hours or more: no fee

The fee is due within [30] days of the Worker's first day on Client's payroll. First-year annual base salary means the annualized base pay offered, excluding bonuses and benefits; for hourly roles it is the hourly rate multiplied by 2,080.

6. DIRECT HIRE WITHOUT ASSIGNMENT AND SOLICITATION

If, within [6] months after the Worker's last day on assignment, Client or a related company employs or engages the Worker in any capacity, Client will pay the fee in Section 5 as if conversion occurred on the last day of assignment. Client will not solicit the Worker to leave Agency's employment during the contract period except under this Agreement. This section does not restrict the Worker's own right to seek or accept employment.

7. CONVERSION PROCESS

On conversion, Client becomes the Worker's sole employer from the conversion date, and is responsible for its own offer letter, onboarding, background screening and Form I-9 under its own policies. Agency will pay the Worker for all hours through the last day on Agency's payroll. Client will not require the Worker to pay any fee in connection with conversion.

8. ENDING THE ASSIGNMENT

Either party may end the assignment at any time with [Number] business days' notice, or immediately for safety, misconduct or legal reasons. Ending the assignment does not change the Worker's at-will status with Agency. Client will pay for all hours worked through the end date.

9. REPLACEMENT GUARANTEE

If the Worker leaves or is released for performance within [Number] days after a fee-paid conversion, Agency will, at Client's choice, provide a replacement candidate or a [Percentage]% credit of the conversion fee toward a future placement, provided Client has paid the fee in full and on time.

10. GENERAL

Each party will comply with applicable employment, anti-discrimination and wage-and-hour laws. This Agreement is governed by the laws of [State]. Any changes must be in writing and signed by both parties.

[Agency Legal Name]
Signature: _____ Name: [Name] Title: [Title] Date: [Date]

[Client Legal Name]
Signature: _____ Name: [Name] Title: [Title] Date: [Date]