



Introduction to Top Echelon Network Policies

Considering the high level of activity between Network recruiters, the Top Echelon Network Policies create a common understanding among members in regards to their professional conduct during the recruiting and split placement process. However, there is a dynamic woven into the Policies, which is the “Spirit of the Policy” or the “Spirit of Networking,” otherwise known as The Golden Rule.

We expect Top Echelon Network members to adhere to The Golden Rule and operate in a manner that demonstrates reciprocity and courtesy of fellow members. By following the Policies and practicing The Golden Rule, members make the Network a unique and wonderful tool for conducting business

Top Echelon Network Policy #1a

Responsibility for Following the Top Echelon Network Policies

Created: 2/1/1988

Last Revised: 12/7/2011

Part One

The Top Echelon Network Policies provide rules and procedures that guide your Member services in the Network. Top Echelon may amend these policies from time to time. All amendments will become effective upon publication of notice to Members either in the Network newsletter or online in the News Section of the Members' Area.

Part Two

As a Member of Top Echelon Network, you are responsible for reading and adhering to the rules, policies, and procedures set forth, as amended. Ignorance of any rule, policy, or procedure is no excuse for a violation. Owners of Member firms are personally responsible for their acts and omissions, as well as the acts and omissions of their firm's employees.

Spirit of this Policy

Top Echelon Network's policies set forth rules and procedures designed to guide Members and the potential conflicts that may arise while conducting business with Top Echelon Network and other Members.

Top Echelon Network holds each recruiter responsible for their own actions and requires that they are aware of, understand, and adhere to all of the rules, policies, and procedures. Any Member recruiter who claims that they were unaware of a particular policy will still be accountable for their actions.

Owners of Preferred Member firms must require their employees to read all policies as owners are held accountable for their employees' actions and omissions. Furthermore, owners must immediately notify Top Echelon Network of any ownership changes in Preferred Member agencies to ensure that additional owners, partners, joint ventures, etc., sign Top Echelon Network's Preferred Member Agreement. Every Top Echelon Preferred Member employee or user is required to sign Top Echelon Network's Preferred Member Agreement when initially logging into their account.

Either you or Top Echelon Network may terminate your Membership at will. Top Echelon Network is a non-exclusive and voluntary system. The Network does not impose non-competes or grant exclusive territories. However, recruiters maintaining any ownership in a network that competes with Top Echelon Network are not permitted to be Members of the Network. Nevertheless, membership in a wholly membership-owned cooperative is permitted.

By your continued participation in Top Echelon Network, you agree to all rules and procedures set forth in the Top Echelon Network Policies as they may be amended.

Top Echelon Network Policy #1b

Discrimination

Created: 9/25/1995

Last Revised: 11/7/2011

Top Echelon Network does not Discriminate

Every service that Top Echelon Network offers is provided without regard to race, color, gender, national origin, disability, or age. Top Echelon Network complies with the American with Disabilities Act; Title VII; the Civil Rights Act; Age Discrimination in Employment Act; and other federal, state, and local prohibitions against discrimination. Any action not following the above mentioned discrimination laws is considered discriminatory.

Top Echelon Network Requires its Recruiters to not Discriminate

Top Echelon Network advises all of its customers and recipients of any of its services that recruiters, as well as their client companies, are obligated to comply with the Americans with Disabilities Act; Title VII; the Civil Rights Act; Age Discrimination in Employment Act; and other federal, state, and local prohibitions against discrimination.

Persons using Information Distributed by Top Echelon Network

Top Echelon Network is not the originator of any candidate or job order information. All information put into the Top Echelon Network system is the sole property and sole responsibility of the persons supplying the information to the Network. Top Echelon Network simply distributes the information with which it is supplied. Due to the large volume that Top Echelon Network receives, the Network is unable to verify if the information being distributed is either factual or non-discriminatory in nature. All persons (recruiters, counselors, researchers, client companies, etc.) using any information collected and distributed by Top Echelon Network agree to use the information in a manner which does not violate any employment discrimination laws.

Due to the large volume of information passing through the system, Top Echelon Network provides its customers with the ability to screen in and screen out candidates and job orders which are applicable to their hiring needs. Recruiters using the Top Echelon Network system understand that the parameters used in any computerized screening capabilities offered by the Network are completely controlled by them (and not by Top Echelon Network), and they are solely responsible to not use these screening capabilities to discriminate.

If any Member provides information to Top Echelon Network which contains discriminatory content, which uses any information collected and distributed by the Network in a discriminatory manner, or which uses any Top Echelon Network computerized screening capabilities in a nature which violates any employment discrimination laws, the persons providing such information, using such information, or using such capabilities agree that they are solely responsible for their actions. Any such customer shall indemnify and hold Top Echelon Network harmless from all fees, costs, claims, expenses, and liabilities incurred as a result of the customer's failure to comply with any such applicable law or regulations.

Top Echelon Network Policy #2a

Sourcing Off Top Echelon Network Candidates

Created: 4/3/1990

Last Revised: 6/2/2021

As a general rule, Top Echelon Network Members are PROHIBITED from using another Member's candidate information for the purpose of locating (or sourcing) other potential candidates or job orders.

Spirit of this Policy

Top Echelon Network prohibits sourcing and recognizes that any policy that would permit unlimited sourcing would discourage many Members from sharing their best candidates through the Network system. However, we also recognize that in special situations, sourcing can create a situation where "everybody wins."

The majority of Top Echelon Network Members strongly feel that they do not want other recruiters to source off their candidates prior to giving their approval. In order to maintain the integrity of the Network, Top Echelon Network will support these Members wholeheartedly and will not sympathize with anyone trying to find a loophole in this policy.

In the event that you unintentionally receive information from a Top Echelon Network Member's candidate that could potentially lead you to other candidates or other job orders, you must contact the owning agency immediately to inform them of the information that you have already received. It is then the sole decision of the owning agency as to whether or not the information may be used and by whom.

Violations of this Policy

Any Top Echelon Network Member who has documented proof of another Member sourcing off their candidates without their permission should present this evidence to Top Echelon Network administration. Violators of this Network policy will be dealt with accordingly.

If another recruiter asks you for permission to source off one of your candidates, you should communicate your decision and any specific requirements you have to that recruiter. We recommend that you do so quickly and preferably in writing.

Top Echelon Network Policy #2b

Sourcing Off Top Echelon Network Job Orders

Created: 10/18/1994

Last Revised: 12/7/2011

Top Echelon Network Members are PROHIBITED from using another Member's job order information for the purpose of obtaining the job order as their own or for locating additional job orders, candidates, or client leads.

Spirit of this Policy

Top Echelon Network Members who are willing to share their job order information are doing so in good faith and do not intend for you to bypass them for your own personal gain. If you learn the identity of a Member's client while assisting the Member on the job order, stay away from that client for a considerable period of time (see Top Echelon Network Policy #6 "Client Company Ownership"). If while assisting on the job order, you learn of other candidates or other potential clients, contact the Member with the job order and ask them what they are willing to let you do with the information. Depending upon the information you have received, they may give you unlimited use of that information, they may put a restricted use on that information, or they may not allow you to use that information.

Top Echelon Network views this information you have received as being the result of the originating Member's actions, and but for their actions, you wouldn't have this information. Therefore, make sure to ask them for permission to use the information, and be willing to play by their rules. If you don't like what restrictions they place upon you, don't use their information.

Violations of this Policy

Any Top Echelon Network Member who has documented proof of another Member sourcing off their job orders without their permission should present this evidence to Top Echelon Network administration. Violators of this Network policy will be dealt with accordingly.

Top Echelon Network Policy #2c

Written and Verbal Communications with Network Candidates

Created: 10/18/1994

Last Revised: 6/2/2021

Top Echelon Network Members are PROHIBITED from contacting another Top Echelon Network Member's candidate for any reasons other than the following:

- To determine if the candidate is a "fit" for one of their specific job assignments
- As part of the ongoing communication necessary to assure the completion of the placement process

Spirit of this Policy

Top Echelon Network Members share their candidate information for the purpose of making split placements. Therefore, you must only contact Top Echelon Network candidates for that purpose (unless you receive written approval of the submitting recruiter).

Make sure your written or verbal correspondence with Top Echelon Network candidates is not a form of "sourcing." Top Echelon Network Members are prohibited from soliciting Top Echelon Network candidates (in writing or verbally) for the purpose of doing the following:

- Asking them for a clean copy of their resume
- Asking them to complete your firm's data sheet or questionnaire
- Advertising your firm's specialty, strength, or market position
- Asking them for other leads or company information
- Etc.

Doing so will be viewed by Top Echelon Network as an attempt to build a paper trail (as if you recruited the candidate independently) or as an attempt to source off the candidate.

Written and verbal correspondence to Top Echelon Network candidates should pertain to a specific job opening. When communicating with Network candidates, you must always specify how and from whom you received the candidate's name. Top Echelon Network strongly encourages you to carbon copy the submitting Top Echelon Network recruiter when you correspond in any form (email, texting, letters) with Network candidates.

Top Echelon Network Policy #3

3-Way Splits

Created: 8/21/1990

Last Revised: 11/7/2011

Top Echelon Network does not encourage 3-WAY SPLITS with recruiters outside of Top Echelon Network, but does not prohibit Members from participating in them. Any placement made as a result of your Top Echelon Network affiliation, whether 2-way, 3-way, 4-way, or 10-way, must result in Top Echelon Network receiving a 6% brokerage fee on the entire fee involved, no matter how the split is divided. Non-Top Echelon Network Members who will be involved with this potential split must be notified of this in advance.

Spirit of this Policy

It is not the intention of Top Echelon Network to tell anyone how to run their business. We do, however, feel that it is our job to identify some guidelines which will promote proper communication between Top Echelon Network Members in future 3-way splits. Listed below are two common types of 3-way splits:

Scenario #1: Two Top Echelon Network Members attempt to split with a third-party recruiter outside of Top Echelon Network.

In this situation, one Top Echelon Network Member is acting as the "middle man" between one Top Echelon Network Member and one non-Member. We strongly feel that as the "middle man," it is this recruiter's responsibility to reach an agreement between all parties regarding the terms of the split IN WRITING and IN ADVANCE. Top Echelon Network will not try to dictate what the split percentages will be, but expects the "middle man" to see to it that the Network receives its 6% brokerage fee on the entire fee. The "middle man" will be held accountable by Top Echelon Network.

Scenario #2: One Top Echelon Network Member finds a potential match between two other Top Echelon Network Members

It is our belief that any Top Echelon Network Member attempting to act as a "third-party broker" or "middle man" between two fellow Top Echelon Network Members will do more to destroy potential future relations with these Members than anything else. Top Echelon Network strongly discourages this type of 3-way split between Top Echelon Network Members, and we encourage the "middle man" to put the two other Members in touch with each other as a professional courtesy.

Top Echelon Network Intervention

Top Echelon Network has no intention of dictating fee percentages in your 3-way split placement arrangements, unless the three or more parties involved cannot come to an agreement and we are asked to intercede. In the rare event this happens, we will act as an unbiased third party to arbitrate the conflict. Please be forewarned that we strongly believe that if no written contract was signed in advance between the three or more parties involved, we feel the "middle man" was remiss in their responsibilities and should be held accountable.

Top Echelon Network will strongly discourage any type of 3-way splits between Top Echelon Network Members, and will not permit rookie recruiters or new Members to spend their time trying to match up Network candidates and Network job orders in hopes of creating 3-way splits.

Top Echelon Network Policy #4

Accusing Another Top Echelon Network Member of Wrongdoing

Created: 11/5/1990

Last Revised: 12/7/2011

All Top Echelon Network Members are required to follow Top Echelon Network's formal COMPLAINT PROCEDURE STEP-BY-STEP if they feel that they have been wronged by another Member of Top Echelon Network. Any deviation from this procedure by the accusing Member will automatically result in suspension of their Top Echelon Network privileges for a period of two months.

Spirit of this Policy

There will be differences in any organization. When they occur, they must be handled quickly, professionally, and fairly. The actual complaint procedure may change as Top Echelon Network grows, so it is the responsibility of each Member to make sure that they are following the appropriate complaint procedure.

If any Member does not exactly follow Top Echelon Network's complaint procedure, we must suspend their Top Echelon Network and online system privileges for a period of two months, regardless of how badly they may have been wronged by the other Member. This is the only way we can ensure that the problem will be handled professionally. We will not tolerate a vigilante approach to resolving conflicts between Members.

If you have a problem with another Member, you are required to follow Top Echelon Network's official complaint procedure. (See Top Echelon Network Policy #5).

Top Echelon Network Policy #5

The Complaint Procedure

Created: 10/18/1994

Last Revised: 11/7/2011

Prerequisite reading: Top Echelon Network Policy #4

Disputes between Members

All complaints about another Top Echelon Network Member should be directly made to the Top Echelon Network Ethics Chairperson. Top Echelon Network will follow the general guidelines stated in this policy for resolving disputes. Top Echelon Network will do its best to help Members resolve disputes as they arise. Different disputes require different levels of attention and different courses of action. Due to the emotional and disruptive nature of all disputes, Top Echelon Network reserves the right to select the process which best suits the particular dispute based upon our judgment and experience. If a ruling, judgment, or interpretation of Top Echelon Network policy needs to be made, we will make it, and each Top Echelon Network Member agency is required to honor the decision.

Overview of the Dispute Process for Preferred Members

Phase #1: As stated above, ethics complaints and potential disputes should first be discussed with the Top Echelon Network Ethics Chairperson. Typically, Top Echelon Network will encourage (or insist) that the two parties talk together before a significant amount of time is invested by Top Echelon Network in the dispute. We do this because history has shown that the vast majority of prior disputes in Top Echelon Network were due to miscommunications between two Members, and an open dialog usually solves the problem. If the dispute remains unresolved after both parties have made a valid attempt to talk it out, Top Echelon Network will try talking with each party in search of a workable compromise to both sides. If all talking efforts fail in Phase #1, Top Echelon Network will escalate the dispute to Phase #2.

Phase #2: Top Echelon Network will require each party to document their facts regarding the dispute in writing. Top Echelon Network will review the written documentation and will notify either recruiter if additional documentation is required. Typically, the disputes which make it to Phase #2 will be arbitrated by Top Echelon Network, which will act as the unbiased third party. Both recruiters providing their written documentation to Top Echelon Network agree to let the Network act as arbitrator, and they agree that the decision made by Top Echelon Network is final. If, and only if, Top Echelon Network determines, for any reason, that we should not be in the position of "unbiased third party," we reserve the right to escalate the dispute to Phase #3 for review by the Top Echelon Network Ethics Advisory Board.

Phase #3: Disputes that cannot be resolved in Phase #2 will be turned over to the Top Echelon Network Ethics Advisory Board (EAB) for deliberation and a decision. The Top Echelon Network EAB is comprised of three Top Echelon Network Members who remain anonymous to their peers. All letters and necessary documentation within the dispute are blinded to remove any contact information that shows the identity of either of the recruiters involved in the dispute. The Top Echelon Network EAB will not know the disputing recruiters' identities.

And the disputing recruiters will not know the identity of the members of the EAB. By keeping all parties anonymous, the Top Echelon Network EAB can truly act as an "unbiased third party."

Top Echelon Network Policy #5 (continued)

Top Echelon Network's Reserved Rights

Top Echelon Network reserves the right to provide the EAB with any information we have learned during Phases #1, #2, or #3 which we feel may help the EAB see the entire story.

Enlisting the help of the Top Echelon Network EAB into any dispute slows the process down because we now have to funnel blinded information between the participants, and it typically takes a great deal of our time. The participants of the EAB also spend a great deal of time. For this reason, we reserve the right to determine which disputes are escalated to Phase #3. There is no cost to Members involved in a dispute if Top Echelon Network determines that it should go before the Top Echelon Network EAB.

Investigations

Members involved in a Phase #2 or Phase #3 dispute grant Top Echelon Network the right to make contact, if necessary, with other recruiters, clients, and candidates in attempts to gather any other pertinent information which may help resolve the dispute. Top Echelon Network will treat these calls as being confidential and of a sensitive nature.

"I Want to Select Who Arbitrates"

If a Member requests (i.e., insists) that their dispute be heard by the Top Echelon Network EAB, there is a cost of \$1,500 (payable in advance) to be paid by the recruiter making that request. Of this \$1,500, the three EAB volunteers will each receive \$400 for their time spent, and Top Echelon Network will keep \$300 for its efforts. On the surface, this may appear expensive, but contacting an attorney or an arbitration association will cost much more. Also, our experience shows us that every recruiter thinks their dispute is the most important dispute that has ever happened, and the Top Echelon Network EAB would be overrun if we did not put a price on its services.

"I Don't Agree with Top Echelon Network's Decision or the EAB's Decision"

Once Top Echelon Network makes a decision on a Phase #2 dispute, the decision is final, and whatever action Top Echelon Network deems necessary will begin immediately upon the announcement of the decision. The recourse available to a recruiter who does not agree with the Phase #2 decision is as follows:

- Pay the \$1,500 processing fee and request that your dispute be reopened, escalated to Phase #3, and heard by the Top Echelon Network EAB
- Get the other recruiter to agree to resolve the dispute via outside formal arbitration
- Hire an attorney and pursue it through the appropriate court system

Once the Top Echelon Network EAB makes a decision on a Phase #3 dispute, the decision is final, and whatever action the EAB deems necessary will begin immediately upon announcement of the decision. The recourse available to a recruiter who does not agree with the Phase #3 decision is as follows:

- Pay the \$1,500 processing fee and request that your dispute be reopened, escalated to Phase #3, and heard by the Top Echelon Network EAB
- Get the other recruiter to agree to resolve the dispute via outside formal arbitration

Top Echelon Network Policy #5 (continued)

Top Echelon Network's Decision to put a Member 'On Hold' or Terminate their Membership

Top Echelon Network reserves the right to put any Member "on hold" at any time for any reason. Being put "on hold" means that access to all Top Echelon Network software systems and services will temporarily cease without advanced warning. Being "on hold" also means that Top Echelon Network reserves the right to remove an agency's existing candidates and/or job orders from all Network databases. As stated in the Top Echelon Network Membership Agreement reviewed by each Member upon entry into the Network, Top Echelon Network also reserves the right to terminate any recruiter's Top Echelon Network Membership at any time for any reason.

Top Echelon Network understands that putting someone "on hold" or terminating their Membership are very serious courses of action. We do not take these actions lightly. However, swift action is sometimes needed to preserve the safety or integrity of the Network. It is not uncommon to be put "on hold" if you are involved in a dispute whereby the Top Echelon Network is still gathering evidence.

"You'll Have to Talk to my Attorney"

Only a few times in Top Echelon Network's history have we been met with the response from a Top Echelon Network Member that, "My attorney has advised me to not discuss this dispute with Top Echelon Network or the other recruiter," or, "You will have to talk to my attorney." If any Top Echelon Network Member is unwilling to discuss a dispute they are involved in with the appointed person on the Top Echelon Network staff, the other recruiter involved, or the Top Echelon Network Ethics Advisory Board, we view this as someone who is putting up a roadblock which will prevent Top Echelon Network from resolving the dispute. When faced with this type of situation, Top Echelon Network reserves the right to cease doing business with that person or office. As far as we're concerned, people who are unwilling to talk have the wrong business mindset for cooperative networking in Top Echelon Network.

Spirit of this Policy

History has shown that the vast majority of the disputes Top Echelon Network has been involved with were caused by miscommunication and were resolved when the parties discussed the issue. Many times, Top Echelon Network offers just the right balance to help this happen. Sometimes we get in the middle and help the flow of communication, and sometimes we simply offer advice. Other times, we are required to interpret and enforce Top Echelon Network Policy. Top Echelon Network Members must understand that we are not perfect, and we do not have unlimited time to spend on your dispute. You have our word, however, that we will do our best to act as an unbiased third party to bring a fair and speedy resolution to your problem. If you do not like our decision or our method of handling your dispute, please see the paragraph above titled "I don't agree with Top Echelon Network's decision or the EAB's decision."

Top Echelon Network Policy #5 (continued)

Negotiations, Mediation, and Arbitration

If a dispute arises between any Members utilizing the services of the online system, the parties hereto shall use their best efforts to settle such disputes, claims, questions, or disagreements. To this effect, they shall consult and negotiate with each other, in good faith, recognizing their mutual interests and attempting to reach a just and equitable solution satisfactory to both parties. If a solution cannot be reached within a period of sixty (60) days, the parties agree to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules, before resorting to arbitration. Thereafter, any unresolved controversy or claim shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Any such arbitration will be conducted in a mutually agreed upon city having an American Arbitration Association office, or if no agreement on locale can be reached, the arbitration will be conducted in Cleveland, Ohio. The arbitrators shall award to the prevailing party, if any, as determined by the arbitrators, all of its costs and fees. "Costs and fees" means all reasonable pre-award expenses of the arbitration, including arbitrator's fees; administrative fees; travel expenses; out-of-pocket expenses such as copying, telephone, court costs, and witness fees; and attorneys' fees.

"Do Not Share my Information with a Certain Agency"

Although we would rather not invoke this feature of our system, Top Echelon Network has the capability of preventing your information from being shared with any other affiliate of Top Echelon Network per your request. If you have this need, simply contact Top Echelon Network customer support and they will invoke a block between the two firms. We call this our NOGO capability.

Top Echelon Network Policy #6

Client Company Ownership

Created: 1/15/1991

Last Revised: 12/7/2011

Recruiters may have established varying degrees of loyalty with specific hiring authorities, but no one owns a client company. Also, making placements through Top Echelon Network is not meant to be a source of new client companies for the recruiters owning the candidates. Therefore, as a general rule, you should STAY AWAY from those clients you may have learned about while networking with Members.

Also, be aware that there will be times when you and one or more of your Trading Partners will be working with the same company, and possibly even the same hiring authority on the same job order. In those situations, reaching an agreement as to how the individual job order will be handled is the key. Demanding withdrawal of the other recruiter is not the answer.

Spirit of this Policy

Realizing there is an infinite number of possible scenarios that can arise regarding client companies, we felt that it would be best to share Top Echelon Network's views regarding some of the more frequent situations. These views are merely intended to be guidelines to work by and may or may not be the same as a decision made by the Network's Ethics Advisory Board if a particular issue is brought to a vote.

It is the firm belief of the Top Echelon Network administration that there is no substitute for open communication between two Top Echelon Network Members that have a difference of opinion. If, however, a "meeting of the minds" cannot take place, the following is some direction as to how the Network feels about certain types of situations.

Scenario 1: Recruiter "A" is working with XYZ Company and places Recruiter "B's" candidate at the firm. Recruiter "B" never worked with (or tried to work with) the firm prior to this placement. After the placement is completed, Recruiter "B" knows the identity of the company.

Our Feelings: Recruiter "B" should refrain from contacting clients that they learned about while working with another Network Member. The Top Echelon Network administration will frown upon any recruiters who appear to be trying to build their client company base from their dealings with other Top Echelon Network Members.

Scenario 2: Recruiter "A" is working with XYZ Company and places Recruiter "B's" candidate at the firm. Recruiter "B" has done some work there in the past, but that was "x" months or years ago. After the placement is completed, Recruiter "B" knows the identity of the company.

Our Feelings: If Recruiter "B" has worked with (or tried to work with) the client within the last 12 months (and can prove it), then it is our feeling that after this split placement is completed, the two recruiters should go about their business. Neither owns the client, nor does either owe the other anything. The one recruiter that continually provides the best ongoing service to the client will probably be able to establish the most client loyalty.

If the time period is longer than 12 months, then it's our feeling that recruiter "B" should make every effort to compensate Recruiter "A" for reminding them that the XYZ Company is still a viable hiring authority. Chances are that Recruiter "B" would have eventually gone back to the client anyway, but recruiter "A" brought it to their attention sooner. A possible compromise might be for Recruiter "B" to offer to share their next two commissions from XYZ Company with Recruiter "A," if they (recruiter "B") wish to continue working with the client.

Scenario 3: Recruiter "A" is working with XYZ Company and places Recruiter "B's" candidate at the company.

Recruiter "B" has never worked with this company before, but their candidate is hired in a position as a hiring authority. After the placement is completed, Recruiter "B" now knows the identity of the company and begins receiving phone calls from their ex-candidate for help in filling their job orders at this or another location, or they want help with candidates.

Top Echelon Network Policy #6 (continued)

Our Feelings: It's not the corporate entity that calls you on the phone asking for help, it's the hiring authority. And again, as always, no one owns a client company. Therefore, Top Echelon Network will not try to dictate to any hiring authority which recruiters they may or may not work with. If the hiring authority believes that you're the best recruiter, they'll work with you.

It's also Top Echelon Network's feelings that without the efforts of Recruiter "A," Recruiter "B" would not begin receiving these new phone calls for help. Therefore, we feel that Recruiter "B" should make every attempt to try to establish a workable situation where Recruiter "A" receives some additional compensation for their efforts and doesn't feel as though their client relationship has been compromised. A possible solution might be for Recruiter "B" to offer to share their next two commissions from XYZ Company with Recruiter "A."

Summary: Don't do to other Network Members what you wouldn't want done to you. Also be aware that different people have varying opinions about client company ownership. The best way to avoid a conflict is to stay away from a company that you know for sure is being actively worked by another Member. Wouldn't it be wiser to work with this Member to satisfy the client's needs, rather than competing against them?

Also, let it be known that we are confident the Top Echelon Network Ethics Committee would probably not support any recruiter who is hoping to lock up a particular market niche, whether it's industry specific or geographic, by telling every recruiter they work with who their clients are as a warning to stay away. Keep your client lists to yourself, except when needed on a case-by-case basis.

Top Echelon Network Policy #7

The Top Echelon Network Brokerage Fee

Created: 1/22/1991

Last Revised: 12/7/2011

All split placements between Top Echelon Network Members, no matter how they're made, are considered Network placements and are subject to the normal Top Echelon Network brokerage fee of 6%. This includes, "3-way splits" that involve non-Network recruiters (see Network Policy #3).

The only time Top Echelon Network is not entitled to its 6% brokerage fee from our Members is when there is a pre-arranged, signed agreement between the two participating Members and Top Echelon Network. See the "Exception Agreement" below for specifics.

Spirit of this Policy

Top Echelon Network requires its 6% brokerage fee on any and all placements between all Members regardless of circumstance, because without the existence of the Network, the placement may not have occurred. Even if neither the candidate nor the job order is distributed through the Network, a brokerage fee is still due to Top Echelon Network. Even if you feel the Network played no part in the placement at all, the 6% is still due. This is not negotiable. Members found in violation of this policy will be terminated from the Network.

There are many ways a network continually helps you make placements besides the mere distribution of resumes and job orders. It is Top Echelon Network's strong belief that we are entitled to our 6%, regardless of how each individual placement is "put together" because without Top Echelon Network, you may have stopped working with the other firm long ago. Networks help hold "independents" together and make them strong!

Exception Agreement

If you, as a Member of Top Echelon Network, feel you normally work so closely with another firm that you always know every candidate and job order that they have, and you don't feel that Top Echelon Network is entitled to a 6% brokerage fee, let us know. Top Echelon will set the a NoGo between the two agencies so they are unable to see/search/view/access one another's jobs/candidates/placements, as they have had a working split placement relationship prior to their Top Echelon Network Membership. An email or letter from each agency owner acknowledging this action is required. All attempts by Top Echelon Network to help your two agencies make split placements together will cease. In order to take advantage of this "Exception Agreement," you must have a signed agreement between yourselves and Top Echelon Network, which will alleviate your responsibility of paying Top Echelon Network a brokerage fee when you make a split placement with that office. Top Echelon's written agreement must have been signed by both agencies within the first three months of the most recent Member's original entry into the Network.

Top Echelon Network Policy #8

The "BUT FOR Rule"

Created: 1/22/1991

Last Revised: 6/2/2021

The industry's "BUT FOR RULE" takes precedence and should be used when determining ownership, the cause of an action, or to determine which source to honor.

Spirit of this Policy

It is the philosophy of Top Echelon Network that no matter what information you've learned (e.g., candidates, clients, jobs, etc.) you must honor the source which prompted your action regarding the information. Ask yourself this question: "BUT FOR what caused my interest and/or caused (or stimulated) the action to occur?"

The answer to this question is the definition of the "But For Rule," which can be stated as follows: "BUT FOR what particular act or information caused my interest?" The honest answer to these questions should be used when ultimately determining what directed your attention to the information (jobs, candidates, etc) and what prompted your action(s).

Top Echelon Network does its best to prevent members from distributing duplicate candidates to specific jobs through the Network system. By doing so, most questions about "Which candidate should I honor?" are seldom asked. The non-duplication of candidates is intended to minimize the frequency of confusion over whose candidate to honor. However, it does not take precedence over the spirit of the Network and definition of the "BUT FOR RULE" as stated above. See also Network Policies 9a, 9b, 9c ("Candidate Ownership") and Policies 15a, 15b ("Honoring Referrals").

Top Echelon Network Policy #9a

Candidate Ownership with Respect to Time

Created: 2/5/1991

Last Revised: 12/7/2011

Top Echelon Network adheres to the industry's "BUT FOR RULE" when it comes to how long a recruiter owns a candidate. If you receive the resume from a Top Echelon Network Member of "John Smith" in 2017, then dig that same Top Echelon Network Member's candidate resume out of your database in 2021 and begin working from that original information, you should split the placement with the originating agency.

Spirit of this Policy

The spirit of this policy is simple. If you capitalize off another recruiter's efforts, you should compensate them for those efforts regardless of how long ago they took place.

We have observed other organizations that have attempted to establish a fixed time frame on candidate ownership. Those organizations normally put a one-year cap on candidate ownership, and after one year and one day passes, the candidate mysteriously disappears. This is wrong and will destroy the trust aspect needed for any split placement organization to survive.

We are, however, saying that you should refer to the industry's "BUT FOR RULE" when you're determining what caused your actions with regards to a particular candidate. Was it that nine-year old Top Echelon Network resume that prompted you to track down and place the candidate? If so, you owe the originating agency a split. If, however, you found the candidate through your own normal recruiting or advertising efforts, you don't owe anyone anything.

We recommend that you keep good records of how you found your candidates and when you began communication with them. This way, if you are ever asked to prove how you found a particular candidate, you'll have the proof you need.

Obviously this policy is difficult to police, but we all need to have faith in the honesty and integrity of our Members and Trading Partners.

See [Network Policy #8](#) for further information regarding the industry's "BUT FOR RULE."

Top Echelon Network Policy #9b

Candidate Ownership After a Candidate is Placed in a Direct-Hire Position

Created: 11/1/1994 / Last Revised: 12/7/2011

After two recruiters have successfully placed a candidate in a direct-hire position, the placement fee has been received and split between the two recruiters, and the guarantee period has been satisfied, it is the view of Top Echelon Network that both recruiters should break the chain of communication with the candidate and not have any additional contact with that candidate for a period of no less than 18 months.

Assuming the chain of communication was broken, if that candidate decides on their own to initiate contact with either of the recruiters, that is their prerogative. If the candidate initiates contact with the agency who placed him rather than the agency who originally recruited him, this represents a new beginning for future transactions. The job order agency is then free to represent the candidate without owing anything further to the originating agency, assuming the chain of communication was broken. If the chain of communication to the candidate was NOT broken by the job order agency, the placing agency would owe a split placement to the candidate agency on the next placement of that candidate.

Spirit of this Policy

Once a direct-hire placement is made and the candidate has become established in their new position, it is Top Echelon Network's feeling that both recruiters should break the chain of communication and leave the candidate alone. Both agencies successfully provided a service to the client and the candidate, and both earned a handsome fee for that service. Both recruiters won, the candidate won, and hopefully, the client won. If both recruiters do break the chain of communication and leave the candidate alone, then it's clear that when the candidate someday initiates contact with a recruiter, it's their own choice who they decide to call upon. Sometimes the candidate will call the job order recruiter because that's who got them their last job, and sometimes they'll call the agency that recruited them for the last placement. Either way, assuming that the chain of communication was broken, it's the sole decision of the candidate which recruiter to call for future help. The agency they choose owes nothing further to the other agency from the first transaction.

We recognize that many firms do not agree with the above paragraph and will not break the chain of communication with a placed candidate. Sometimes they stay in touch with the candidate because they've become friends, sometimes because they genuinely care about the candidate's long-term well being, and sometimes to solicit future information about the client or other employees in the firm. Either way, if the job order agency who placed the candidate maintains contact with the candidate, then the communication chain is never really broken. It is Top Echelon Network's feelings that if the chain of communication was NOT broken, the "BUT FOR RULE" indicates the recruiter originally supplying the candidate would be entitled to receive a full split placement fee if the job order agency was to place the candidate again.

Sometimes a candidate will initiate communication back to the job order agency very soon after the placement was completed (e.g., the guarantee period was 90 days, and after five or six months, they're unhappy with their new situation and calls for someone to get them out.). It is Top Echelon Network's feeling that even though the job order agency has attempted to discontinue communication with the candidate, the time period is so short that the communication chain has never really been broken. Therefore, we strongly encourage the job order agency to confer with the original candidate recruiter about the situation, and we suggest that you both share ownership in the candidate. That is, if either of you place the candidate again, you both agree to equally split whatever dollars your firm earns on that next placement of this candidate. We have seen other recruiters deal with these situations in this way, and it appears to work well.

In the example above, we used five or six months as the time frame. How long is long enough for the communication chain to be broken? Although this could be debated for years to come, we suggest that if no contact has been made between the placing agency and the candidate for a period of at least eighteen months, the communication chain has been broken. Again, after that point, the candidate can initiate contact with any recruiter they want.

Top Echelon Network Policy #9c

Candidate Ownership After a Candidate is Placed in a Contract (or Temporary) Position

Created: 11/1/1994

Last Revised: 12/7/2011

After a candidate is placed in a temporary or contract assignment and the assignment ends or is terminated, the recruiter who originally supplied the candidate retains ownership of the candidate. If the job order agency wishes to again place the candidate in another temporary, contract, or direct hire assignment, a split full fee will be due to the candidate recruiter.

Spirit of this Policy

As the demand for contracting continues to increase, it becomes more important to address this issue. Top Echelon Network has witnessed the destruction of Trading Partner relationships because the job order agency would place a candidate in a short-term contract assignment one time, pay the candidate recruiter a normal split fee, and proceed to place the candidate a second and third time without wanting to compensate the candidate recruiter. The job order agency typically doesn't feel the submitting agency is entitled to any portion of these future earnings, and the candidate recruiter typically feels they are being cheated. The result being, the two firms can no longer work together. In order for Trading Partner relationships to flourish, both recruiters must share in the winnings when times are good and struggle through the hard times when things are bad. If the candidate recruiter isn't compensated on future placements of their candidate, not only will they feel deceived, but they'll also have no incentive to let their candidate work the job order agency's assignment. Obviously, this creates an unhealthy environment, and future split placements will not occur.

Therefore, it is Top Echelon Network's feeling that when a job order agency uses another recruiter's candidate for a short-term temporary or contract assignment, future placements (temporary, contract, or direct hire) of the candidate should also result in a normal split placement fee being paid to the original candidate recruiter. If the placing agency doesn't agree with this policy, they should go recruit their own candidate and not use the candidate of the candidate recruiter. It is our feeling that the only time the job order agency will not owe the candidate recruiter a fee on future placements of their candidate is when the placing agency has broken the chain of communication with the candidate for a significant period of time (e.g., no less than 18 months) or the candidate contacted the job order agency for help and the job order agency can prove this. See Network Policy #9b for a description of the chain of communication.

This policy follows the industry's "BUT FOR RULE." Due to the nature of contract assignments, the job order agency will maintain an "on and off" level of communication with a contract candidate, sometimes for years. This being the case, if the job order agency wishes to place the candidate again, a full split is required because "BUT FOR" that original agency's referral of the candidate, there would not be a candidate to place.

Top Echelon Network Policy #10

Sharing Top Echelon Network Candidates or Job Orders with Non-Members or Additional Offices

Created: 2/20/1991

Last Revised: 12/7/2011

Top Echelon Network Members are prohibited to in any way share another Member's candidate or job order information with any recruiters that are not Members of Top Echelon Network without the prior approval of the originating agency. Failure to comply with this policy will result in immediate dismissal from the Network, regardless of reason or circumstance!

Additional Office

Top Echelon Network Members interested in sharing Network candidates, job orders, or recruiter information with an additional office of mutual ownership must establish that office as a "second office" with Top Echelon Network.

Sharing Top Echelon Network information with this office without first registering this office with Top Echelon Network as a "second office" is a violation of Network Policy #10.

Top Echelon Network Members with multiple offices will be asked to prove that the ownership of each office location is truly owned by the same entity (e.g., same company name, stock certificates, partnership contracts, tax returns, etc.). Please be informed that this policy is genuinely intended to help Top Echelon Network Members who have recruiters in multiple office locations. Top Echelon Network will terminate the Memberships of any Members who falsely claim their two offices are owned by the same entity in the attempt to reduce their Top Echelon Network rate.

Spirit of this Policy

To protect the integrity of Top Echelon Network, we must ensure that all Members feel comfortable sharing their very best candidates and job assignments with other Members. If these Members were to feel that their candidates might "leak off" the Network, they will stop sending their good candidates to the Network.

If any Top Echelon Network Member sends any Network resumes (or similar information) outside of Top Echelon Network without prior consent of the originating agency, their Membership will be terminated immediately, regardless of reason. We are taking this posture because all Top Echelon Network Members have the responsibility to protect their resumes and job orders. Our experience shows us that once caught, the offending recruiter will say, "It was an honest mistake," or "I was meaning to get the other recruiter's permission," or "I wasn't aware of the Network's policy," or "I had good intentions and was going to tell the originating agency," or "I thought I could send Top Echelon Network resumes to our second office in Poughkeepsie," or . . . Even if this was an "honest mistake," this is a mistake that will cost you your Top Echelon Network Membership and your reputation.

Top Echelon Network Policy #11

Placement Fees, Payment Terms, Refunds, Fall-offs, and Guarantees

Created: 3/19/1990

Last Revised: 6/2/2021

Fee Schedule

The fee schedule used in a placement should be agreed upon by both agencies prior to an offer being extended to the candidate, preferably in writing. Both agencies are equally responsible to see to it that this agreement takes place, in advance.

Each Firm's Percentage

Each firm involved in a split placement through Top Echelon Network is required to split the fee as follows: 6% brokerage fee to Top Echelon Network, 47% to the placing agency, 47% to the agency supplying the candidate. Only in very rare situations has Top Echelon Network deviated from this breakdown. As a general rule, this policy will prevent some recruiters from insisting "they've done more work than you." This policy also ensures that agencies supplying candidates (e.g., outplacement firms) must take 47% of the fee. This has to occur in order to protect the balance of Top Echelon Network.

Payment

Immediately upon receipt of the client company's payment (i.e., check), the job order recruiter is responsible to distribute the appropriate brokerage fee to Top Echelon Network and the appropriate amount to the candidate recruiter. Accompanying the payment, the job order recruiter must include a photocopy of the client's original commission check and a Completed Placement Form. Holding a Member's portion of the fee for more than 24 hours (for any reason) is forbidden unless it is agreed upon in advance by both parties, in writing.

Guarantee Period and Refund/Replacement Policy

Top Echelon Network Members agree to honor the guarantee period and refund/replacement policy that the job order recruiter extends to his client. It is the responsibility of both recruiters to make sure that the candidate recruiter is aware (preferably in writing) of the guarantee and refund/replacement policies before their candidate is interviewed.

Fall-offs and Replacement Guarantee

In the event a candidate quits or is terminated (for any reason) during the guarantee period and the job order recruiter's guarantee is to replace the candidate or refund the money, Top Echelon Network considers this placement a "fall-off." The agency with the candidate and Top Echelon Network are to refund the proper percentage (normally 100%) of their portion of the fee to the job order recruiter immediately. It is then the sole responsibility of the job order recruiter to replace the candidate, return the fee to the client, or work out some other arrangement with the client. The agency supplying the originating candidate is not entitled to keep its fee, because the placement was a fall-off and its candidate did not work out.

Refunds

As a general rule, all Top Echelon Network Members agree to adhere to the job order recruiter's refund policy as published on their fee schedule, job order, or other printed correspondence, etc. (whichever is more recent and pertains to the specific situation at hand). If a fall-off occurs during the guarantee period and monies are to be refunded, Top Echelon Network and the candidate recruiter are expected to immediately refund their portions of the placement fee.

Information Disclosure

The job order recruiter is required to provide the candidate agency and Top Echelon Network with the pertinent information about a split placement (e.g., client bill rate, candidate salary, expense provisions, relocation provisions, fee charged, payment terms, retainer terms, guarantee period, replacement policy, refund policy, etc.).

Top Echelon Network Policy #11

Retainers

Any retainer (e.g., up-front monies, partial payments, containers, or engagement fees) received by the job order recruiter is considered part of the overall placement fee, and should be split proportionately with the candidate recruiter. If the job order recruiter has a retainer agreement so complicated that it cannot be determined how much of the retainer should be applied to any individual placement, we ask that Member not to share those assignments with Top Echelon Network Members. And if a placement does not occur, the Member with the candidate is not entitled to any of the retainer.

Spirit of this Policy

There should be no surprises as to what fee percentage will be used or when the candidate recruiter should expect to receive their portion of the commission. It is the responsibility of both recruiters to communicate the terms of each placement with each other. Once a candidate has accepted the offer, it is normally too late for either party to change their mind. Therefore, the job order recruiter must communicate when an interview is about to take place. This will ensure that the candidate recruiter has a chance to get their questions answered before it's too late. Also, once the candidate recruiter is aware that an interview or offer is possible, it is that recruiter's responsibility to make sure that they know the details of the potential placement.

Disputes

Clarification of Fee Changes: There are several areas where fee changes can occur:

- When the company is still in negotiations to hire an individual and wants to renegotiate the fee agreement;
- After the candidate has started, but the fee has not yet been paid (e.g., the company decides they would like to try and renegotiate the fee);
- A partial fee is already received, but the client starts claiming financial difficulty and asks to renegotiate the remainder of the fee; or
- The fee is received even though the candidate has not yet started working, and the client decides that they would like to renegotiate part of their fee back.
-

In each of these situations, Top Echelon Network requires the placing recruiter to communicate new terms or conditions to the submitting recruiter and give that recruiter an opportunity to be included in the decision. Historically, if the placing recruiter advises their client company that the candidate in question is a "Networked" candidate and explains that they do not have the authority to amend the original agreement, the company generally agrees to comply with the terms of the original agreement. The placing recruiter will be held responsible for any unilateral decisions that may change the original fee agreement and will be expected to bear the full impact of such decisions. Clarification of Fall-offs and Guarantees: Once again, Top Echelon Network strongly advises that placing recruiters have the terms and conditions of the guarantees included in the fee agreements and that they be in writing. Top Echelon Network management believes we are all business professionals and that all parties to the placement process understand what their obligations and responsibilities are when a fall-off occurs during the guarantee period.

However, if a fall-off occurs (for any reason) after the guarantee period has expired, Top Echelon Network acknowledges that the placement is complete. We feel that both recruiters have acted in good faith and neither the job order recruiter nor the candidate recruiter is obligated to either refund monies or provide replacement candidates. It is then the responsibility of the job order recruiter to decide how they want to remedy the situation and how they want to maintain their relationship with that client. Top Echelon Network encourages both parties involved with that placement to discuss the specifics surrounding the fall-off and try to come to a mutually beneficial resolution. Top Echelon Network would hope that all parties keep in mind the "spirit of networking" and try to help each other.

Top Echelon Network Policy #11 (continued)

Top Echelon Network's Philosophy

Top Echelon Network recognizes that all of us need to protect our interests by the use of appropriate contractual agreements. We strongly recommend that these agreements be carefully negotiated and that they be in writing. While Top Echelon Network does not encourage the use of guarantees, it does recognize that guarantee periods have long been an accepted and integral part of the placement process. With that in mind, Top Echelon Network strongly advises that all participants in the placement process become keenly aware of the terms and conditions set forth in these agreements when they make a decision to work on a particular assignment.

It is not Top Echelon Network's policy to support any arbitrary or unilateral decisions made by one recruiter that could adversely affect another recruiter who has operated in good faith and has complied with the guidelines of Top Echelon Network Policy #11. Any recruiter who feels they need to make such decisions without consulting with the other parties involved also needs to be prepared to bear the full impact of those decisions.

Top Echelon Network Policy #12

Candidate and Job Order Submissions

Created: 2/1/1988

Last Revised: 6/2/2021

It is your responsibility to inform your candidates that they will be distributed through Top Echelon Network. You are prohibited from submitting candidates to Top Echelon Network for distribution who have not been informed about the Network and have not given you permission to do so.

You may only distribute your own candidates and your own job orders through Top Echelon Network. Submitting resumes and job orders for distribution through Top Echelon Network for a non-Network Member is prohibited. Job orders submitted to the Network must be for actual openings, where a client company has given the assignment to the recruiter.

It is your responsibility to "remove" your candidates and job orders from Top Echelon Network as soon as you are aware that they are no longer active or when a placement has occurred.

Spirit of this Policy

There are many "paper mills" out there that will accept unsolicited resumes. Top Echelon Network prides itself on the quality of the candidates being distributed through the system. Prior to submitting a candidate's resume to Top Echelon Network, make sure that you have either verbal or written permission from the candidate to share their resume with other Network recruiters. You must have conducted some form of written, verbal, or face-to-face interview with each candidate you submit to Top Echelon Network.

Top Echelon Network Policy #13

Contacting the Job Order Recruiter's Client Company

Created: 10/21/1991

Last Revised: 12/7/2011

The job order recruiter should maintain contact and communications with the client company. The agency with the candidate SHOULD NOT contact the job order recruiter's client company for ANY REASON WHATSOEVER unless PRIOR written permission has been granted by the job order recruiter. A copy of that written permission must be sent to the Top Echelon Network offices via email or letter.

Spirit of this Policy

A client company is a recruiter's livelihood, and no one should be permitted to interfere with that client relationship, no matter the reason!

Situation of the Slow-Paying or Non-Paying Client

Nobody likes a slow-paying or a non-paying client. Typically, in a situation where a client is a slow payer, the recruiter supplying the candidate gets frustrated waiting for their money and applies pressure to the job order recruiter to get their client to pay. Naturally, both recruiters want to be paid, but the job order recruiter is caught in the middle because they're afraid of destroying the client relationship. We don't want to see any recruiter destroy their client relationship, nor do we want to see a client delay in paying their bills. Because the job order recruiter stands the best chance of getting the client to pay, they should be given plenty of opportunity to do so. At no time should the candidate recruiter intervene and contact the client about slow payment or non-payment.

Situation When the Candidate Recruiter Believes the Job Order Recruiter is 'Botching' the Placement

Sometimes the candidate recruiter is tempted to call the client company with some additional information that could help close the placement. As good as these intentions might be, we have to assume that the job order recruiter knows more about the client and the job assignment than anyone else. Even if you don't feel that this is true, and no matter how strongly you feel that the job order recruiter is "botching" the placement, it's their prerogative to handle the placement the best way that they know how. After all, think of the chaos that would result if every recruiter with a candidate was permitted to call the other recruiter's client. Therefore, only the job order recruiter has the authority to decide who contacts the client and when.

Top Echelon Network Policy #14

Advertising Another Top Echelon Network Member's Job Order

Created: 02/20/1992

Last Revised: 05/06/2022

Do NOT advertise or re-post another Top Echelon Network Member's job order on the Internet or in any other medium (print or digital) without that Member's PRIOR written permission. A copy of that written permission must be sent to the Top Echelon Network offices via email or letter.

Spirit of this Policy

Some of the common problems that arise from re-posting another Network Member's job order without their prior written permission include the following:

- If the recruiter submitting the job order later modifies the job order, the modifications won't be re-posted by the recruiter doing the re-posting.
- Recruiters doing the re-posting may be duplicating the job order recruiter's own posting efforts without their knowledge, quite possibly on the same websites.
- In years past, recruiters who re-posted other Network Members' job orders did so with the intention of using the job orders as bait to collect candidates for themselves . . . and not really with the intention of making split placements.

Again, please be advised that if you wish to advertise or re-post another Network Member's job order on the Internet or in any other medium (print or digital), you must obtain that Member's PRIOR written permission. In addition, a copy of that written permission must be sent to the Top Echelon Network offices via email or letter.

However, due to the nature of the Internet, automated mechanisms randomly "scrape" the websites of Network agencies, including other Network Members jobs advertised through the TEN Feed. Over the years, Top Echelon has attempted to stop these automated mechanisms from "scraping" the TEN Feed, but it has proven to be virtually impossible. In a situation in which this happens, the agency owner whose website has been "scraped" will not be liable for the actions of these automated mechanisms.

Top Echelon Network Policy #15a

Honoring a Candidate Referral

Created: 11/1/1994

Last Revised: 12/7/2011

As a general rule, once you have accepted (and acknowledged acceptance of) candidate information from another Top Echelon Network recruiter, honor that candidate referral no matter how (or when) you later determine you "already had the candidate."

Spirit of this Policy

This policy has stemmed from occurrences in which a recruiter receiving a candidate referral from another recruiter suddenly "realized" they already had the candidate, thus triggering a debate as to whether or not they should honor the referral. Below are two possible scenarios regarding the honoring of a candidate referral.

(Note: Recruiter "A" is the recruiter with the candidate. Recruiter "B" is the recruiter with the job order.)

Scenario #1: Recruiter "A" calls Recruiter "B" in response to their job order and describes Candidate "X" to them. Sometime during the conversation, Recruiter "A" tells Recruiter "B" the candidate's name, but Recruiter "B" does NOT tell Recruiter "A" that they are presently working with the candidate. After they hang up, Recruiter "A" is under the impression that they've just referred this candidate to Recruiter "B." Recruiter "B," on the other hand, checks their records and discovers that they...

- ...already have the candidate's resume in their files and it was received in their office three months ago.
- --OR--...checks their computer and finds the candidate's contact information in their database.
- --OR--...had a conversation with the candidate three months ago about a different position, but hasn't talked to the candidate lately.

Top Echelon Network Policy for Scenario #1:

Recruiter "B" owes Recruiter "A" a full split placement fee. Since Recruiter "B" was not already in motion with the candidate, "BUT FOR" Recruiter "A's" actions, the deal may not have come together. Once Recruiter "B" has accepted the referral from Recruiter "A," they should honor that referral even if they later find the candidate in their files. The three-month time frame used in the possible scenario was an arbitrary figure, and it is Top Echelon Network's feelings that the time frame doesn't matter.

Scenario #2: Recruiter "A" calls Recruiter "B" in response to their job order and describes Candidate "X" to them. As soon as Recruiter "A" tells Recruiter "B" the candidate's name, Recruiter "B" says something like...

- "Oh, I'm already aware of that candidate, but thanks anyway."
- --OR--"I already know about this candidate and have been trying to call them, but haven't been able to reach them yet...but thanks anyway."

Granted, it's true that Recruiter "B" knew who Candidate "X" was and how to reach them, but they did NOT have contact with the candidate about the specific job opening Recruiter "A" was responding to prior to Recruiter "A" bringing their name up in the conversation.

Top Echelon Network Policy #15a (continued)

Top Echelon Network Policy for Scenario #2

Since Recruiter "B" has not had a prior conversation with the candidate about that specific job opening, Recruiter "B" should honor the referral from Recruiter "A." Unless factual evidence is presented, Top Echelon Network assumes that Recruiter "A's" referral was the cause of Recruiter "B" making contact with the candidate.

If Recruiter "B" proves that they were actively attempting to contact the candidate, then Recruiter "B" does NOT owe Recruiter "A" a split placement fee.

Closing Comments

Some of Top Echelon Network's Members who contributed to this topic pointed out, "We expect our clients to use the industry's "BUT FOR RULE" to honor candidate referrals from us, so we should expect the same thing from each other." We wholeheartedly agree. If you receive a candidate referral from another Top Echelon Network Member recruiter, honor it. If that means you shouldn't accept referrals until you've finished your own file search, that's fine. We say this because of the computer age and what it means to Top Echelon Network recruiters who are busily building their own databases. We know that if we allow Top Echelon Network recruiters to accept candidate referrals from their Trading Partners, only later to "renege" and reject the candidate referral because they subsequently found the candidate in their files, the "spirit of networking" will be diminished and relationships will be permanently damaged. The bottom line is this—if you accept a referral from a Trading Partner, honor it.

Top Echelon Network Policy #15b

Honoring a Job Order Referral

Created: 11/1/1994

Last Revised: 12/7/2011

Once you've accepted and acknowledged acceptance of a specific job order from another Top Echelon Network Member, honor that job order referral no matter how (or when) you later "receive" that job order on your own. You should turn away all other subsequent referrals of the same job assignment from any other sources. If you've accepted the job order information from another Member and shortly thereafter the client, or another Member, calls you directly to work on the assignment, you should let the client know you are already committed to work that job order through the Member who first made you aware of the opening.

Spirit of this Policy

Once a Member has shared their confidential job order information with you, they are entrusting you with that information so the two of you will make money together. Once you've accepted that job order information, you've made an implied commitment to them that the only way you will work on this job assignment is through them. At times, there will be circumstances that may tempt you into believing that you no longer need to honor their referral because you believe "you got the job order on your own accord." Be forewarned: Top Echelon Network strongly encourages you to ignore such temptations because it is our feeling that once you've accepted a specific job order from another Member, you should honor that referral of that specific job order forever and turn away all other referrals of the same job assignment. We say this because without this type of commitment from you, it is certain that Top Echelon Network Members won't be able to entrust you with their job orders, thus defeating the purpose of networking.

Top Echelon Network Policy #16

When Top Echelon Network Makes an Error

Created: 10/6/1999

Last Revised: 12/7/2011

Part 1: The Accuracy of Your Data That Gets Shared is Your Responsibility

You are responsible for both the extent to which your data is disseminated through Top Echelon Network and the accuracy of your data. Even if Top Echelon Network performs clerical tasks such as data entry, mass mailings, enhancements, and/or revisions to your data, you are ultimately responsible for the accuracy and degree of distribution of your data. You acknowledge that Top Echelon Network processes such a large volume of data that it will unintentionally make clerical mistakes relative to your data, and you will hold Top Echelon Network harmless from all losses related to such errors.

Spirit of Part 1 of this Policy

Top Echelon Network goes to great lengths to provide its Members and customers top-notch products and services. However, the sheer volume of data entry, clerical work, and programming changes Top Echelon Network performs on a daily basis almost guarantees that we will make mistakes. We do our best, but we are not perfect! Top Echelon Network is implementing this policy because while we attempt to help you make more placements, we are doing "more things" with your data than ever before. We need recruiters who subscribe to Top Echelon Network's Member level of service to understand that even though we may have caused an error, you are ultimately responsible for the accuracy of the data that Top Echelon Network distributes on your behalf.

Top Echelon Network's incentive to do quality work comes in the form of placements. We want quality as badly as you do. We need each Top Echelon Network Member to understand that "blaming" Top Echelon Network when an error occurs is not an option because you have agreed to assume full responsibility for the accuracy of your data that is distributed to others by Top Echelon Network (no matter what).

Part 2: Top Echelon Network's Hardware and Software Systems may Fail at Times

Should Top Echelon Network's products or services prove defective, damaged, corrupt, or unusable, we will endeavor, without obligation, to assist you in recovery, extraction, correction, and/or repair. However, all of Top Echelon Network's products and services are provided to you "as is" and "as available" with all defects and without any express or implied warranties of any kind. You acknowledge that from time-to-time you and others may experience losses from failures; delays; interruptions; unavailability; corruption; degradation; defects; downtime; security breaches; computer viruses; damaged computer hardware; damaged, corrupt, or lost data; defective, damaged, or corrupt software programs; and your use or inability to use Top Echelon Network's products and services. You assume the risk of all such losses regardless of the nature of the loss and will hold Top Echelon Network harmless from any such loss.

Spirit of Part 2 of this Policy

Top Echelon Network aggressively strives to offer its recruiters the most up-to-date computerized products and services in the industry. It is to our advantage when your firm is up and running and making placements, so we have gone to great lengths to hire the most competent people and provide the best software systems, products, and services available. We are cautious instead of cavalier, and we endeavor to do the best work we possibly can. Nevertheless, our efforts are bound to backfire from time to time. We will make mistakes, and you will experience times when you or your firm suffers from our mistakes. When this happens, please communicate the problem to us as quickly as possible, and we will try our very best to fix the problem at hand. Unfortunately, there will be times when a fix is unachievable or costly, but remember, by conducting business with Top Echelon Network, you are taking the calculated business risk that you could experience loss from your use or inability to use our products and services.

Top Echelon Network Policy #17

Use of the Top Echelon Network Logo

Created: 6/29/2001

Last Revised: 6/2/2021

Recruiters who subscribe to Top Echelon Network Network's Member level of service agree to adhere to the standards as outlined in this policy regarding use of the Top Echelon Network logo in their marketing materials, including letterhead, websites, business cards, email signature files, etc. Top Echelon Network grants a limited, non-transferable, non-assignable license to use the Top Echelon Network trademark. Top Echelon Network reserves the right to deny usage of the logo at will.

Spirit of this Policy

The use of the Top Echelon Network logo is free (and optional) for Members who feel that our Network's name can help show their clients and candidates that they are "well connected" with a quality group of recruiters. This policy basically ensures that every Member who uses the logo agrees to use the logo in a professional and quality manner. You are also assured that all other Members who choose to use the logo will do the same. To obtain the Top Echelon Network logo(s), please contact the Top Echelon Network marketing department.

A. Eligibility to Use the Top Echelon Network Logo

The recruiter's status as a Top Echelon Network Member in good standing is a prerequisite to the use of the Top Echelon Network artwork. This policy requires that the recruiter using the Top Echelon Network logo will do the following:

- Maintain a consistent and professional business relationship with job applicants, hiring officials, recruiting Trading Partners, and the Top Echelon Network staff.
- Adhere to Top Echelon Network Policies, Golden Rules, and guidelines.
- Maintain a good credit history with Top Echelon Network.
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B. Use of the Top Echelon Network Logo

The following are some specific guidelines to use whenever the Top Echelon Network logo is printed, utilized on the Internet, or reproduced in any other manner:

- Placement and positioning of the Top Echelon Network artwork must be tasteful and free from obstruction.
- Only use logos/artwork supplied by Top Echelon Network to ensure accuracy and good reproduction.
- When used in print, the logo must be used in conjunction with each firm's logo and should not appear alone.
- Top Echelon Network will not control the circulation, demographics, or geographic area of an individual Member's advertising and/or marketing efforts.
- When referring to one's Membership with Top Echelon Network within their marketing materials, the complete company name must be used: Top Echelon Network. Do not refer to Top Echelon Network as "TE Network," "TEN," etc.
- To obtain the current Top Echelon Network logo, reach out to marketing@topechelon.com requesting the logo and color style guide.

Top Echelon Network Policy #17 (continued)

C. Change in status

If a Member account is terminated for any reason, Top Echelon Network reserves the right to ask for the immediate return or destruction of all promotional material and other items bearing Top Echelon Network trademarks (including, but not limited to, Top Echelon Network signs, display materials, ad specialties, clothing, promotional items and giveaways, letterhead stationery, business cards, and other business forms). Under these changed circumstances, Top Echelon Network will also discontinue permission and license for the use of its trademarks on any items that are the property of the former Top Echelon Network recruiter. It is suggested that all such items are to be fabricated in a manner that will permit easy removal of the Top Echelon Network trademarks. The Top Echelon Network recruiter agrees that if their account is terminated, they will do the following:

- Never use any of the Top Echelon Network trademarks in any advertising other than fair use as permitted under applicable law.
- Never use phrases such as Top Echelon Network Member, Network Member, Top Echelon Network certified, or the like.
- Never take any action that is likely to cause confusion as to whether the recruiter is a Top Echelon Network recruiter; authorized Top Echelon Network service provider; or is otherwise endorsed, sponsored, or approved by Top Echelon Network, Inc.
- The Top Echelon Network recruiter agrees that Top Echelon Network shall be entitled to appropriate injunctive relief in addition to damages allowed by law in the event that any of these provisions are not honored promptly after termination of the business relationship.

