

SAMPLE EMPLOYMENT CONTRACT

Notice to Reader: This contract template was written as a guide for people who are employed by a company of which they are a shareholder. It should be reviewed and by a labour lawyer who is familiar with your personal circumstances. Some clauses may not be appropriate in all cases and should be amended as appropriate.

Employer: _____

Address: _____

Phone Number: _____ Fax Number: _____

Email Address: _____

Employee: _____

Last Name: _____ First Name: _____

Home Address: _____

Phone Number: _____ Fax Number: _____

Email Address: _____

The PARTIES agree as follows:

TERM OF CONTRACT

1. This contract shall be of a duration of _____ months or unlimited time period from the date THE EMPLOYEE assumes his/her duties. (the "TERM OF EMPLOYMENT")

JOB DESCRIPTION

2. THE EMPLOYEE agrees to carry out the following tasks: (Describe tasks, in detail).

WORK SCHEDULE

3. THE EMPLOYEE shall use their own discretion to determine the number of hours required to fulfil the duties of the position in a satisfactory manner. The maximum number of hours of work, including travel time, are seven hours per day and anything in excess of seven hours per day (thirty five hours per week) are considered to be overtime hours.

4. THE EMPLOYEE shall be entitled to a minimum of _____ weeks of paid vacation.

5. THE EMPLOYEE shall be entitled to a minimum of _____ days of sick leave per year.

6. Home office - the employee shall work from their home, in addition to any premises the employer may provide. The work may involve business meetings at the home or from the home by means of telephone, internet, etc. The employee may also provide storage for employer records, files, data backups, inventory, vehicles or other assets of the employer. The employer shall provide reimbursement to the employee for all costs associated with providing this space for the employer.

7. Internet access - the employee shall maintain internet access at their home for employer related internet use. The costs of such service shall be paid for by the employer.

WAGES AND DEDUCTIONS

8. THE EMPLOYER agrees to pay **THE EMPLOYEE**, for his/her work, wages of \$_____ per month and may pay bonuses and / or other forms of compensation as the employer feels appropriate. Wages shall be reviewed at least annually.

9. BENEFITS THE EMPLOYEE shall be entitled to, which shall be paid for by the employer, and if required by tax laws shall be added to the employees income as a taxable benefit:

- a. **Join any Private health services plans** (such as medical or dental plans) as may be established by the employer.
- b. **Provincial Hospitalization Insurance Plan,**
- c. **Insurance** coverage (critical illness, life, etc) for the employee may be provided by the employer.
- d. **Loans** - the employer may lend the employee money for purchase of a vehicle to be used, in part, for business use; to acquire a dwelling; or for any other purpose the employer considers to be reasonable. Interest costs may be added to the employee as a taxable benefit in lieu of actual payment of the interest. Interest rates shall be determined based on Canada Revenue Agency rates.
- e. **Professional Membership Fees** - the employee shall be required to obtain and / or maintain membership(s) in _____ as a requirement of employment. Payment of all professional dues and membership fees shall be made by the employer.
- f. **Death benefit** - in the event of the death of the employee the employer shall pay a death benefit to spouse and / or children of the employee.
- g. **Automotive** - The employer shall either provide the employee with a vehicle, with all vehicle expenses being paid by the employer; or pay the employee a reasonable non-taxable reasonable per-kilometre allowance where the employee provides their own transportation. If the actual costs of the vehicle provided by the employee are higher than the rates as set by Canada Revenue Agency, the employer may reimburse the employee based on the actual costs, as may reasonably be determined.
If an allowance is paid the employer shall also reimburse the employee for the costs of any supplementary business insurance, toll or ferry charges.
- h. **Recreational facilities and club dues** - The employer may provide, at no cost to the employee, membership in club(s) or recreational facility(s), as the employer sees fit, where the principal purpose of the membership is for the benefit of the employer. The employer may also provide in-house recreational facilities or pay an organization to provide recreational facilities. These facility or membership may be available to all employees. There may be a taxable benefit added to the employee for any personal use of these facilities.
- i. **Overtime meal allowances** - When the employee works three or more hours of overtime right after his or her regular hours of work, the employer will pay overtime meal allowances, when the overtime is infrequent and occasional in nature (less than three times a week).
- j. **Employer-Paid Educational Costs** - the employer shall pay for all courses taken for maintenance or upgrading of employer-related skills. Expenses covered will include: fees and other associated costs such as meals, travel and accommodation which are paid for courses leading to a degree, diploma or certificate.

- k. **Uniforms and Special Clothing** - The employer may supply a distinctive uniform to be worn while carrying out the duties of employment or may provide special clothing (including safety footwear) designed for protection from the particular hazards of the employment. The employer agrees to pay for, or reimburse the employee, for all laundry or dry cleaning expenses of uniforms and special clothing.
- l. **Travel Expenses** - The employer agrees to pay all travel expenses incurred by the employee while on business. The employer will reimburse the employee for all reasonable expenses based on: the lower of the actual expenses incurred or the current rates, as used by the Treasury Board for Government of Canada employees. If Treasury Board rates are used the employee is not required to provide receipts. The employer shall also pay all travel expenses when a spouse accompanies the employee on a business trips and the spouse is engaged primarily in business activities on behalf of the employer during the trip.
- m. **Meals away from the municipality** - The employer shall provide meals for the employee if the employee is away from the municipality or metropolitan area where the employer's establishment is located. Reimbursements shall be at the lower of actual expense or Treasury Board rates.
- n. **Gift and / or awards program** - The employee is eligible to be a recipient for any employer non-cash gift and /or awards program.
- o. **Other benefits** - The employee will be eligible for any other benefits which the employer may offer.

NOTICE OF RESIGNATION

10. Should he/she wish to terminate the present contract, THE EMPLOYEE agrees to give THE EMPLOYER written notice thereof at least one week in advance.

NOTICE OF TERMINATION OF EMPLOYMENT

11. THE EMPLOYER must give a minimum of ____ months written notice before terminating the contract of THE EMPLOYEE.

IN WITNESS WHEREOF the parties state that they have read and accepted all the terms and conditions stipulated in the present contract.

Signed at: _____ and at: _____

The Employer

The Employee

Date

Date