

Sample Offer Letter (Complex version)

Date _____

Dear:

We are very pleased to offer you the position of _____ at Organization. We look forward to having you as part of ABC's team. This document will confirm our employment agreement. This agreement is entered into between Organization (hereinafter called "Organization") and Candidate (hereinafter called "Employee") made this _____ day of _____, 2 _____. It is agreed that the Employee shall act in the position of _____ effective _____.

JOB DESCRIPTION

The Employee shall have the duties, responsibilities, authority and reporting relationship as defined in the job description for this position (attached), which may be changed by the Organization in operational memoranda from time to time as mutually agreed upon.

COMPENSATION

It is agreed that the Organization shall pay via organization cheque to the Employee the amounts set out in [Schedule A](#), which is hereby incorporated by reference as if specifically set forth herein.

EMPLOYEE'S DUTIES – THE EMPLOYEE

- a) The Employee agrees to commit all of his time and energy to his employment. The Employee agrees to have no other employment during the duration of this agreement unless otherwise agreed upon in writing.
- b) The Employee shall keep secret and confidential, and not disclose to any person, organization or corporation whatsoever or use for his own benefit, unless authorized in writing by the Organization, any information including, but not limited to, business methods, materials, lists of clients and prospective clients, and any records related thereto.

VACATION

The Employee shall be entitled to three (3) weeks of vacation in _____. In _____, the Employee will be entitled to four (4) weeks of vacation. After five (5) years of continuous service, the Employee will be entitled to five (5) weeks of vacation.

EXPENSE REIMBURSEMENT

It is agreed that the Organization shall reimburse out-of-pocket business expenses to the Employee properly incurred by the Employee in connection with the Employee's duties provided that such expenses are approved by an authorized officer of the Organization. The Employee shall submit an itemized expense account for all such expenses, together with receipts showing all monies actually expended by the Employee on behalf of the Organization and such other information as the Organization may request from time to time.

EMPLOYEE REPRESENTATION

The Employee represents that he/she is not in possession of any confidential information from a previous employer that is protected by law and that can be used by the Organization for profit purposes.

Sample Offer Letter (Complex version) Cont'd

PROBATIONARY PERIOD

The Employee is subject to an initial probation period of three months (90 days), commencing on _____ . If the Organization, or the Employee, decides at any time during the probation period that employment is not suitable, either party may terminate employment either during or at the end of the probation period, with one (1) pay period notice (two weeks).

TERMINATION

- i) Except where the Organization has cause to terminate the Employee's employment, the Employer may terminate the Employee by providing the amount of statutory notice in writing, or payment in lieu thereof, any statutory severance to which the Employee may be entitled according to BC Employment Standards legislation, except as provided for in paragraph (f).
- ii) Upon termination, the Employee shall return any and all confidential information provided to the Employee by the Organization or generated by the Employee during the period of employment with the Organization and copies of all lists, in any form or format, of clients or prospective clients of the Organization and any and all material related to the Organization's business methods, technical information, and any and all related information thereto.
- iii) Whether the Employee's employment is terminated with or without cause, the Employee shall not, directly or indirectly:
 - a. Make use or avail himself of any of the property or information acquired as a result of his employment with the Organization; and,
 - b. For a period of twelve (12) months, solicit clients or potential clients of the Organization; and,
 - c. Whether the Employee is terminated with or without cause, or the employee quits, the Employee agrees not to be employed directly or indirectly, by any of the Organization's clients or their affiliates, for a period of twelve (12) months from the Employee's termination date.
- iv) The Employee acknowledges and agrees that irreparable damage will result to the Organization in the event of the breach by the Employee of any of his obligations hereunder and is therefore understood and agreed that, in the event of any such breach by the Employee, the Organization shall be entitled, in addition to other legal and equitable remedies available to it, to an injunction to restrain such breach by the Employee.
- v) The Organization agrees to compensate the Employee, when terminated without cause, the following:
 - a. 0 to 3 months of service – 2 weeks
 - b. 4 months to 1 year of service – 1 month
 - c. 1+ year of service – 1 month for every year of service up to a maximum of 6 months

The separation allowance will be paid to the Employee in bi-weekly instalments, less statutory deductions and less any outstanding advances. This amount is inclusive of any statutory notice or severance pay entitlements. As well, upon termination, the Employee will be entitled to any vacation pay owed.

Should the Employee obtain new employment prior to the expiry of the severance allowance, the separation allowance will then cease as of the date the Employee begins new employment, and the Employee is entitled as such time to a lump sum payment equivalent to 50% of the separation payments from that date to the expiry of the severance allowance.

Cont'd

Sample Offer Letter (Complex version) Cont'd

As an option to receiving the separation allowance as salary continuation, the Employee may select a lump sum payment equivalent to 75% of the total payments throughout the separation period, less statutory deductions, and any outstanding advances.

- vi) Should the Employee resign from the Organization without cause, the Employee is required to provide the Organization thirty (30) days notice unless otherwise mutually agreed upon in writing.

GENERAL

- a) This agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- b) This agreement evidences the entire agreement between the parties hereto with respect to the subject matter contained herein and cannot be changed, modified or supplemented except by supplementary agreement executed by both parties hereto.
- c) This agreement supersedes and voids all previous agreements, negotiations and communications between the parties hereto.
- d) Should any part of this agreement, for any reason, be declared invalid, such decision shall not affect the validity of any remaining portion, which remaining portion shall remain in full force and effect as if this agreement had been executed with the invalid portion thereof eliminated and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of the agreement without including any such part, parts or portion which may, for any reason, be hereinafter declared invalid.

IN WITNESS WHEREOF the parties have duly executed this agreement this _____ day of _____ in the City of _____ in the Province of British Columbia.

Organization

Per:

Authorized Signing Officer

Employee

Witness

Schedule "A"

Will be reviewed on an annual basis.

COMPENSATION

- a) Base salary shall be in the amount of _____ dollars (\$ _____) gross annually, payable bi-weekly.
- b) The Employee shall not be entitled to participate in any Organization profit sharing or incentive plans available to other Organization employees.
- c) A quarterly bonus amount to an annual maximum of 50% of base salary will be paid to the Employee provided that Organization exceeds its annual financial plan ("Plan") target pre-tax earnings. This pre-tax amount will be set annually based on the previous five year's average earnings.
- d) The bonus amount will be determined and earned quarterly to a maximum of 12.5% of base, calculated at 10% of net margin in excess of the targeted pre-tax earnings. Payments of the bonus amount will be 60% of the earned bonus amount for the first three quarters with the balance remitted, less any adjustments, within thirty (30) days after the end of each quarter.
- e) For purposes of calculating the quarterly bonus amount, the financial plan target pre-tax earnings will be adjusted for the cost of any out of the ordinary payroll draws, bonuses, club dues, or other perquisites afforded any or all of the owners of the business. The total bonus amount paid to the Employee will be exclusive of the incentive plans paid to other Organization employees. Accounting for Organization will adhere to generally accepted accounting principles.
- f) The Employee is entitled to participate in the employee group insurance plan, and such benefits as may be presented therein and as may be modified from time to time. Such benefit package will be made available after ninety (90) days of continuous employment.
- g) The Organization and the Employee will review the compensation schedule on an annual basis. Subject to the Employee's satisfactory performance, the annual base compensation will be increased to \$ _____ on _____ .
- h) Lease payments for a organization car will be provided to a maximum of \$ _____ per month. In addition, insurance costs and maintenance for the organization car will be the responsibility of Organization.