

EMPLOYMENT AGREEMENT

THIS AGREEMENT made this ____ day of ___, 20___, by and between _____ (“Corporation”), a _____ corporation, and _____ (“Employee”).

WITNESSETH:

In consideration of the covenants and agreements herein contained and the moneys to be paid hereunder, the Corporation agrees to hire the Employee, and the Employee agrees to work for the Corporation upon the following terms and conditions:

1. *Duties of Employee:* The Employee is employed by the Corporation to render services on behalf of the Corporation as _____.

2. *Devotion of Full-Time to Employment:* The Employee shall not engage in or carry on or be employed by, directly or indirectly, any other business or profession without the consent of the Corporation; provided, however, that nothing herein contained shall prohibit the Employee from investing or trading in stocks, bonds, commodities, or other securities or forms of investments, including real property.

3. *Salary:* The Corporation shall pay to the Employee as compensation for his services a salary of \$___ per year, payable in equal monthly or other convenient installments during the term of this Agreement. Said salary shall be reduced by any payments made to the Employee because of his disability under insurance policies for which the Corporation has paid the premiums. (Any portion of said salary that shall be disallowed in whole or in part as a deductible expense for Federal income tax purposes shall be reimbursed by the Employee to the Corporation to the full extent of the disallowance.)

The Corporation shall purchase at, its expense, an insurance policy on the life of Employee, payable to the beneficiary or beneficiaries designated in writing by the Employee. Said insurance policy shall be in the face amount of \$___.

The Corporation shall purchase, at its expense, a major medical insurance policy insuring the Employee and his dependents, which policy shall be reasonably acceptable to the parties hereto.

The Corporation shall institute a medical reimbursement plan, mutually acceptable to the parties hereto, providing, among other things, for (1) reimbursement to the Employee of premiums paid by the Employee for a disability insurance policy paying a maximum of \$___ per month after ___ weeks of disability and (2) reimbursement up to the amount of \$___ per year for the medical expenses of the Employee and his dependents not otherwise covered by medical insurance.

ALTERNATE ONE

4. *Term of Agreement:* The effective date of this Agreement shall be ___, and it shall remain effective and continue in force and effect until terminated as hereinafter provided. Notwithstanding the foregoing, the Employee’s salary specified above shall be effective only through the end of the Corporation’s taxable year, and the same shall be renegotiated in the last month of each taxable year of the Corporation for the following such taxable year until this Agreement is terminated. Said salary shall not be reduced without the written consent of Employee.

ALTERNATE TWO

4. *Term of Agreement:* Subject to the provisions of paragraph ___ hereof regarding termination, the term of this employment shall commence ___, and shall continue thereafter for a period of ___ years until ___. Thereafter, this employment shall be deemed to be renewed automatically, upon the same terms and conditions, for successive periods of one (1) year each until either party, at least thirty (30) days prior to the expiration of the original term or of any extended term, shall give written notice to the other of intention not to renew such employment. Notwithstanding the foregoing, the Employee’s salary specified above shall be effective only through the end of the Corporation’s taxable year, and the same shall be renegotiated in the last month of each taxable year of the Corporation for the following such taxable year until this Agreement is terminated. Said salary shall not be reduced without the written consent of Employee.

ALTERNATE ONE

5. *Automobile:* The Corporation shall lease or own the automobile used by the Employee in the conduct of the Corporation’s business as a condition of his employment, and the Corporation shall pay for all gas, oil, repairs and maintenance, rent (if any), an allowance for depreciation (if any) and insurance in connection therewith.

ALTERNATE TWO

5. *Automobile:* The Employee shall lease or own the automobile used by the Employee in the conduct of the Corporation’s business as a condition of his employment, and the Corporation shall pay for all gas, oil, repairs and maintenance, rent (if any), an allowance for depreciation (if any) and insurance in connection therewith.

6. *Reimbursable Expenses:* Except as herein otherwise provided, the Corporation may reimburse the Employee for all pre-approved expenses, or the Employee may be entitled to charge to the Corporation all pre-approved expenses incurred by him, in and about the course of his employment by the Corporation. The Corporation must

approve, in advance, all expenses or reimbursements to be paid hereunder. Such expenses shall include but not be limited to:

(a) License fees, membership dues in professional organizations, and subscriptions to professional journals.

(b) The Employee's necessary travel, hotel and entertainment expenses incurred in connection with overnight, out-of-town trips for educational, professional or other related meetings or in connection with other events that contribute to the benefit of the Corporation.

(c) The Employee's necessary travel and entertainment expenses in connection with in-town events for education, professional and other related meetings or in connection with other events that contribute to the benefit of the Corporation.

7. *Vacation*: The Employee shall be entitled to such vacation as is authorized by the Corporation from time to time.

8. *Time Off*: The Employee shall be entitled to such time off as is authorized by the Corporation from time to time.

9. *Termination of Agreement*:

(a) The Corporation may terminate this Agreement at any time if the Employee becomes unfit to properly render services as _____ to the Corporation because of drunkenness, insubordination, gross neglect of his duties, proven dishonesty, or commission of a felony. Such termination shall be effective upon the delivery of written notice thereof to the Employee or at such later time as may be designated in said notice, and the Employee shall vacate the offices of the Corporation on or before such effective date.

(b) The Employee or the Corporation may voluntarily elect to terminate this Agreement, provided that the party electing to terminate must deliver to the other party written notice of such intention to terminate not less than sixty (60) days prior to the date of such termination.

10. *Disability*: If the Employee is unable to fully perform his duties hereunder by reason of illness or incapacity of any kind for a period of more than _____ months, his salary payments may be reduced or terminated by the Corporation in its absolute discretion. The Employee's full salary shall be reinstated upon his return to full time employment and the full discharge of his obligations pursuant to this Agreement.

11. *Bonus*: To provide greater incentive for the Employee by rewarding him with additional compensation, a bonus in the form of cash may be paid to the Employee at any time during the year if he has substantially contributed to the success of the Corporation. Whether or not such bonus shall be paid to the Employee and, if so, the amount thereof, shall be within the sole discretion of the Corporation. In making such determination, the Corporation shall consider the following:

(a) The net profits of the Corporation for such year;

(b) The regular salary of the Employee during such year;

(c) The financial needs of the Employee;

(d) The Employee's knowledge of and skill in performing the tasks assigned to him;

(e) The Employee's overall improvement during such year as an employee of the Corporation;

(f) The Employee's rapport with the customers of the Corporation;

(g) A comparison of the Employee's performance with the performance of other employees of the Corporation based on the foregoing criteria; and

(h) Such other matters as may be considered appropriate by the officers and directors of the Corporation.

12. *Death Benefit*: In the event the Employee should die during the term of this Agreement, the Corporation shall pay, by reason of the death of the Employee and as additional compensation for the services of the Employee to the Corporation hereunder, the sum of \$5,000.00 to the beneficiary or beneficiaries designated in writing by the Employee or, in the event of the failure of such designation, to the estate of the Employee. Such death benefit shall be payable on or before the expiration of six (6) months following the death of the Employee. The Employee shall at no time be entitled to receive personally the death benefit provided for hereunder.

13. *Limitations on Authority*: Without the express written consent from the Corporation, the Employee shall have no apparent or implied authority to:

(a) Pledge the credit of the Corporation or any of its other employees.

(b) Bind the Corporation under any contract, agreement, note, mortgage, or otherwise.

(c) Release or discharge any debt due the Corporation unless the Corporation has received the full amount thereof.

(d) Sell, mortgage, transfer, or otherwise dispose of any assets of the Corporation.

14. *Liquidated Damages for Breach*: Notwithstanding anything herein contained to the contrary, if the Employee knowingly breaches this Agreement, and such breach continues unremedied for fifteen (15) days after written notice of such breach has been given to the Employee, the right of such Employee to receive any continued salary payments to which he would otherwise be entitled shall be forfeited as liquidated damages for such breach.

OPTIONAL PARAGRAPH

15. *Disallowance of Expense Deductions.* If any salary or other compensation payments made to the Employee, or, any other payment made to or for the benefit of the Employee is disallowed, in whole or in part, as a deductible expense by the Internal Revenue Service or the Department of Revenue of the State of _____, such payment shall be reimbursed by the Employee to the Corporation to the full extent of such disallowance. The reimbursement by the Employee shall be made within thirty (30) days after the amount actually disallowed has been finally determined, by agreement or otherwise. If the Corporation is not fully reimbursed within such thirty (30) day period, it shall have the right to withhold all future compensation payments due to the Employee until the amount owed to the Corporation has been paid in full. The Corporation shall not be required to defend any proposed disallowance of any payment by the Internal Revenue Service or by the Department of Revenue of the State of _____.

16. *Covenant Not to Compete:* The Employee agrees that for a period of _____ months following the termination of employment hereunder, whether such termination be with or without cause, and within an area of _____ miles from the corporate limits of _____, the Employee will not enter into the employ of any person, firm or corporation engaged in a similar line of business in competition with the Corporation, nor engage during such period, directly or indirectly, as principal, agent or employee, in any such business in competition with the Corporation. The parties hereto recognize that the services to be performed by the Employee are special and unique, and that by reason of the employment hereunder, the Employee will acquire confidential information as aforesaid. It is agreed that any breach of this agreement by the Employee shall entitle the Corporation, in addition to any other legal remedies available to it, to apply to any court of competent jurisdiction to enjoin any violation of this agreement.

In any action or proceeding relating to or involving enforcement of this covenant, and any counterclaim, cross-claim or other litigation which may be asserted or brought against the Corporation, the Employee hereby expressly waives any and all right to a trial by jury with respect to the action, proceeding or other litigation resulting from or involving the enforcement of the covenant. Further, in any action or proceeding by the Corporation to obtain a temporary restraining order and/or preliminary injunction, the Employee hereby agrees that the Corporation shall not be required to post an injunction bond in excess of the principal sum of Five Thousand Dollars (\$5,000.00) in order to obtain the temporary restraining order and/or preliminary injunction. Should the Corporation's action for a temporary restraining order and/or motion for preliminary injunction be granted in whole or in part, and should the Corporation be ultimately unsuccessful in obtaining a permanent injunction to enforce the covenant, the Employee hereby waives any and all rights the Employee may have against the Corporation for any injuries or damages, including consequential damages, sustained by the Employee and arising directly or indirectly from the issuance of the temporary restraining order and/or preliminary injunction.

The Employee acknowledges that when this Agreement is concluded, the Employee will be able to earn a living without violating the restrictions contained in this paragraph and that the Employee's recognition and representation of this fact is a material condition to the execution of this Agreement and to the Employee's continued employment with the Corporation.

17. *Invalid Provision:* The validity or unenforceability of a particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

18. *Modification:* No change or modification of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

19. *Applicable Law and Binding Effect:* This Agreement shall be construed and regulated under and by the laws of the State of _____, and shall inure to the benefit of and be binding upon the parties hereto and their heirs, personal representatives, successors and assigns.

20. *Costs and Attorney's Fees.* If the obligations of the parties expressed herein are the subject of litigation, the prevailing party shall be entitled to recover from the other party all reasonable costs and expenses of such litigation, including reasonable attorney's fees and costs of appeal.

IN WITNESS WHEREOF, the undersigned have hereunto caused this Agreement to be executed the day and year first above written.

CORPORATION:

By: _____
President

Attest: _____
Secretary

WITNESSES:

EMPLOYEE:

As to Employee
