

# EMPLOYMENT AGREEMENT (CEO)

## TABLE OF CONTENTS

	PAGE
RECITALS .....	7
<b>0.00 INTERPRETATION .....</b>	<b>7</b>
0.01 Definitions .....	7
0.01.01 Activities .....	7
0.01.02 Admissible Expenses .....	7
0.01.03 Agreement .....	8
0.01.04 Best Effort .....	8
0.01.05 Board of Directors .....	8
0.01.06 Budget .....	8
0.01.07 Change in Control .....	8
0.01.08 Client .....	9
0.01.09 Code of Conduct .....	9
0.01.10 Confidential Information .....	9
0.01.11 Entire Term .....	9
0.01.12 Fiscal Year .....	10
0.01.13 Force Majeure .....	10
0.01.14 Intellectual Property .....	10
0.01.15 Law .....	10
0.01.16 Legal Representatives .....	10
0.01.17 PARTY .....	10
0.01.18 Person .....	10
0.01.19 Prime Rate .....	11
0.01.20 Related Person .....	11
0.01.21 Suppliers .....	11
0.02 Precedence .....	11
0.03 Jurisdiction .....	11
0.03.01 Governing Law .....	11
0.03.02 Non-compliance .....	12
(a) Severability .....	12
(b) Substitute Provision .....	12
0.04 Miscellaneous .....	12
0.04.01 Cumulative Rights .....	12
0.04.02 References within Agreement .....	12
0.04.03 Gender and Number .....	12
0.04.04 Headings .....	13
0.04.05 Presumptions .....	13
0.04.06 Knowledge .....	13

# EMPLOYMENT AGREEMENT (CEO)

0.04.07	Approval .....	13
0.04.08	GAAP .....	13
<b>1.00</b>	<b>PURPOSE .....</b>	<b>13</b>
1.01	Employment .....	13
1.02	Responsibilities .....	13
1.03	Authority .....	14
1.03.01	General Powers .....	14
1.03.02	Accountability .....	15
1.04	Workplace .....	15
<b>2.00</b>	<b>COMPENSATION AND BENEFITS .....</b>	<b>15</b>
2.01	Signing Bonus .....	15
2.02	Base Salary .....	15
2.02.01	Initial .....	15
2.02.02	Adjustment .....	15
2.03	Performance Bonus .....	16
2.04	Option .....	16
2.04.01	Grant .....	16
2.04.02	Duration .....	16
2.04.03	Exercise .....	16
2.05	Vacation .....	16
2.06	Vehicle .....	16
2.07	Insurance .....	17
2.07.01	Disability .....	17
2.07.02	Liability .....	17
2.07.03	Collective or Group .....	17
2.08	Pension Plan .....	17
2.09	Acknowledgement .....	17
<b>3.00</b>	<b>TERMS OF PAYMENT .....</b>	<b>17</b>
3.01	Signing Bonus .....	18
3.02	Base Salary .....	18
3.03	Performance Bonus .....	18
3.04	Interest .....	18
<b>4.00</b>	<b>SECURITY .....</b>	<b>18</b>
<b>5.00</b>	<b>MUTUAL REPRESENTATIONS AND WARRANTIES .....</b>	<b>18</b>
<b>6.00</b>	<b>REPRESENTATIONS AND WARRANTIES OF EMPLOYER .....</b>	<b>19</b>
6.01	Status .....	19
6.02	Authority .....	19
6.03	Binding Agreement .....	19

# EMPLOYMENT AGREEMENT (CEO)

<b>7.00</b>	<b>REPRESENTATIONS AND WARRANTIES OF CEO .....</b>	<b>19</b>
7.01	Canadian Resident .....	19
7.02	Information .....	19
7.03	Health.....	19
<b>8.00</b>	<b>MUTUAL DUTIES AND OBLIGATIONS .....</b>	<b>20</b>
<b>9.00</b>	<b>DUTIES AND OBLIGATIONS OF EMPLOYER .....</b>	<b>20</b>
9.01	Resources .....	20
9.02	Equipment.....	20
9.02.01	Laptop Computer.....	20
9.02.02	Mobile Communication Device .....	20
9.03	Expenses .....	20
9.04	Indemnification .....	20
9.05	Training.....	21
9.06	Relocation .....	21
9.07	Personal Information and Privacy .....	21
9.08	Termination of Employment.....	22
9.08.01	Balance .....	22
9.08.02	Career Transition Assistance.....	22
<b>10.00</b>	<b>DUTIES AND OBLIGATIONS OF CEO.....</b>	<b>22</b>
10.01	Availability/Exclusivity .....	23
10.02	Support.....	23
10.03	Conduct.....	23
10.04	Confidential Information .....	23
10.04.01	Acknowledgement.....	23
10.04.02	Return of Documentation .....	23
10.05	Non-Competition .....	24
10.05.01	Scope of Undertaking.....	24
10.05.02	Penalty .....	24
10.06	Non-Solicitation of Clients .....	24
10.06.01	Scope .....	24
10.06.02	Penalty .....	24
10.07	Non-Solicitation of Staff.....	24
10.07.01	Scope .....	24
10.07.02	Penalty .....	25
10.08	Business Opportunities .....	25
10.09	Conflict of Interest .....	25
10.10	Intellectual Property.....	25
10.10.01	Disclosure.....	25
10.10.02	Assignment.....	26
10.10.03	Waiver .....	26
10.10.04	Cooperation .....	26

# EMPLOYMENT AGREEMENT (CEO)

10.10.05	Execution .....	26
	(a) Personally .....	26
	(b) By proxy .....	26
<b>11.00</b>	<b>SPECIAL PROVISIONS .....</b>	<b>27</b>
11.01	Assignment .....	27
11.02	Other Remedies .....	27
	11.02.01 Choices .....	27
	11.02.02 No Limitations .....	27
11.03	Prescription .....	27
<b>12.00</b>	<b>GENERAL PROVISIONS .....</b>	<b>27</b>
12.01	Notice .....	27
12.02	Dispute Resolution .....	27
	12.02.01 Good Faith Negotiations .....	27
	12.02.02 Mediation .....	28
	12.02.03 Arbitration .....	28
12.03	Election .....	28
12.04	Counterparts .....	28
12.05	Amendment .....	28
12.06	Waiver of Rights .....	29
12.07	Electronic Transmission .....	29
12.08	Language .....	29
<b>13.00</b>	<b>TERMINATION .....</b>	<b>29</b>
13.01	Mutual Consent .....	29
13.02	By EMPLOYER .....	29
13.03	By CEO .....	30
13.04	Termination of Employment .....	30
	13.04.01 Departure .....	30
	13.04.02 Reimbursement of Advances .....	30
<b>14.00</b>	<b>EFFECTIVE DATE .....</b>	<b>31</b>
<b>15.00</b>	<b>DURATION .....</b>	<b>31</b>
15.01	Probationary or Trial Period .....	31
15.02	Initial Term .....	31
15.03	Renewal .....	31
15.04	Indeterminate .....	31
15.05	Survival .....	31
15.06	Non Renewal .....	31
<b>16.00</b>	<b>SCOPE .....</b>	<b>33</b>

**EMPLOYMENT AGREEMENT  
(CEO)**

**SCHEDULES**

**PAGE**

**SCHEDULE A – EXCERPT FROM A RESOLUTION OF EMPLOYER.....34**

o o o o o

© edilex inc.  
www.edilex.com

# EMPLOYMENT AGREEMENT (CEO)

EMPLOYMENT AGREEMENT entered into in the City of \_\_\_\_\_, Province of \_\_\_\_\_ (insert name of province), Canada.

**BETWEEN:** V1 \_\_\_\_\_ (*name of individual*), \_\_\_\_\_ (*occupation*), domiciled and residing at \_\_\_\_\_ (*insert civic number and street name*), in the City of \_\_\_\_\_ (*insert name of city*), Province of \_\_\_\_\_ (*insert name of province*), \_\_\_\_\_ (*postal code*);

**OR**

V2 \_\_\_\_\_ (*corporate or business name*), a legal person duly incorporated pursuant to the \_\_\_\_\_ Act (*name of statute under which the corporation was incorporated*), having its principal place of business at \_\_\_\_\_ (*insert civic number and street name*), in the City of \_\_\_\_\_ (*insert name of city*), Province of \_\_\_\_\_ (*insert name of province*), \_\_\_\_\_ (*postal code*);

**OR**

V3 \_\_\_\_\_ (*corporate or business name*), a legal person duly incorporated pursuant to the \_\_\_\_\_ Act (*name of statute under which the corporation was incorporated*), having its head or registered office at \_\_\_\_\_ (*insert civic number and street name*), in the City of \_\_\_\_\_ (*insert name of city*), Province of \_\_\_\_\_ (*insert name of province*), \_\_\_\_\_ (*postal code*), represented by \_\_\_\_\_ (*name of representative*), its \_\_\_\_\_ (*title of representative*), duly authorized for the purposes hereof;

**OR**

V4 \_\_\_\_\_ (*corporate or business name*), a legal person, duly incorporated pursuant to the \_\_\_\_\_ Act (*name of statute under which the corporation was incorporated*), having its head or registered office at \_\_\_\_\_ (*insert civic number and street name*), in the City of \_\_\_\_\_ (*insert name of city*), Province of \_\_\_\_\_ (*insert name of province*), \_\_\_\_\_ (*postal code*), and duly registered under number \_\_\_\_\_ ( \_\_\_\_\_ ) in accordance with \_\_\_\_\_ (*insert name of statute pursuant to which the entity is registered*), represented by \_\_\_\_\_ (*name of representative*), its \_\_\_\_\_ (*title of representative*), duly authorized for the purposes hereof as he/she so declares [or as indicated in the resolution of the [sole director or board of directors]];

**HEREINAFTER REFERRED TO AS "EMPLOYER";**

**AND:** \_\_\_\_\_ (*name of individual*), \_\_\_\_\_ (*occupation*), domiciled and residing at \_\_\_\_\_ (*insert civic number and street name*), in the City of \_\_\_\_\_ (*insert name of city*), Province of \_\_\_\_\_ (*insert name of province*), \_\_\_\_\_ (*postal code*);

EMPLOYER	CEO

# EMPLOYMENT AGREEMENT (CEO)

HEREINAFTER REFERRED TO AS "CEO";

HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PARTIES".

## RECITALS

THE PARTIES MAKE THE FOLLOWING REPRESENTATIONS:

- (A) EMPLOYER operates a ..... business (*summary description of its activities*);
- (B) EMPLOYER is presently seeking to hire a chief executive officer to manage its operations;
- (C) CEO is an executive seeking to occupy such an office;
- (D) The PARTIES wish to set out in writing the terms of their agreement regarding the employment of CEO;
- (E) It is the intent of the PARTIES that their agreement be construed as a contract by mutual agreement.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

0.00

## INTERPRETATION

0.01

### Definitions

Unless otherwise indicated, capitalized words and expressions appearing in the Agreement shall be interpreted or construed as follows:

#### 0.01.01 Activities

means ..... (*identify business sector*) of EMPLOYER and includes any other activity related thereto and any new field of activity in which the EMPLOYER may carry on business from time to time during the term of the Agreement;

#### 0.01.02 Admissible Expenses

EMPLOYER	CEO

# EMPLOYMENT AGREEMENT (CEO)

means any expense incurred by CEO in the performance of his duties which does not exceed the sums provided for in the Budget;

**0.01.03 Agreement**

means this agreement including its recitals and schedules, any related or ancillary agreement or document identified therein, as well as any amendment made thereto from time to time by the PARTIES in compliance with Section 12.05; the terms “herein”, “hereof”, “hereto”, “herewith”, “hereunder”, “hereby” and other similar terms, when used in the Agreement, shall generally refer to the agreement as a whole rather than to a specific part thereof, unless otherwise indicated in the text;

**0.01.04 Best Effort**

means the efforts which a prudent Person desirous of achieving a result would use in similar circumstances to maximize, to the extent reasonably practicable, the probability that a result will occur and includes state of the art as it relates to any trade or profession in addition to generally acknowledged best practices in a field of activity;

**0.01.05 Board of Directors**

refers to the board of directors of EMPLOYER, and includes any executive committee or other committee created by the board of directors in compliance with the by-laws of EMPLOYER;

**0.01.06 Budget**

refers to, for any specific Fiscal Year, the duly approved operating budget of EMPLOYER setting out the projected revenue, costs and earnings/losses for that year;

**0.01.07 Change in Control**

means, in relation to any PARTY to the Agreement whose legal status is that of a business corporation, any one of the following events:

- (a) the direct or indirect acquisition by any Person or entity of securities of such a corporation representing more than FIFTY PERCENT (50%) of the corporation’s voting rights;
- (b) an agreement for the sale or disposition of all or substantially all of such a corporation’s assets;
- (c) a reorganization of such corporation leading to an assignment of a PARTY’s rights in the Agreement to a Related Person;
- (d) a merger of such a corporation; or

---

EMPLOYER	CEO