

JONES LEGAL FORMS ANNOTATED
Employment Contracts

CONTRACT OF EMPLOYMENT OF GENERAL MANAGER, WITH PART PAYMENT OF SALARY
IN CORPORATE STOCK

This agreement is made at _____, _____, this _____ day of _____, 19____, between the _____ Products Corporation, hereinafter called "company," first party, _____, hereinafter called _____, second party, and _____, hereinafter called _____ third party.

_____ has been instrumental in having incorporated company, and in order to develop company has employed, on behalf of company and as officer of company, _____ to act as general manager of said company for the period of _____ years. Said _____ is to be paid a salary of _____ dollars (\$_____) per year for _____ years, but is to receive only _____ dollars (\$_____) a week of said salary in cash, the balance to be applied to the purchase of stock of company, the intent being to have said _____ become a stockholder in said company and to pay for his stock by his services to be rendered. Nothing herein contained, however, is intended to issue stock for services to be rendered, said stock only to be issued for cash after the services have been fully rendered.

Now, therefore, in consideration of the premises and of the mutual covenants hereinafter expressed, said parties do agree as follows:

Company employs _____ to act as general manager of said company for a period of _____ years, beginning _____ day of _____, 19____, and ending on _____ day of _____ 19____. As compensation for said employment, company agrees to pay said _____ the sum of _____ dollars (\$_____) per year. Of said sum, _____ is to receive the sum of _____ dollars (\$_____), payable in weekly instalments of _____ dollars (\$_____) each, during the _____ year of said contract, and the same sum during the _____ year of said contract. In addition to said sum of \$_____ a week, said _____ is to be credited upon the books of said company with the sum of _____ dollars and _____ cents (\$_____) per week, but said _____ shall not be entitled to the receipt of said sum until he shall have performed the services hereinafter set forth for the period of _____ years. At the termination of each year of the term of this contract, said _____ shall receive the sum of _____ dollars (\$_____).

Said _____ shall act as general manager of company for said period of _____ years and shall devote himself exclusively to the business of said company. The duties to be performed by _____ are those which usually appertain to such employment.

At the expiration of the first year of said employment, _____ agrees to purchase with the money payable to him as the balance of the salary, stock of said company of the par value of \$_____, and at the end of _____ years, in the same manner, stock of the par value of _____

\$ _____, so that at the expiration of the _____ years of this contract, he shall be the owner of stock of said company of the par value of _____ dollars (\$ _____). Should the said _____ wrongfully leave the employment, during the term of this agreement, then any amounts to which he would have been entitled as unpaid salary which has not been used in the purchase of stock as provided for in this agreement shall be forfeited by said _____, said _____ being entitled to said additional compensation of \$ _____ per year only should said _____ complete his services under this contract for the full term of _____ year. Should the employment of said _____ be wrongfully terminated during the course of this contract by company or _____, then said _____ shall be entitled immediately to any unpaid salary credited to him under this agreement and shall be under no obligation to purchase any of the stock of this company with said unpaid salary. Should this event, that is, the discharging of _____ prior to the termination of this agreement by company or _____, or the breach of this agreement by company, occur during the _____ year of this contract, if _____ shall have already purchased stock of the company of the par value of \$ _____, company and _____ hereby agree to repurchase from said _____ said stock at its par value.

The rights herein conferred upon _____ upon breach of this agreement are in addition to any other rights which he might have at law or in equity.

At the expiration of the term of this agreement should _____ and said company fail to agree upon a satisfactory continuation of his employment as general manager of said company for an additional term, _____ and company agree that they will purchase any of the stock of the company obtained by _____ under the terms of this agreement from said _____ at the par value of said stock, said purchase to be for cash or for such other terms as are satisfactory to said _____. In the event that no other terms are agreed upon, cash shall be paid on the _____ day of _____, 19____.

The obligations of company and _____ herein shall be joint and several.

Company will execute such further assurance as shall be necessary to effectuate the intention of this agreement and shall do all things necessary to convey clear title to any stock which said _____ may purchase hereunder.

As witness the seal of said company and the hands of its president, and the hands and seals of second and third party.

Products Corporation,
By _____
President.

(Seal)

(Seal)

Attest: _____
Secretary