



Terms and Conditions of Employment Example

Notes:

- This example provides an illustration of points to consider when drawing up terms and conditions of employment.
- This simple example covers most of the key issues. If you adapt this document for your own needs, you must consult a solicitor or accountant to ensure it complies with relevant and current employment law.
- You may want to add additional clauses to the terms and conditions of employment such as Restrictions on Termination of Employment (e.g. preventing ex-employees from contacting your customers).
- You may also need to include clauses outlining such issues as disciplinary and grievance procedures.
- Some suggested insertions have been highlighted.

Important Note: This document is for illustrative purposes only. Employment law changes continuously. You should get appropriate professional advice before issuing terms and conditions of employment to an employee. Investors cannot be held responsible for any errors or omissions in this form. The Investors disclaimer (in the 'Legal Information' section of the website) applies and you are deemed to have read and agreed to it.

This document was last updated on March 2008.

Terms and Conditions of Employment Example

Date handed to employee _____

Date the Agreement is made _____

The Agreement is between:

(a) The Company ("The Company")

Company Name _____

Address _____

and

(b) The Employee ("you")

Employee Name _____

Address _____

1 Job Title and Duties

1.1 Your job title is _____.

1.2 Your employment is a **full-time, permanent position**.

1.3 Your employment is subject to a probationary period of **three** months. You may not take paid holiday leave during the probationary period.

1.4 Your duties are outlined below:

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(Alternatively, these can be set out in the Job Description which needs to be appended).

1.5 You will report to _____ or such other person as the Company may nominate from time to time. You may also be expected to carry out alternative duties consistent with your status as the Company may from time to time reasonably require.

1.6 You will use all proper means to the best of your ability to maintain and improve the business of the Company and further its reputation and interests.

2 Date of Continuous Service

2.1 Your employment with the Company commenced on _____.

2.2 No period of employment with any other employer counts as continuous employment with the Company.

3 Remuneration

3.1 Your salary is _____ per annum.

- 3.2 Your salary will be paid on the 28th day of each month. Where this date falls on a non-working day, payment will be made on the last working day before that date.
- 3.3 You will become subject to the annual review of staff salaries which normally takes effect from 1 June each year.

4 Hours of Work

- 4.1 Your normal working hours are 09:00 to 18:00 Monday to Friday with one hour for lunch. (Note: The Company can put in the number of hours it requires the employee to work, within certain statutory limits).
- 4.2 You are expected to devote such time and attention to your duties as may be reasonably required. Your salary takes into account an expectation that occasionally you may be required to work outside the specified hours.
- 4.3 You are expected to devote yourself exclusively to the performance of your duties during your normal working hours, and at your place of employment and at all other times that may be necessary for the proper performance of your duties.

5 Performance Review

- 5.1 At the end of your probationary period, your performance will be reviewed and your employment will either be terminated or confirmed.
- 5.2 There will be an annual formal review of your performance at a time deemed appropriate by your line manager. The purpose of the review is to recognize your contribution to the Company, to consider your personal development in the Company, and to discuss projects and aims for the coming year.
- 5.3 The review does not remove the need for regular and informal discussions with your line manager. It is your duty to raise any problems or issues that you may have, as and when they arise.
- 5.4 At your review, you will be expected to comment on your overall performance over the past year, and to raise any problems or issues that you would like to tackle in the coming year.

6 Expenses

- 6.1 You are entitled to reclaim expenses reasonably and necessarily incurred by you on the Company's behalf and in the performance of your duties. Claims for expenses incurred during any month are to be submitted as soon as possible, and in any event not later than 7 days after the end of each month. All claims are to be supported by a receipt or written voucher.
- 6.2 If you are issued with a mobile telephone, the Company will pay for line rental and business telephone calls. The Company will not pay for personal telephone calls.

7 Pension Scheme

- 7.1 At the present time the Company operates a non-contributory Stakeholder pension scheme for employees.

8 Place of Employment

- 8.1 Your place of employment is _____.

9 Holiday Entitlement

- 9.1 Your paid annual holiday entitlement is 20 working days accruing at the rate of 1.67 days per calendar month, in addition to all usual public and bank holidays.
- 9.2 An employee who joins the Company on or before the 4th day of the month is entitled to full holiday credit for that month. An employee who leaves the Company before the last working day of a month is not entitled to any holiday credit for that month. Entitlement for part of the year is calculated to the nearest whole day.
- 9.3 The holiday year begins on 1st January. Holiday entitlement unused in any calendar year may not be carried forward to the next year unless specifically agreed with the Chief Executive.
- 9.4 No annual holiday may be taken without submitting to the line manager a written request or e-mail, giving at least 14 days' notice for less than five days holiday and 30 days' notice for five or more days holiday.
- 9.5 Except at the discretion of the Chief Executive, you may not take any holiday period in excess of two weeks at any one time.
- 9.6 Accrued holiday pay on termination of your employment will be paid at your basic salary rate then in force. If before your employment ceases you have taken paid holiday in excess of your entitlement, your final salary payment will be reduced accordingly.

10 Unpaid and Compassionate Leave

- 10.1 In accordance with current employment law, you have a right to a short amount of unpaid time off work to deal with emergencies involving a dependant, for example, illness, accident or dealing with the consequences of the death of a dependant. A dependant could be you spouse, child, parent or someone (not a lodger or tenant) living in your house. It also extends to someone for whom you have primary caring responsibility.

11 Company Sick Pay

- 11.1 You will be entitled to receive your basic salary if prevented from performing your duties through illness or injury for a period not exceeding the following:

Length of continuous service	Duration of Company Sick Pay
Under 3 months	Nil - Statutory Sick Pay (SSP) only
Over 3 months	5 days per year at normal rate of pay (inc. SSP).

- 11.2 If you are unable to work on any day you must notify the Company as soon as possible and in any event not later than 10.30 a.m. on that day.
- 11.3 If you return to work before the seventh calendar day of absence, you are required to complete a self certification form stating the reason for your absence.
- 11.4 You will be required to produce a doctor's certificate for periods of absence of seven or more consecutive days, and thereafter for each consecutive period of seven days.

12 Retirement

The normal retirement age is 60 years. You may continue in employment after the normal retirement age at the discretion of the Company.

13 Termination of Employment

13.1 The period of notice to be given or received is as follows:

Length of service	Notice Period
Under 3 months	1 week
Between 3 months and 2 years	4 weeks
Between 2 years and 12 years	1 week for each complete year's continuous service (min. of 4)
12 years or more	12 weeks

13.2 The Company reserves the right to pay your salary in lieu of notice.

14 Confidentiality

14.1 You are aware that in the course of your employment you will have access to and be entrusted with information in respect of the business and finances of the Company and its dealings, transactions, and affairs all of which information is or may be confidential.

14.2 You will not (except as authorized or in the proper course of your duties) during or after the period of your employment divulge to any person whatever or otherwise make use of (and will use your best endeavours to prevent the publication or disclosure of) any trade secret or any confidential information concerning the business or finances of the Company or any of its dealings, transactions or affairs or any trade secret or any such confidential information concerning any of its clients, suppliers, agents, distributors or customers.

14.3 All books, notes, memoranda, and documents (whether on paper, on digital data storage medium or otherwise) relating to the business of the Company, or any other property of the Company, including any equipment are and will remain the property of the Company, and will be delivered by you to the Company immediately on request, or automatically on termination of your employment.

14.4 You are not permitted to make any statement to the press, radio or television media or express any views that you purport to be the views of the Company without the express prior permission of the Company.

15 Inventions

15.1 As soon as is practicable you will communicate confidentially to the Company the inventions, improvements, designs or processes relating to the business of the Company which you may make or discover during the course of your employment.

15.2 The copyright in all articles, designs, drawings, programs, calculations, specifications, photographs, and other similar documents and written materials produced by you in the course of your duties under this Contract or any other duties specifically assigned to you will belong to the Company.

16 Health and Safety

16.1 It is the Company's policy to ensure that all practical steps are taken to ensure the health and safety of the persons employed and to prevent damage to the Company's property.

16.2 It is also your duty while at work to take reasonable care for the health and safety of yourself and other persons who may be affected by your acts of omissions. You also have a duty to co-operate with the Company in complying with any statutory duty or requirements concerning health and safety at work.

17 Outside Interests

- 17.1 During your employment with the Company you are expected to devote the whole of your time and effort on behalf of the Company. You must not, except with the Company's written permission, be engaged or interested, either directly or indirectly, in any capacity in any trade, business or occupation other than the business of the Company.
- 17.2 You will not be permitted to make any private arrangements, including any arrangements to provide any services, with any of the Company's customers or clients, or suppliers or their agents. Any such arrangement will be treated as a disciplinary offence that will result in your summary dismissal.
- 17.3 You may not without prior written consent of the Company accept any gift and/or favour of whatever kind from any customer, client or supplier of the Company or any prospective customer, client or supplier of the Company.

18 General

- 18.1 The terms of this Contract comply with the requirements of the **Employment Rights Act 1996** as at the time of this Contract.
- 18.2 Any reference to a statutory provision will be deemed to include a reference to any statutory modification or re-enactment of it.
- 18.3 Any changes in job title or remuneration or other details during the course of your employment with the Company shall be issued in the form of an Appendix to this Contract.

I agree to the terms and conditions as set out above.

Signed by you ("the Employee") _____

Printed Name _____

Date _____

Signed for and on behalf of the Company _____

Printed Name _____

Position _____

Date _____

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