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| State of South Dakota |  |
| **SOUTH DAKOTA EMPLOYMENT CONTRACT** |

This Employment Agreement (the "Agreement") is made as of this \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ (the “Effective Date”) by and between \_\_\_\_\_\_\_\_\_\_ (“Employee”) and \_\_\_\_\_\_\_\_\_\_ (“Employer”), (each, a “Party” and collectively, the “Parties”). The Parties agree and covenant to be bound by the terms set forth in this Agreement as follows:

1. **Employment.**  Employer shall employ Employee as a \_\_\_\_\_\_\_\_\_\_ [Job title] on a ☐ full time

 ☐ part time basis under this Agreement. In this capacity, Employee shall have the following duties and undertake the following responsibilities:

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employee shall perform such other duties as are customarily performed by other persons in similar positions, including other duties as may arise from time to time and as may be assigned.

**2. Performance of Duties.**Employee shall perform assigned duties and responsibilities in a professional manner, in good faith, and to the best of Employee’s skills, abilities, talents and experience.

**3. Term.**(Check one)

☐ Fixed Term. Employee’s employment under this Agreement shall begin on \_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ and will terminate on \_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_.

☐ At Will. Employee’s employment under this Agreement shall begin on \_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ and be for an unspecified term on at “at will” basis.

Probation Period (Check one)

☐ Employee’s probation period shall be \_\_\_\_\_\_\_\_\_\_ ☐ month(s) ☐ week(s), starting from the first day of Employee’s employment. In the event that Employee fails to pass the probation period, Employer may terminate this Agreement immediately by giving notice to Employee.

☐ There is NOT a probation period for Employee.

**4. Compensation.**

**A. Base Salary.** As compensation for the services provided by Employee under this Agreement, Employer will pay Employee $\_\_\_\_\_\_\_\_\_\_ ☐ per hour ☐ per week ☐ per month ☐ per year. The amount will be paid to Employee: (Check one)

☐ Once a week on the \_\_\_\_\_\_\_\_\_\_ day of each week.

☐ Once a month on the \_\_\_\_\_\_\_\_\_\_ of each month.

☐ Twice a month on the \_\_\_\_\_\_\_\_\_\_ of each month.

☐ Other: \_\_\_\_\_\_\_\_\_\_.

Employer shall deduct or withhold any and all federal income and social security taxes and state or local taxes as required by law.

**B. Overtime.** (Check one)

☐ Employee shall receive overtime compensation of $\_\_\_\_\_\_\_\_\_\_/hr for each hour worked: (Check all that apply)

☐ beyond \_\_\_\_\_\_\_\_\_\_ hours in a day

☐ beyond \_\_\_\_\_\_\_\_\_\_ hours in a week

☐ Employee shall NOT receive overtime compensation for services performed as a salaried or exempt employee.

**C. Additional Compensation.** (Check all that apply)

☐ Employee shall be entitled to commission on the following basis: \_\_\_\_\_\_\_\_\_\_.

☐ Employee shall also be entitled to additional compensation for services rendered under this Agreement on the following basis: \_\_\_\_\_\_\_\_\_\_.

Any additional compensation or bonuses paid to Employee shall be paid at the sole discretion of Employer.

**5. Expenses.** (Check one)

☐ Employer will reimburse Employee for the following reasonable out-of-pocket expenses incurred in furthering Employer’s businesses, after Employee provides an itemized account of expenditures pursuant to Employer policy: (Check all that apply)

☐ Entertainment

☐ Travel

☐ Meals

☐ Mobile phone

☐ Other: \_\_\_\_\_\_\_\_\_\_

☐ Employee will NOT be reimbursed for out-of-pocket expenses.

**6. Work Location.** Employee will primarily perform their employment duties at \_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_ (☐ between the hours of \_\_\_\_\_\_\_\_\_\_ [Work hours] \_\_\_\_\_\_\_\_\_\_ [Days of the week]).

**7. Employee Benefits.** Both parties will comply with Employer policy regarding employee benefits or as required by law.

**(A) Paid Time Off.**  Employee shall be entitled to paid time off: (Check one)

☐ in the amount of \_\_\_\_\_\_\_\_\_\_ days per year.

☐ as required by state and local laws.

**(B). Sick Leave.**(Check one)

☐ Employee shall be entitled to paid sick leave of up to \_\_\_\_\_\_\_\_\_\_ days per year.

☐ Employee shall NOT be entitled to paid sick leave.

**(C) Personal Leave.** (Check one)

☐ Employee shall be entitled to paid personal leave of up to \_\_\_\_\_\_\_\_\_\_ days per year.

☐ Employee shall NOT be entitled to paid personal leave.

**(D) Other.** (Enter any other benefits)

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(☐ Please refer to Employer’s Employee Handbook for more specifics regarding employee benefits.)

**8. Disability.**If Employee cannot perform assigned duties because of illness or incapacity for more than \_\_\_\_\_\_\_\_\_\_ days, compensation due during such illness or capacity will be reduced by \_\_\_\_\_\_\_\_\_\_. Full compensation will be reinstated upon Employee’s return to work.

**9. Non-Compete.** (INITIAL if you want to include this clause. CROSS OUT if you do not.)

\_\_\_\_\_\_ Employee agrees and covenants (Check all that apply) ☐ during the term of this Agreement ☐ for a period of \_\_\_\_\_\_\_\_\_\_ months following the voluntary or involuntary termination of Employee’s employment, not to: (Check all that apply)

☐ Provide goods or services which directly or indirectly compete with Company

☐ Invest either directly or indirectly in a business that directly or indirectly competes with Company

☐ Solicit Company employees to leave their employment

☐ Engage in any other activities that result in injury to Company

☐ Other: \_\_\_\_\_\_\_\_\_\_

**10. Confidentiality.** (Check one)

☐ Employee will NOT be exposed to confidential information.

☐ Employee will be exposed to confidential information.

**A.** **Confidential and Proprietary Information.** In the course of employment, Employee will be exposed to confidential and proprietary information of Employer. Confidential and proprietary information shall mean any data or information that is competitively sensitive material and not generally known to the public, including, but not limited to, information relating to development and plans, marketing strategies, finance, operations, systems, proprietary concepts, documentation, reports, data, specifications, computer software, source code, object code, flow charts, data, databases, inventions, know-how, trade secrets, customer lists, customer relationships, customer profiles, supplier lists, supplier relationships, supplier profiles, pricing, sales estimates, business plans and internal performance results relating to the past, present or future business activities, technical information, design, process, procedure, formula, or improvement, which Employer considers confidential and proprietary. Employee acknowledges and agrees that the confidential and proprietary information is valuable property of Employer, developed over a long period of time at substantial expense and that it is worthy of protection.

**B.** **Confidentiality Obligations.**  Except as otherwise expressly permitted in this Agreement, Employee shall not disclose or use in any manner, directly or indirectly, any confidential and proprietary information either during the term of this Agreement or at any time thereafter, except as required to perform their duties and responsibilities or with Employer’s prior written consent.

**C.** **Rights in Confidential and Proprietary Information.**  All ideas, concepts, work product, information, written material or other confidential and proprietary information disclosed to Employee by Employer (i) are and shall remain the sole and exclusive property of Employer, and (ii) are disclosed or permitted to be acquired by Employee solely in reliance on Employee’s agreement to maintain them in confidence and not to use or disclose them to any other person except in furtherance of Employer’s business. Except as expressly provided herein, this Agreement does not confer any right, license, ownership or other interest or title in, to or under the confidential and proprietary information to Employee.

**D.** **Irreparable Harm.**  Employee acknowledges that use or disclosure of any confidential and proprietary information in a manner inconsistent with this Agreement will give rise to irreparable injury for which damages would not be an adequate remedy. Accordingly, in addition to any other legal remedies which may be available at law or in equity, Employer shall be entitled to equitable or injunctive relief against the unauthorized use or disclosure of confidential and proprietary information. Employer shall be entitled to pursue any other legally permissible remedy available as a result of such breach, including but not limited to damages, both direct and consequential. In any action brought by Employer under this Section, Employer shall be entitled to recover its attorney’s fees and costs from Employee.

**11. Ownership of Work Product.**  The Parties agree that all work product, information or other materials created and developed by Employee in connection with the performance of duties and responsibilities under this Agreement and any resulting intellectual property rights are the sole and exclusive property of Employer.

**12. Termination.** This Agreement may be terminated immediately by Employer for cause or in the event Employee violates any provision of this Agreement.

Employer’s Termination. In addition, Employer may terminate this Agreement and Employee's employment: (Check one)

☐ at any time and for any reason in accordance with applicable local, state, and federal labor laws

☐ at any time by giving \_\_\_\_\_\_\_\_\_\_ days' notice in writing to Employee. During the notice period, Employee and Employer agree to continue diligently fulfilling their duties and obligations in good faith with best efforts.

Employee’s Termination. Employee may terminate this Agreement and the employment: (Check one)

☐ at any time by giving \_\_\_\_\_\_\_\_\_\_ days' notice in writing to Employer

☐ at any time and for any reason in accordance with applicable local, state, and federal labor laws. During the notice period, Employee and Employer agree to continue diligently fulfilling their duties and obligations in good faith with best efforts.

Severance (Check one)

☐ If Employee’s employment is terminated other than for cause, Employee shall be entitled to severance in the amount of \_\_\_\_\_\_\_\_\_\_.

☐ Employee is NOT entitled to severance.

At the time of termination, Employee agrees to return all Employer property, including but not limited to computers, cell-phones, and any other electronic devices. Employee shall reimburse Employer for any Employer property lost or damaged in an amount equal to the market price of such property.

The rights and obligations of the Parties set forth in ( ☐ Non-Compete, ☐ Confidentiality), Ownership of Work Product, Termination and Miscellaneous are intended to survive termination, and will survive termination of this Agreement.

**13. Miscellaneous.**

**A.** **Authority to Contract.**  Employee acknowledges and agrees that Employee does not have authority to enter into any binding contracts or commitments for or on behalf of Employer without first obtaining the prior written consent of Employer.

**B.** **Governing Law.**  The terms of this Agreement shall be governed exclusively by the laws of the State of \_\_\_\_\_\_\_\_\_\_ (not including its conflicts of law provisions). Any dispute arising from this Agreement shall be resolved through: (Check one)

☐ Court litigation. The dispute shall be resolved in the courts of the State of \_\_\_\_\_\_\_\_\_\_.

Attorneys’ Fees

☐ If either Party brings legal action to enforce its rights under this Agreement, the prevailing party will be entitled to recover from the other Party its expenses (including reasonable attorneys’ fees and costs) incurred in connection with the action and any appeal.

☐ Arbitration. The dispute shall be resolved through binding arbitration conducted in accordance with the rules of the American Arbitration Association.

☐ Mediation. The dispute shall be resolved through mediation.

☐ Mediation then arbitration. The dispute shall be resolved through mediation. If the dispute cannot be resolved through mediation, then the dispute will be resolved through binding arbitration

conducted in accordance with the rules of the American Arbitration Association.

**C.** **Entire Agreement and Amendment.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior understandings of the Parties. No supplement, modification or amendment of this Agreement will be binding unless executed in writing by both of the Parties.

**D.** **Notices.**  Any notice or other communication given or made to either Party under this Agreement shall be in writing and delivered by hand, sent by overnight courier service or sent by certified or registered mail, return receipt requested, to the address stated above or to another address as that Party may subsequently designate by notice and shall be deemed given on the date of delivery.

**E.** **Waiver.**  Neither Party shall be deemed to have waived any provision of this Agreement or the exercise of any rights held under this Agreement unless such waiver is made expressly and in writing. Waiver by either Party of a breach or violation of any provision of this Agreement shall not constitute a waiver of any subsequent or other breach or violation.

**F.** **Further Assurances.**  At the request of one Party, the other Party shall execute and deliver such other documents and take such other actions as may be reasonably necessary to give effect the terms of this Agreement.

**G.** **Severability.**  If any provision of this Agreement is held to be invalid, illegal or unenforceable in whole or in part, the remaining provisions shall not be affected and shall continue to be valid, legal and enforceable as though the invalid, illegal or unenforceable parts had not been included in this Agreement.

**H. No Assignment.**  The interests of Employee are personal to Employee and cannot be assigned.

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first written above.

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| **Employee’s** Signature |  | **Employee’s** Full Name |

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| **Employer’s** Signature |  | **Employer’s** Full Name/Representative & Title |