



SAMPLE SCENARIO

Employment Contract

Embracing the belief that "the best way to learn is by doing," we have crafted sample scenarios to provide you with a hands-on experience that makes learning Smarter Drafter a breeze. Dive right in, and discover the power of our product firsthand.

How it works

We've created a Sample Scenario for the [Smarter Drafter Employment Contract](#) (click [here](#) to go directly to the precedent).

Work through the sample set of client instructions and complete the Q&A form. Once you've completed the form you can generate the client facing document. Review the document in either PDF or MS Word to become familiar with the types of clauses automated with Smarter Drafter.

Note:

Most clients start to become more comfortable with using Smarter Drafter after running 5 test documents, so why not change each case study slightly and run another submission or use some of the client's details to create a different document?

Kevin Smith

Kevin (Kev) has a successful chain of stores selling hardware tools and kitchen utensils called Hammer and Tong. Kev is opening a brand new store in Geelong and needs to hire a variety of new staff members to run its day to day operations.

After a number of interviews, Kev finds 3 new employees who he thinks will make a great addition to the Hammer and Tong family.

Julie White, an eccentric ex pub owner, will be coming onboard as the full time store manager. James (Jimmy) Daniels and his twin sister Michelle will take on the roles of casual sales assistants while they finish their university degrees.

Kev instructs you to draft the employment contracts for all 3 employees and wishes to include the following instructions:

Julie White Client Instructions

Staff member	Julie White
Job description	Store Manager
Position	Full time
Hours employed	8am – 5pm Monday to Friday
Reporting to	CEO – Kevin Smith
Policies	Yes – Employee Handbook
Annual salary (including super)	\$AUD55,000
Payment	Fortnightly in arrears
Probation period	6 months
Termination period after probation	4 weeks
Review periods	End of financial year
Restraints after employment ends	Non-solicitation of customers/clients/employees and non-compete clause
Restraint period and non-compete clause after employment ends	3 months
Intellectual property	Include intellectual property clause in favour of employer

James Daniels Client Instructions

Staff member	James Daniels
Job description	Sales Assistant
Position	Casual
Hours employed	9am – 4pm Wednesday. Thursday and Friday
Reporting to	Store Manager – Julie White
Policies	Yes – Employee Handbook
Hourly rate (including super)	\$30 per hour (offsetting rate – no applicable loadings and penalties)
Payment	Fortnightly in arrears
Probation period	Not applicable for casuals
Confidentiality clause	Yes
Intellectual property	Include intellectual property clause in favour of employer

Michelle Daniels Client Instructions

Staff member	James Daniels
Job description	Sales Assistant
Position	Casual
Hours employed	9am – 4pm Wednesday. Thursday and Friday
Reporting to	Store Manager – Julie White
Policies	Yes – Employee Handbook
Hourly rate (including super)	\$30 per hour (offsetting rate – no applicable loadings and penalties)
Payment	Fortnightly in arrears
Probation period	Not applicable for casuals
Confidentiality clause	Yes
Intellectual property	Include intellectual property clause in favour of employer

Important Considerations

Approach #1

You can document this loan as a Loan Agreement with a fixed amount that is advanced by Kevin in one sum and payable on demand with interest only monthly repayments to be paid in arrears.

Approach #2

You can document this loan as a Loan Facility Agreement that is a fixed amount to be drawn down by Tasty Toasties Pty Ltd by a certain date or over a certain time period. Amounts drawn down can be fixed at a minimum amount for each drawdown.

The loan is interest only and is repaid on demand with payment of interest by monthly instalments payable in arrears.

Deed of Guarantee

In both approaches a Deed of Guarantee is given by Tom Smith as Guarantor of the obligations of Tasty Toasties Pty Ltd.