Employment Agreement (sample)

This EMPLOYMENT AGREEMENT is made and entered into by and between XYZ Corporation (hereinafter referred to as "XYZ") and ABC (hereinafter referred to as "ABC"). XYZ shall employ ABC subject to the terms of employment set forth in this Agreement, and ABC shall follow XYZ's rules, command and orders, and work in good faith. Matters herein not contained shall be pursuant to the provisions of the Labor Standards Act and other relevant laws and regulations.

(Term of Agreement)
Article 1: XYZ shall employ ABC without a fixed term starting on XX, XXXX. Provided, however, that the trial period shall be for the period of six (6) months after joining the corporation.

(Workplace)
Article 2: The workplace in which ABC works shall be XYZ's office in Tokyo, provided that there are possibilities of making domestic and overseas business trips. A workplace shall be changed at XYZ's discretion in some cases.

(Work to be pursued)
Article 3: Work to be pursued by ABC shall be sales work, provided that ABC's work shall be possibly changed at XYZ's discretion.

(Working hours etc.)
Article 4: The starting time and closing time for ABC shall be as follows:
1. Starting time: 8:30 a.m.  Closing time: 5:30 p.m.
2. The rest period shall be for one (1) hour commencing at 12:00 p.m. and ending at 1:00 p.m.
3. Work shall be performed outside the above-mentioned normal working hours in some cases. Working time shall be moved up/postponed for business reasons in some cases.

(Holidays)
Article 5: Holidays for ABC shall be as follows: Provided that a holiday shall be possibly transferred to another day for business reasons.
1. Saturdays, Sundays
2. National holidays in Japan
3. Year-end and New Year holidays (commencing on December 30 and ending on January 3 next year)
(Leave of Absence)

Article 6: Annual paid leave shall be offered according to the elapsed period since ABC's joining of the corporation as follows:

<table>
<thead>
<tr>
<th>Length of service</th>
<th>Six months</th>
<th>One year and six months</th>
<th>Two years and six months</th>
<th>Three years and six months</th>
<th>Four years and six months</th>
<th>Five years and six months</th>
<th>Not less than six years and six months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of days offered</td>
<td>Ten days</td>
<td>Eleven days</td>
<td>Twelve days</td>
<td>Fourteen days</td>
<td>Sixteen days</td>
<td>Eighteen days</td>
<td>Twenty days</td>
</tr>
</tbody>
</table>

2. The right to annual paid leave offered shall lapse by prescription when two years have elapsed.

(Wages)

Article 7: The base salary for ABC shall be Three Hundred Thousand Yen (¥300,000) a month.

2. A commutation allowance equivalent to the actual expenses shall be provided.

3. The extra wage rate shall be as follows:
   - Working outside legal working hours: Twenty-five percent (25%)
   - Working on legal holidays: Thirty-five percent (35%)
   - Night duty: Twenty-five percent (25%)

4. The closing day for the payroll shall be the last day every month.

5. The payday shall be the twenty-fifth (25th) of the said month. Provided that, if the twenty-fifth (25th) falls on a holiday, the payday shall be on a business day just before such day.

6. With regard to the payment of wages, the amount after the legal deduction of taxes, social insurance premiums, etc. shall be paid

7. Payment of wages shall be made by transferring into the savings account under the name of ABC designated by ABC with ABC's consent.

8. XYZ shall, at XYZ's discretion, offer a bonus in consideration of XYZ's performance and ABC's results etc. in some cases, provided that the payment of a bonus shall be on condition that ABC is employed on the date of payment thereof.

9. There shall not be a retirement benefit system.

(Matters Concerning Retirement)

Article 8: The retirement age shall be sixty (60) in completed years, and in accordance with ABC's request, ABC shall be reemployed until the age of sixty-five (65).

2. In the case of ABC's voluntary resignation, notice shall be given no later than thirty (30) days prior to the date of resignation.

3. In the case of ABC falling under any of the following, thirty (30) days' notice shall be given or ABC shall be dismissed with the payment of the thirty (30) days' average wage.
   - In the case where it is recognized that work is unendurable due to a physical disability or a mental disorder;
   - In the case of no probability of improvement due to a poor attendance record
   - In the case of extremely poor competence for work and a poor service record;
   - In the case of unavoidable circumstances including, but not limited to, downsizing of business arising;
   - Otherwise, in the case of unavoidable circumstances equivalent to all respective items arising.
(Other)
Article 9: ABC shall be enrolled in social insurance (health insurance and employees' pension insurance) and employment insurance.

(Governing Law)
Article 10: This Agreement shall be governed by the laws of Japan.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed and signed by XYZ and ABC in duplicate, each party retaining one (1) original thereof, respectively.

Month day, year

(XYZ): XYZ Corporation
    X-X-X, XX cho, XX City, XX Prefecture
    By:
    Name: XXX
    Title: Representative Director

(ABC): ABC
    X-X-X, XX cho, XX City, XX Prefecture
    By:
    Name: XXX XXX
    Title:

Notes:
1. Specific statements concerning respective matters shall not be required if applicable parts of the rules of employment are expressly indicated before issuance.
2. With relation to Article 1, if this Agreement is with a fixed term, whether or not this Agreement is to be renewed shall be expressly specified. If the possibility of renewal is expressly specified, judgment criteria therefor shall be explicitly specified.
3. With relation to Paragraph 3 of Article 7, if the worker concerned falls under a person in a supervisory or a managerial position etc. as stipulated in Article 41 of the Labor Standards Act, extra wages for working outside legal working hours and working on legal holidays shall not be required.