This sample contract has been created using the Ministry of Business, Innovation and Employment's (MBIE) Employment Agreement Builder <u>www.employment.govt.nz/starting-employment/employment-agreements/employment-agreementbuilder/</u>. It is intended as an example only and is not a substitute for independent legal advice. If the Internship duration is longer than 3 months, you may want to consider including a 90-day Trial Period clause.<sup>1</sup>

# Sample Internship (Fixed Term) Employment Agreement

# Individual Employment Agreement between an Employer and an Employee<sup>2</sup>

# **1 The Parties**

# **1.1 Individual Employment Agreement**

The parties to this employment agreement are: 1. **Company Name**, the "Employer"; and

2. Intern name, the "Employee".

# 2 The Position and the Duties

# 2.1 Position

The Employee is being employed as Department Intern.

# 2.2 Duties as set out in the job description which may be modified from time to time by the Employer<sup>3</sup>

The Employee shall perform the duties set out in the Job Description attached to this agreement. These duties may be modified and updated by the Employer from time-to-time following agreement with the Employee. The Employee also agrees to perform all other reasonable duties and comply with reasonable instructions issued by the Employer.

# 2.3 Reporting

The Employee shall report to **Manager Name** or to any other representative of the Employer designated from time to time by the Employer.

# **3 Nature and Term of the Agreement**

# 3.1 Fixed Term Individual Employment Agreement

This Employment Agreement is an individual employment agreement entered into under the Employment Relations Act 2000. The parties agree that this is a fixed term employment agreement. This agreement will commence on **Start date or event**, and will end on **End date or event**. The Employer has genuine reasons based on reasonable grounds for specifying that the employment agreement is to end at this time,

<sup>&</sup>lt;sup>1</sup> See clause 3 of the FAN Cadet Sample Contract available online. If including this clause in an internship agreement, the supporting Letter of Offer (including trial period) should be attached.
<sup>2</sup> To create your own individual employment agreement see MBIE's Employment Agreement Builder www.employment.govt.nz/starting-employment/employment-agreements/employment-agreement-

*builder/* and/or seek independent legal advice.

<sup>&</sup>lt;sup>3</sup>A FAN Job Description template is available online.

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namely **the conclusion of the number-week/number-hour internship**. The parties also confirm that the Employee has been advised by the Employer when discussing this agreement, the reasons for the employment ending in this way.

# 4 Obligations of the Relationship

# 4.1 Obligations of the Employer

The Employer shall:

(i) Act as a good Employer in all dealings with the Employee

(ii) Deal with the Employee and any representative of the Employee in good faith in all aspects of the employment relationship, and

(iii) Take all practicable steps to provide the Employee with a safe and healthy work environment.

# 4.2 Obligations of the Employee

The Employee shall:

(i) Comply with all reasonable and lawful instructions provided to them by the Employer

(ii) Perform their duties with all reasonable skill and diligence

(iii) Conduct their duties in the best interests of the Employer and the employment relationship

(iv) Deal with the Employer in good faith in all aspects of the employment relationship
 (v) Comply with all policies and procedures (including any Codes of Conduct)
 implemented by the Employer from time to time, and

(vi) Take all practicable steps to perform the job in a way that is safe and healthy for themselves and their fellow employees.

# 5 The Place of Work

# 5.1 Flexible Location

The parties agree that the Employee shall perform their duties at **Primary** location, and at any other reasonable location to which they may be directed from time to time by the Employer.

# 6 Hours of Work

# 6.1 Flexible or Glide Time

The parties agree that the Employee is required to perform **Number** of hours of work per **week**, and to be at the place of work between the core hours of **Hours** on **Days of the week**. Provided these hours of work are performed, the Employee may adopt flexibility in their start and finish times each day. The parties agree, however, that the Employer may, after consultation with the Employee, modify this arrangement if this is in the best interests of the Employer's operations.

# 6.2 Lunch Breaks <sup>4</sup>

<sup>4</sup> There are no specific rules for when or how long rest and meal breaks should be, however Employees must have rest and meal breaks or reasonable compensation if they don't. Employers must give their employees a reasonable opportunity to negotiate in good faith and reach agreement over the timing and length of breaks. See <u>www.employment.govt.nz/hours-and-wages/breaks/rest-and-meal-breaks/</u> for guidelines.

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The Employee shall be entitled to a lunch break on each working day of employment, of **30 minutes**, to be taken at **Time** or such other time as the parties agree from time to time.

#### 6.3 Tea Breaks

The parties agree that the Employee shall be entitled to a tea break of **10 minutes** at **Time** or after **Number of hours of work**.

#### 7 Wages/Salary/Allowances

#### 7.1 Hourly Rate

The Employee shall be paid according to an hourly rate which shall be **\$20.00**<sup>5</sup> per hour. The Employee's pay shall be paid **monthly** on **Day on which payment will be made into a bank account nominated by the Employee**.

#### 8 Holidays and Leave Entitlements <sup>6</sup>

#### 8.1 Payment for work on a Public Holiday

The employee shall be entitled to be paid for the time actually worked on a Public Holiday at the rate of time and a half of their relevant daily pay, or time and a half of the portion of average daily pay (if applicable) that relates to time actually worked on the day

#### 8.2 Medical Certificate Required for Sick Leave

Where the Employee has taken sick leave and has been absent from work for at least three consecutive calendar days, the Employer shall be entitled to require the employee to provide proof of entitlement to sick leave, at the employee's cost. The Employer shall also be entitled to require the employee to provide proof of entitlement to sick leave within the three consecutive calendar days, at the employer's cost. The employer will inform the employee as early as possible that such proof will be required and agree to meet any reasonable expenses in getting this proof.

# 9 Health and Safety

# 9.1 General Health and Safety Obligations

Both the employer and employee will meet their obligations under the Health and Safety at Work Act.

<sup>&</sup>lt;sup>5</sup> \$20.00 per hour is the Adult Minimum Wage at the time of creating this sample contract. An employer can pay anything at or above this minimum at their discretion. To ensure current Minimum Wage compliance is being met check the Ministry of Business, Innovation and Employment's website www.employment.govt.nz/hours-and-wages/pay/minimum-wage/minimum-wage-rates/.

<sup>&</sup>lt;sup>6</sup> If the internship falls over a Company Annual Closedown period (e.g. Christmas) where all employees are required to take leave, the following clause must be included: The Employer may closedown all or part of its operations regularly once a year and require the Employee to take leave during the period of the close down, even where this requires the Employee to take leave for which they are not fully reimbursed. The Employer shall provide the Employee with at least 14 days advance notice of the closedown.

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The employer's duties include:

- providing and maintaining a safe working environment for employees and others in the workplace
- providing and maintaining facilities for the welfare of the employee while at work
- providing all necessary training and instructions to employees
- making sure machinery and equipment is safe
- making sure working arrangements are not hazardous
- providing procedures to deal with work emergencies
- making sure health and safety employee engagement and participation processes are in place
- consulting and cooperating with other businesses operating in the same workplace(s) to keep everyone safe and healthy.

The employee will follow the employer's health and safety rules and procedures. The employee will take reasonable care to look after their own health and safety at work, their fitness for work, and the health and safety of others.

Examples of how the employee can take reasonable care include:

- following all reasonable health and safety rules and instructions
- participating in health and safety discussions
- exercising their right to refuse to do unsafe work
- taking reasonable care that their actions (or inactions) do not cause harm, or risk of harm, to themselves or others
- not reporting for duty under the influence of alcohol or drugs that impair their performance or fitness for work
- wearing all necessary personal protective equipment and clothing.

The employee must report any potential risks, incidents and near misses so the employer can investigate, and eliminate or minimise harm or risk of harm.

Failure to follow reasonable health and safety rules may be considered serious misconduct.

# **10 Other Employment Obligations**

#### **10.1 Confidential Information**

The Employee shall not, whether during the currency of this agreement or after its termination for whatever reason, use, disclose or distribute to any person or entity, otherwise than as necessary for the proper performance of their duties and responsibilities under this agreement, or as required by law, any confidential information, messages, data or trade secrets acquired by the Employee in the course of performing their services under this agreement. This includes, but is not limited to, information about the Employer's business.

# **10.2 Copyright and other Intellectual Property**

All work produced for the Employer by the Employee under this agreement or otherwise and the right to the copyright and all other intellectual property in all such work is to be the sole property of the Employer.

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#### **10.3 Conflicts of Interest**

The Employee agrees that there are no contracts, restrictions or other matters which would interfere with their ability to discharge their obligations under this agreement. If, while performing their duties and responsibilities under this agreement, the Employee becomes aware of any potential or actual conflict between their interests and those of the Employer, then the Employee shall immediately inform the Employer. Where the Employee forms the view that such a conflict does or could exist, it may direct the Employee to take action(s) to resolve that conflict, and the Employee shall comply with that instruction. When acting in their capacity as Employee, the Employee shall not, either directly or indirectly, receive or accept for their own benefit or the benefit of any person or entity other than the Employer any gratuity, emolument, or payment of any kind from any person having or intending to have any business with the Employer.

#### 10.4 Use of Internet and Email

The Employee will have access to email and the Internet in the course of their employment. The Employee shall ensure that at all times their use of the email and Internet facilities at work meets the ethical and social standards of the workplace. Whilst a reasonable level of personal use is acceptable to the Employer, this must not interfere with the Employee's employment duties or obligations and must not be illegal or contrary to the interests of the Employer. The Employee shall also comply with all email and Internet policies issued by the Employer from time to time.

#### **10.5 Privacy Obligations**

The Employer and the Employee shall comply with the obligations set out in the Privacy Act 1993. The Employee must not breach the privacy of any customer or client in the course of their employment.

#### **11 Restructuring and Redundancy**

#### 11.1 Employer to use redundancy clause process in restructuring situations

In the event that all or part of the work undertaken by the employee will be affected by the employer entering into an arrangement whereby a new employer will undertake the work currently undertaken by the employee, the employer will use the process outlined in the redundancy clause below.

# 11.2 Employer to provide employee opportunity to discuss options with new employer in restructuring situations

The employer will negotiate with the new employer, including whether the affected employees will transfer to the new employer on the same terms and conditions, and will provide the employee with opportunities to meet and discuss their employment options with a new employer.

# 11.3 Employer to activate redundancy provisions if employee not transferred to the new employer

Where the employee either chooses not to transfer to the new employer, or is not offered employment by the new employer, the employer will activate the redundancy provisions of this agreement.

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#### **11.4 Definition of Redundancy**

Redundancy is a situation where the position of employment of an employee is or will become surplus to the requirements of the Employer's business.

#### 11.5 Notice of Termination due to redundancy

In the event the Employee's employment is to be terminated by reason of redundancy, the Employee shall be provided with **Period of** notice in writing. This notice is in substitution for and not in addition to the notice set out in the general termination clause.

#### **11.6 No Redundancy Compensation Payable**

In the event the Employee's employment is terminated on the basis of redundancy, the Employee shall be entitled to notice of termination of employment as specified in the termination clause, but shall not be entitled to any additional payment, whether by way of redundancy compensation or otherwise.

#### **12 Termination of Employment**

#### **12.1 General Termination**

The Employer may terminate this agreement for cause, by providing **insert period** notice in writing to the Employee. Likewise the Employee is required to give **insert period** notice of resignation. The Employer may, at its discretion, pay remuneration in lieu of some or all of this notice period.

#### **12.2 Termination for Serious Misconduct**

Notwithstanding any other provision in this agreement, the Employer may terminate this agreement summarily and without notice for serious misconduct on the part of the Employee. Serious misconduct includes, but is not limited to:

- (i) theft;
- (ii) dishonesty;
- (iii) harassment of a work colleague or customer;
- (iv) serious or repeated failure to follow a reasonable instruction;
- (v) deliberate destruction of any property belonging to the Employer;
- (vi) actions which seriously damage the Employer's reputation.

#### **12.3 Termination on Medical Grounds**

In the event the Employee has been absent from work for **insert period** which should represent an extended break from employment because of illness, the Employer shall be entitled to require the Employee to undergo a medical examination by a registered medical practitioner nominated by the Employer, at the Employer's cost. In assessing the Employee's fitness for work, the Employer shall take into account any report provided as a result of that examination, and any other medical report provided by the Employee within a reasonable time-frame. If, in the reasonable opinion of the Employer, the Employee is incapable of the proper performance of their duties by reason of illness, the Employer may terminate this agreement by the provision of at least **insert period** notice.

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#### **12.4 Abandonment of Employment**

In the event the Employee has been absent from work for three consecutive working days without any notification to the Employer, and the Employer has made reasonable efforts to contact the Employee, this agreement shall automatically terminate on the expiry of the third day without the need for notice of termination of employment.

#### 12.5 Obligations of Employee on Termination

Upon the termination of this agreement for whatever reason, or at any other time if so requested by the Employer, the Employee shall immediately return to the Employer all information, material or property (including but not limited to computer disks, printouts, manuals, reports, letters, memos, plans, diagrams, security cards, keys, and laptop computers) either belonging to or the responsibility of the Employer and all copies of that material, which are in the Employee's possession or under their control.

#### **13 Resolving Employment Relationship Problems**

#### 13.1 Short Form

If any employment issues arise, those should be raised with the Employer as soon as possible so that they can be resolved. If the matter is not resolved either party can seek assistance from the Department of Labour's mediation service. If the issues are not resolved at mediation, they may be referred to the Employment Relations Authority. If the issue is a personal grievance, the Employee must present that grievance within 90 days of the event giving rise to the grievance, or after further time if allowed by the Employer or where the Employment Relations Authority grants an extension of time. If the employee's employment agreement contains a trial period clause, they may not raise a personal grievance on the grounds of unjustified dismissal. The employee may raise a personal grievance on other grounds as specified in sections 103(1)b-g of the Employment Relations Act, and in the trial period clause of this agreement.

#### 14 Acknowledgement of the Agreement

#### 14.1 Non Assignment by Employee

The Employee must personally perform the duties and responsibilities under this agreement and no subcontracting or assignment by the Employee is permissible.

#### **14.2 Entire Agreement**

Each party acknowledges that this agreement contains the whole and entire agreement between the parties as to the subject matter of this agreement.

#### 14.3 Employee Acknowledgment

The Employee acknowledges that:

(i) they have been advised of their right to take independent advice on the terms of this agreement

(ii) that they have been provided with a reasonable opportunity to take that advice

(iii) that they have read these terms of employment and understand these terms and their implications, and

(iv) that they agree to be bound by these terms of employment and the Employer's policies and procedures as implemented by the Employer from time to time.

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# **15 Declaration**

15.1 Declaration

I, Company Name, offer this employment agreement to Intern name.

Signed by:..... Date:.....

I, **Intern name**, declare that I have read and understand the conditions of employment detailed above and accept them fully. I have been advised of the right to seek independent advice in relation to this agreement, and have been allowed reasonable time to do so.

Signed by:..... Date:....

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