Form: Offer Letter to Prospective Employee

Description: This is a sample letter offering a job to an employee, to be signed and returned by the employee. It is intended to establish the “at-will” nature of the employee’s employment with the company.
Re: Terms of Employment

Dear [Name],

We are pleased to inform you that [Name of Company] (the “Company”) has decided to make you this offer of employment. This letter sets forth the terms of the offer which, if you accept, will govern your employment.

1. **Position; Duties.** Your position will be [position], reporting to the [position] of the Company. Your duties and responsibilities will be as designated by the Company, with an initial focus on (i) [duty] and (ii) [duty].

2. **Employment.** The employment term will begin on [date], and will consist of [full time employment] [part time employment of ___ hours a week].

3. **Compensation.** Your compensation will be $[salary], paid [every two weeks] consistent with the Company’s payroll practices. Your package will include participation in the health and other benefit plans of the Company pursuant to their terms as may be amended by the Company from time to time. You will be entitled to ___ weeks paid vacation (equivalent of business days) for each year of full employment. Unused vacation time should be taken and may not be carried over into subsequent years.

4. **Stock Options.** Subject to approval of our Board of Directors, we expect you will be granted [number] options to acquire ___ shares of the Company’s Common Stock, vesting over a [four (4)] year term with one (1) year cliff vesting for 1/4th of the options. The options are expected to be granted at a strike price of $___ per share. The terms and conditions of your stock options are contained in a Stock Option Agreement of today’s date and must be executed by you and returned to us immediately.

5. **Employment at Will.** Our employment relationship is terminable at will, which means that either you or the Company may terminate your employment at any time, and for any reason or for no reason. Our at will agreement can only be modified by a writing signed by both you and the CEO of the Company.

6. **Confidentiality and Invention Assignment Agreement.** You will be subject to the Company’s Confidentiality and Invention Assignment Agreement, which is enclosed with this letter and must be signed and returned by you before any employment relationship will be effective.

7. **Certain Acts.** During employment with the Company, you will not do anything to compete with the Company’s present or contemplated business. You will not engage in any conduct or enter into any agreement that conflicts with your duties or obligations to the Company. You will not during your employment or within one (1) year after it ends, directly or indirectly solicit any employee, agent, or independent contractor to terminate his or her relationship with the Company.

8. **Representations.** You represent that you are aware of no obligations legal or otherwise, inconsistent with the terms of this Agreement or with your undertaking employment with the Company. You will not disclose to the Company, or use, or induce the Company to use, any
proprietary information or trade secrets of others. You represent that you have returned all proprietary and confidential information belonging to all prior employers. You also represent and warrant that all information provided to the Company (including any information in your resume and any Employment Application) is true, correct, and complete.

9. **Arbitration.**

a) Disputes can arise even in the best of relationships. Rather than fighting it out in court, both you and the Company agree that any controversy, claim, or dispute arising out of or relating to this Agreement or the employment relationship or your compensation, either during the existence of the employment relationship or afterwards, between the parties hereto, shall be settled solely and exclusively by confidential binding arbitration in the city in which you work.

b) Such arbitration shall be conducted in accordance with the JAMS Employment Rules & Procedures (which can be reviewed at http://www.jamsadr.com/rules-employment-arbitration) in existence at the time of the commencement of the arbitration, with the following exceptions if in conflict: The Company will pay the arbitration filing fees and the arbitrator’s fees; one arbitrator shall be appointed by JAMS; and arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS’ rules and regulations) of the proceedings has been given to such party.

c) The parties agree to abide by all decisions and awards rendered in such proceedings.

d) You and the Company agree that any claim for breach of this Agreement and any claim regarding or related to your employment, including disputes regarding compensation, discrimination, wrongful termination, harassment, and any and all other conflicts or claims will be resolved solely and exclusively by confidential final and binding arbitration on an individual basis only, and not on a class, collective, or private attorney general representative basis on behalf of other employees, to the extent not prohibited by applicable law.

e) We both agree to waive any rights to a jury trial or a bench trial in connection with the resolution of any dispute under this Agreement (although both of us may seek interim emergency relief from a court to prevent irreparable harm pending the conclusion of any arbitration).

f) This Section 9 arbitration provisions shall not apply to the following matters: (1) claims for workers’ compensation; (2) claims for unemployment compensation benefits; (3) claims or charges before an administrative agency having jurisdiction over the matter; or (4) claims that are forbidden to be arbitrated as a matter of law.

g) Any dispute or claim concerning the scope or enforceability of the arbitrations provisions of this Section 9 shall be determined exclusively by an arbitrator pursuant to the procedures set forth above.

h) The arbitrator shall have the power to award all relief available in law or equity requested by the parties and supported by credible, relevant, and admissible evidence.

i) Arbitration is not a mandatory condition of your employment. If you wish to opt out of the arbitration provisions of this Section 9, you must notify the Company by email to
stating your decision to opt out, within 10 days of your signing this Agreement.

10. **Miscellaneous.** Upon your acceptance, this letter will contain the entire agreement and understanding between you and the Company and supersedes any prior or contemporaneous agreements, understandings, term sheets, communications, offers, representations, warranties, or commitments by or on behalf of the Company (oral or written). The terms of your employment may in the future be amended, but only by writing and which is signed by both you and, on behalf of the Company, by a duly authorized executive officer, provided, however, that you agree to comply with the provisions of the Company’s Employee Handbook, as may be amended or adapted by the Company from time to time. In making this offer, we are relying on the information you have provided us about your background and experience, including any information provided us in any Employment Application that you may have submitted to us. The language in this letter will be construed as to its fair meaning and not strictly for or against either of us. If any provision of this Agreement is held invalid, in whole or in part, such invalidity will not affect the remainder of such provision or the remaining provisions of this Agreement. This Agreement is governed by [State] law (without regard to conflicts of law principles) and the Federal Arbitration Act (FAA), but in case of a conflict the FAA controls.

If these terms are acceptable, please sign in the space provided below and return this letter to us. Again, we’re very excited to have you join the Company.

Yours truly,

[Name]

[Title]

**IMPORTANT**

I agree that I have been given a reasonable opportunity to read this Agreement carefully. I have not been promised anything that is not described in this Agreement. The Company encourages me to discuss the Agreement with my legal advisor. I have read this Agreement, understand it, and I am signing it voluntarily. By signing the Agreements, I understand that the parties are agreeing to arbitration for any disputes as set forth above.

Agreed and Accepted:

[Name]