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Letter outlining incentive scheme — bonus/shares

Description: This is a precedent letter to an employee setting out an incentive scheme for a bonus or shares in the employee company.

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Letter outlining in

[Advice should be sought in relation to in
to share schemes, as the Corporation
Exchange Listing Rules, impose conditio
also be sought]

[insert date]

[insert employee's or contractor's/consult

[insert address]

Dear [insert name],

I am pleased to inform you that you will
name of employer/principal] (**Company**)

1. Your targets

Your targets for the Company's fina
date] are as follows:

Quarter	Personal targ
1st quarter	Sales of [inse
2nd quarter	Sales of [inse
3rd quarter	Sales of [inse
4th quarter	Sales of [inse

In relation to the above, **sales** mea
sales made by you. **Profit** means t

2. Your entitlement

If your targets are achieved, you w

Quarter	Incentive
1st quarter	[Bonus of 5%
2nd quarter	[Bonus of 5%
3rd quarter	[Bonus of 5%
4th quarter	[Bonus of 5%

[In relation to the above, **total rem**
superannuation and other benefits

Company means an ordinary shar

3. Review date and payment

Your performance will be reviewed
your quarterly target has been wh
of the end of each quarter. / If yo
issued within 60 days of the end of

4. Termination

In the event that your [employem
Review Date, you will not be entitl
you after the last Review Date. Fo
rata amounts. [Despite the termina
to hold shares in the Company.]

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5. No precedent

This incentive scheme does not establish any precedent for any subsequent years.

6. Variation

This incentive scheme may be varied in the future.

Please return a signed copy of the attached letter to the following address:

Yours faithfully

[insert name of employer's/principal's representative]

I, [insert name of employee/principal], acknowledge and agree to the terms of the incentive scheme outlined in this letter.

Signed _____

Dated: _____

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