Employment Agreement

by Documatica Legal Forms Inc.

Between:

Red River Farming Co. of 1938 Prairie Ave., Saskaton, Saskatchewan (the 'Employer')

- and -

Richard Wallace Smith of 295 Em 9t., Regina, Saskatchewan

(the 'Employee')

THIS EMPLOYMENT AGRICULTY (the 'Agreement') is hereby executed this 17th day of July, 2006.

Background:

- 1. The Employer is a lawfully established business, duly incorporated and operating under the laws of the province of Saskatchewan.
- 2. It is the belief of the Employer that the Employee possesses those skills, qualifications and abilities necessary to contribute to and further the aims of the Employer's business.
- 3. Both the Employee and Employer accept the terms and conditions set forth within this Agreement.

IN CONSIDERATION OF the mutual benefits and responsibilities specified in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, both parties to this Agreement agree as follows:

Commencement Date and Term:

- 4. The Employee will commence full-time employment with the Employer on July 17th, 2006 (the 'Commencement Date').
- 5. There will be a mandatory probation period of three months (the 'Probationary Period') which shall commence July 17th, 2006. At any time during the Probationary Period, the Employer will have the right to terminate the Employee without notice. In such event, the only compensation the Employee will receive will be for wages owed for hours of work completed prior to termination.
- 6. Notwithstanding termination during the Propationary Period or as otherwise provided in this Agreement, the Employee is employed for an indefinite term. The Employer and the Employee recognize that certain conditions set out in this Agreement will survive past termination of employment.

Position and Duties:

- 7. The Employer agrees to employ the Employee as a Farm Equipment Engineer and the Employee agrees to be employed subject to the terms and conditions set forth in this Agreement.
- 8. The Employee shall carry out any and all lawful and legitimate duties assigned by the Employer. Such duties may include, but are not limited to, duties performed by one in such a position, employed by a business or organization similar to that of the Employer.
- The Employee will perform his or her duties in a careful and prudent manner, conducting him or herself at all times so as to maintain and improve the reputation and interests of the Employer.
- 10. The Employee agrees to truthfully make and maintain such reports as the Employer may reasonably require. Additionally, the Employee agrees to make available to the Employer any and all information derived from his or her employment, which will be of a benefit to the Employer.
- 11. The Employee agrees to adhere to the Employer's policies, rules and practices. These may include, but are not limited to, such issues as work schedules, sick leave, leaves of absence, and vacation time. Furthermore,

it is acknowledged that these policies may be modified from time to time as dictated by the Employer's business needs. In such an event, reasonable notice will be given to the Employee in compliance with this Agreement.

Inability to Contract for Employer:

12. The Employee will not have the right to contract for, or on behalf of, the Employer without first obtaining the Employer's written consent. This condition will trump any contradictory clause contained within this Agreement.

Employee Compensation:

- 13. In consideration of the Employee's duties as outlined within this Agreement, the Employer will pay the Employee at a rate of 25.00 dollars per hour. This compensation will be payable twice a month on the 14th and on the last day of each month while this Agreement is in force. The Employee recognizes that the Employer may be required by the laws of the province of Saskatchawak to deduct any applicable fees or remittances from the Employee's compensation.
- 14. The Employee accepts that the compensation as set forth in this Agreement will be the sole monetary compensation provided by the Employer as consideration and compensation for services, duties and obligations performed by the Employee as outlined in this Agreement.
- 15. The Employee understands and agrees that any additional compensation, through bonus payments or otherwise, is entirely at the Employer's discretion. The Employee will not hold any right to additional compensation by reason of the Employee's employment pursuant to this Agreement.
- 16. Necessary travel expenses incurred by the Employee for employmentrelated travel will be fully reimbursed by the Employer.
- 17. The parties agree that the Employee will be permitted a reasonable degree of flexibility with respect to work hours. Both Employer and Employee agree that if the Employee works extra time in a day or week, for the extra time worked, the Employee will be paid at the rate of 1.5 (one and a half)

times the Employee's normal compensation.

18. All funds in the Employee's possession belonging to the Employer shall be delivered or transmitted daily to the Employer's designated bank account or to the Employer's designated manager, unless the Employee is otherwise directed in writing or by direct communication from his or her immediate supervisor.

Employee Benefits:

- 19. The only additional benefits to which the Employee will be entitled are those currently in place, as reflected in current revisions of the Employer's booklets and manuals.
- 20. Benefits received by the Employee are at the sole discretion of the Employer, and may be changed by providing 60 days written notice of the changes to the Employee. The Employee will not be compensated should such changes occur.

Duty to Devote Full Time

21. The Employee agrees to devote his best efforts full-time to the performance of his duties as an Employee of the Employer.

This sample represents only part of a completed document.

The remainder of the document has been intentionally omitted.