

Full-Time Employment Contract

Template for reference only. Legal advice is recommended before signing.

FULL-TIME EMPLOYMENT CONTRACT

This Contract of Employment ("this Contract") is made on the _____ day of _____ 20_____

BETWEEN

No. _____) of _____ (SSM Registration

_____ (hereinafter
referred to as "**the Employer**") of the one part;

AND

No. _____) of _____ (NRIC

_____ (hereinafter
referred to as "**the Employee**") of the other part.

WHEREAS the Employer wishes to engage the Employee on the terms and conditions set out in this Contract, subject to the Employment Act 1955 (Act 265) and all applicable laws, regulations, policies and directives of Malaysia.

IT IS HEREBY AGREED as follows:

1. Appointment and Commencement

- (a) The Employer hereby appoints the Employee in the position of _____, reporting to _____.
- (b) This Contract shall commence on _____ and shall continue until terminated in accordance with the terms set out herein.
- (c) The primary place of work shall be _____, provided that the Employer may reasonably require the Employee to work at any other location within Malaysia.

2. Probationary Period

- (a) The Employee shall serve a probationary period of _____ months from the commencement date (recommended: three (3) to six (6) months).
- (b) During probation, either party may terminate this Contract by giving _____ days' written notice (recommended: fourteen (14) days) or payment in lieu thereof.
- (c) All statutory rights and contributions apply from the first day of probation.

3. Duties

- (a) The Employee shall diligently, faithfully and competently perform the duties assigned to the position and any other duties reasonably required by the Employer.

- (b) The Employee shall comply with all lawful instructions, the Employer's policies and procedures, and all applicable laws of Malaysia.
- (c) The Employee shall devote his/her full working time to the Employer and shall not, without the Employer's prior written consent, engage in any other employment or business during the term of this Contract.

4. Remuneration

- (a) The Employer shall pay the Employee a basic monthly wage of **RM** _____ (Ringgit Malaysia _____ only), which shall not be less than the prevailing statutory minimum wage (RM1,700 per month as at April 2026).
- (b) Wages shall be paid by bank transfer to the Employee's designated bank account not later than the seventh (7th) day of the following month, in accordance with section 19 of the Employment Act 1955.
- (c) No deductions shall be made from the Employee's wages except as permitted under section 24 of the Employment Act 1955.
- (d) The Employee shall be entitled to the following allowances (if any):
_____.

5. Working Hours

- (a) The Employee shall work _____ hours per week, not exceeding forty-five (45) hours per week and eight (8) hours per day as prescribed under section 60A of the Employment Act 1955 (as amended in 2022).
- (b) Working days: _____ (state days of week).
- (c) Rest day: not less than one (1) day per week, pursuant to section 59 of the Employment Act 1955.

6. Overtime

Where the Employee, at the request of the Employer, works beyond the normal hours of work, overtime shall be paid at the following rates pursuant to sections 60A, 60 and 60D of the Employment Act 1955:

- (a) On a normal working day: not less than **one and a half times (1.5×)** the hourly rate of pay;
- (b) On a rest day: not less than **two times (2.0×)** the hourly rate of pay;
- (c) On a public holiday: not less than **three times (3.0×)** the hourly rate of pay.

7. Public Holidays

The Employee shall be entitled to not less than eleven (11) gazetted paid public holidays per year, which shall include the five (5) mandatory national public holidays prescribed under the First Schedule of the Holidays Act 1951.

8. Annual Leave

The Employee shall be entitled to paid annual leave in accordance with section 60E of the Employment Act 1955:

- (a) Less than two (2) years' service: **8 days**;
- (b) Two (2) years or more but less than five (5) years: **12 days**;
- (c) Five (5) years or more: **16 days**.

Unutilised annual leave shall be paid on termination, except where termination is due to misconduct.

9. Sick Leave

Pursuant to section 60F of the Employment Act 1955, the Employee shall be entitled to paid sick leave certified by a registered medical practitioner:

- (a) Less than two (2) years' service: **14 days**;
- (b) Two (2) years or more but less than five (5) years: **18 days**;
- (c) Five (5) years or more: **22 days**;
- (d) Hospitalisation leave: up to **60 days** per year (inclusive of sick leave).

10. Maternity and Paternity Leave

- (a) Female Employee: **98 days** paid maternity leave per confinement, pursuant to section 37 of the Employment Act 1955 (as amended in 2022).
- (b) Male Employee: **7 days** paid paternity leave per confinement (up to five (5) confinements), provided the Employee has served not less than twelve (12) months and is legally married to the mother, pursuant to section 60FA of the Employment Act 1955.

11. Flexible Working Arrangement

The Employee may apply in writing for a flexible working arrangement pursuant to section 60P of the Employment Act 1955. The Employer shall respond in writing within sixty (60) days.

12. Statutory Contributions

- (a) **EPF (Employees Provident Fund)** – Employer contribution: 13% (if monthly wage ≤ RM5,000) or 12% (if > RM5,000); Employee contribution: 11%. Pursuant to the Employees Provident Fund Act 1991.
- (b) **SOCSSO (PERKESO)** – Employer and Employee contributions per the PERKESO contribution schedule. Wage ceiling: RM6,000 per month. Pursuant to the Employees' Social Security Act 1969.
- (c) **EIS (Employment Insurance System)** – Employer 0.2% + Employee 0.2%. Wage ceiling: RM6,000 per month. Pursuant to the Employment Insurance System Act 2017.
- (d) **Monthly Tax Deduction (PCB)** – per LHDN Schedule.

All contributions shall be paid by the fifteenth (15th) day of the following month.

13. Confidentiality

The Employee shall not, during the term of this Contract or for a period of _____ months after its termination, disclose or use any confidential information including trade secrets,

recipes, customer lists, supplier terms, financial information or business strategies of the Employer.

14. Intellectual Property

All recipes, processes, training materials, software, designs and work products created by the Employee in the course of employment shall be the sole property of the Employer.

15. Non-Competition (Optional)

The Employee agrees not to engage, directly or indirectly, in any competing business within _____ kilometres of the Employer's premises for a period of _____ months after termination. (Note: Enforceability is limited if the scope is excessive.)

16. Termination

- (a) **Notice of termination.** Either party may terminate this Contract by giving the following written notice pursuant to section 12 of the Employment Act 1955:
- (i) Less than two (2) years' service: 4 weeks;
 - (ii) Two (2) years or more but less than five (5) years: 6 weeks;
 - (iii) Five (5) years or more: 8 weeks.
- (b) **Payment in lieu of notice.** Either party may, in lieu of giving notice under clause 16(a), pay to the other party wages equivalent to the notice period.
- (c) **Summary dismissal for misconduct.** The Employer may dismiss the Employee without notice on the ground of misconduct inconsistent with the fulfilment of the express or implied conditions of service, provided that a **due inquiry** is conducted pursuant to section 14(1) of the Employment Act 1955. The Employer may suspend the Employee for a maximum of two (2) weeks pending inquiry, with payment of not less than half ($\frac{1}{2}$) of the Employee's wages during the suspension.
- (d) **Termination benefits.** Termination benefits shall be paid in accordance with the Employment (Termination and Lay-Off Benefits) Regulations 1980 where applicable.

17. Stamp Duty (Effective 2026)

This Contract shall be stamped at the Lembaga Hasil Dalam Negeri (LHDN) within thirty (30) days of execution. Stamp duty: RM10.00 for the original and RM10.00 for each duplicate. Stamp duty shall be borne by the Employer.

18. Governing Law and Jurisdiction

- (a) This Contract shall be governed by and construed in accordance with the laws of Malaysia.
- (b) Any dispute arising out of or in connection with this Contract shall first be referred to the Director General of Labour (JTKSM) or the Director General of Industrial Relations (JPPK) for conciliation, failing which, to the Industrial Court of Malaysia.

19. Entire Agreement and Amendment

- (a) This Contract constitutes the entire agreement between the parties and supersedes all prior negotiations, representations or agreements.

(b) Any amendment shall be in writing and signed by both parties.

20. Interpretation and Language

In the event of any conflict between the English text and any translation of this Contract, the English text shall prevail.

IN WITNESS WHEREOF the parties have signed this Contract on the day and year first written above.

SIGNED by the Employer

SIGNED by the Employee

Name: _____
Designation: _____
Date: _____

Name: _____
NRIC No.: _____
Date: _____

WITNESS (for Employer)

WITNESS (for Employee)

Name: _____
NRIC: _____
Date: _____

Name: _____
NRIC: _____
Date: _____