The Act respecting labour standards allows employees who receive gratuities or tips to freely and voluntarily establish a tip-sharing arrangement. This model tip-sharing arrangement can be used to create a tip-sharing arrangement in the establishment where you work. It allows you to clearly record the terms of the arrangement and the conditions of its application.

This arrangement only applies if the majority (50% plus 1) of the employees who receive gratuities or tips at the establishment consent to it and sign it.
TIP-SHARING ARRANGEMENT

At the time of the signature of this arrangement, our employer, ___________________________ Name and address of establishment

_______________________________, had ______________ employees who receive gratuities or tips.
Number of employees

We, the undersigned employees of ___________________________ Name and address of establishment

_______________________________, who receive gratuities or tips freely and voluntarily consent to the following tip-sharing arrangement:

1. Every ___________________________, each employee shall pay a share equal to:
   Frequency: day, week or pay period
   Choose one of the following options:
   • ______ % of the tips received from customers directly, by credit or debit card or charged on the bill as a service charge;
     Indicate %
   • any other manner freely chosen by the employees affected by this tip-sharing arrangement: ___________________________ Clearly explain the method

2. The share mentioned in section 1 shall be remitted to ___________________________ Name and position of designated person

   who is in charge of dividing it up in the manner determined in section 3.

3. Every ___________________________, the combined shares shall be divided as follows:
   Frequency: day, week or pay period

   • ______ % to __________________________________ Person’s position (e.g., busboy)
   • ______ % to __________________________________
   • ______ % to __________________________________
   • ______ % to __________________________________
   • ______ % to __________________________________

4. This arrangement shall remain in effect for a period of ___________________________, effective from the date of its signature.

Period

5. This arrangement applies to every new employee who receives gratuities or tips and who enters into our employer’s service while it is in effect.

6. The signatories agree to abide by this arrangement for its entire duration. At any time, by free and voluntary consent, the signatories may change, cancel or replace this arrangement.

Signed in ___________________________ on ___________________________ City Date
EXPLANATORY NOTES

1. Only employees who receive gratuities or tips may be signatories of a tip-sharing arrangement. "Employee who receives gratuities or tips" means an employee who usually receives tips and who works:
   - in an establishment that offers lodging to tourists in return for payment, including a campground
   - in a place where alcoholic beverages are sold for consumption on the premises
   - for a business that sells, delivers or serves meals to be eaten off the premises or
   - in a restaurant, unless it is a place where the main activity consists of the provision of food services to customers who order or choose the items at a service counter and who pay before eating.

2. Tips paid directly or indirectly by a customer belong to the employee who rendered the service. The employee may however share them with other employees.

3. The word "tip" includes service charges added to the customer’s bill, but does not include administration fees added to the bill.

4. A tip-sharing arrangement may only result from the free and voluntary consent of the employees who are entitled to the tips. It applies only if the majority of the employees who receive gratuities or tips at the establishment agree to it.

5. The employer cannot oblige employees to share tips or intervene in any way in the establishment of a tip-sharing arrangement.

6. In a tip-sharing arrangement, the employer may be the person designated by the employees to collect and redistribute each employee’s share under the conditions stipulated in the arrangement, but the employer is not obliged to accept this role.

7. For the entire duration of the arrangement, it must apply to every new employee in the employer’s service who receives gratuities or tips. In this sense, the tip-sharing may become a condition of hiring.

Signed in ____________________________ on ____________________________
City ____________________________ Date ____________________________